WHERE YOU WANT TO BE®

November 18, 2020

To

The BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 051

The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Fort, Mumbai – 400 001

Scrip Code: BSE – 532355, NSE- PVP

Dear Sir/Madam,

Sub: 29th Annual report for the financial year 2019-20.

Ref: Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the subject cited and pursuant to Regulation 34 (1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed 29th Annual Report for the financial year 2019-20.

The above documents are also available on the website of the Company i.e. www.pvpglobal.com.

Kindly take the above information on records.

Thanking You.
Yours faithfully,
For PVP Ventures Limited

For

Ramyanka Yadav K
Company Secretary & Compliance Officer

Enclosed: a/a

PVP Ventures Ltd.
Corp. Office: Plot No. 83 & 84 4th Floor Punnaiah Plaza Road No. 2 Banjara Hills Hyderabad - 500 034 T: +91 40 6730 9999 F: +91 40 6730 9988
Regd. Office: KRM Centre 9th Floor No. 2 Harrington Road Chetpet Chennai - 600 031 T: +91 44 3028 5570 F: +91 44 3028 5571
info@pvpglobal.com | pvpglobal.com

PVP Ventures Limited

CIN: L72300TN1991PLC020122

ANNUAL REPORT

2019-20

Contents

CHAIRMAN'S MESSAGE

Dear Shareholders,

In this time of crisis, I hope you and your family are safe. The recent crisis has pushed the boundaries of every individual and business to acknowledge the disruption and exhibit responsiveness at all levels. During these unusual times, your Company has faced the challenge of the pandemic by immediately mobilizing efforts to protect employees and our immediate communities. At this point, a new normal in day to day activities has been put in place to operationalize the activities in the Company. I take this opportunity to thank the teams for their adaptability and resilience. As we acknowledge that the pandemic has impacted the economic activity, we are also resolute in emerging stronger from this challenge.

Indian real estate industry has been witnessing challenging times with oversupply of inventory coupled with subdued demand across key micro markets in the country. COVID pandemic induced lockdown has further impacted the demand as well as funding for the projects.

Your company has continued to make progress in continuing to monetize the asset developed as "North Town". Further challenges owing to current crisis continue to impact the progress of the project marked by poor demand, stressed cash flows, and constrained supply of labor and material. Customer preference towards spacious good quality homes, to aid working from home, has been the only driver in aiding consumer demand in the segment.

With regards to the Indian Media and Entertainment industry, emerging consumption pattern of media amongst the Indian consumer has been key driver of growth of the industry. Demand for content has peaked with the deepening penetration of various OTT platforms aligned with the increasing data consumption across India. In line, Indian Film Industry has also continued to dominate as world leader in terms of the movies produced and tickets sold.

During the year, motion picture titled "Evaru", was released in Telugu, which received remarkable response from audiences and critiques alike. The film was a runaway hit at the box office and set a new benchmark for crime thriller genre. The group has also been actively pursuing opportunities by acquiring Telugu remake rights of other regional language films and is planning to release them after careful evaluation of the readiness of the distribution channels, to maximize revenues for the company.

Your company is poised at a pivotal point of time to consider various expansionary and strategic decisions in creating and developing strategic assets. These initiatives would propel the company into the leagues of other industry leaders.

Going forward, we expect the immediate economic conditions to present newer challenges and your company continues its cautious tread in evaluating opportunities in monetizing the remaining part of the assets in Chennai. Your company has also been reaching out to various stake holders to strategize maximize returns to the Company, at an appropriate time in the near future.

I would like to thank every one of you for your continued support during the year.

Best regards

Prasad V. Potluri
Chairman & Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Prasad V. Potluri	–	Chairman & Managing Director
Mr. N. S. Kumar	–	Independent Director
Mr. Sohrab Chinoy Kersasp	–	Independent Director
Mr. Nandakumar Subburaman	–	Independent Director (Additional Director w.e.f 07.11.2019)
Mrs. P J Bhavani	–	Woman Non-Executive Director and Non-Independent Director (Appointed as Additional Director w.e.f July 31, 2020)
Mrs. Sai Padma Potluri	–	Woman Executive Director (Resigned w.e.f June 01, 2020)

BOARD COMMITTEES

Audit Committee

Mr. N. S. Kumar	–	Chairman
Mr. Sohrab Chinoy Kersasp	–	Member
Mr. Prasad V. Potluri	–	Member

Stakeholders Relationship Committee

Mr. N. S. Kumar	–	Chairman
Mr. Sohrab Chinoy Kersasp	–	Member
Mr. Prasad V. Potluri	–	Member

Nomination and Remuneration Committee

Mr. N. S. Kumar	–	Chairman
Mr. Sohrab Chinoy Kersasp	–	Member
Mr. P J Bhavani	–	Member (Upto August 14, 2019 and appointed as Member from 31st July 2020)
Mrs. Sai Padma Potluri	–	(Appointed as member w.e.f August 14, 2019 upto August 31, 2020)
Mr. Nandakumar Subburaman	–	Member(w.e.f November 07, 2020 upto July 31,2020)

CSR Committee

Mr. N. S. Kumar	–	Chairman
Mr. Sohrab Chinoy Kersasp	–	Member
Mr. Prasad V. Potluri	–	Member

KEY MANAGERIAL PERSONNEL

Mr. Prasad V. Potluri	–	Chairman & Managing Director
Mr. D. Krishnamoorthy	–	(Chief Financial Officer & Company Secretary Upto January 31, 2020)
Mr. T N Madan	–	Chief Financial Officer (w.e.f February 12, 2020)
Mrs. K Ramyanka Yadav	–	Company Secretary (w.e.f July 31, 2020)

STATUTORY AUDITORS

M/s Brahmayya & Co.
Chartered Accountants
No:48, Masilamani Road,
Balaji Nagar, Royapettah,
Chennai - 600014.

BANKERS

Kotak Mahindra Bank Limited
HDFC Bank

REGISTERED OFFICE

KRM Centre, 9th Floor, Door No. 2
Harrington Road, Chetpet, Chennai 600 031
T +91 44 3028 5570, F +91 44 3028 5571
E investorrealtions@pvpglobal.com

CORPORATE OFFICE

4th Floor, Punnaiah Plaza, Plot No. 83 and 84,
Road No. 02, Banjara Hills, Hyderabad 500 034
T +91 40 6730 9999, F +91 40 6730 9988

STOCK EXCHANGES WHERE COMPANY'S SECURITIES ARE LISTED

The BSE Limited
The National Stock Exchange of India Ltd.

REGISTRAR AND SHARE TRANSFER AGENTS

Kfin Technologies Private Ltd.
Selenium, Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032
T +91 40 6716 1591 E - einward.ris@kfintech.com

DEBENTURES TRUSTEES

Vistra ITCL (India) Limited (Formerly known as IL&FS Trust Company Limited)
The IL&FS Financial Center, Plot No. C–22, G Block, 7th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400051
T +91 22 2659 3535; F +91 22 2653 3297 E mumbai@vistra.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PVP VENTURES LIMITED(“COMPANY”) WILL BE HELD ON FRIDAY, DECEMBER 11, 2020 AT 10.00 THROUGH VIRTUAL CONFERENCE/OTHER AUDIO VIDEO MEDIA (OAVM) TO TRANASACT THE FOLLOWING BUSINESS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE REGISTERED OFFICE OF THE COMPANY SITUATED AT KRM CENTRE, 9TH FLOOR, DOOR NO.2, HARRINGTON ROAD, CHETPET, CHENNAI – 600 031 TAMIL NADU.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including consolidated financial statements) for the financial year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.

2. Appointment of Statutory Auditor.

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) M/s Sundaram & Srinivasan, Chartered Accountants, Chennai – 600 018 (Firm’s Registration No. 004207S), be and are hereby appointed as Statutory Auditors of the Company in place of M/s Brahmayya & Co., Chartered Accountants, Chennai (FRN: 000511S) to hold office for a period of five years, from the conclusion of the 29th Annual General Meeting to be held in December 2020 till the conclusion of the 34th Annual General Meeting of the Company to be held in the year 2025 on such remuneration as may be fixed by the Board of directors in consultation with them.”

“RESOLVED FURTHER THAT for the financial year 2020-2021 a remuneration of Rs. 10,00,000/- (Rupees Ten lakhs only) (exclusive of applicable taxes and out of pocket expenses and fees for certification work) as fixed by the Board of Directors be paid to the Auditors for conducting statutory audit, tax audit and limited review of quarterly results .”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby severally authorised to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution.”

Material facts pertaining to Appointment of Statutory Auditors.

Item No 2

In terms of Section 139 and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, made thereunder, consequent to resignation of present Statutory Auditors of the Company, M/s Brahmayya & Co., Chartered Accountants, Chennai (FRN: 000511S), vide their letter dated 20th October 2020, the proposal for appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai – 600 018 (Firm’s Registration No. 004207S) is placed before the members for their approval.

The Company is required to appoint another Statutory Auditor for a period of five years to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 34th Annual General Meeting. The Board of Directors at its meeting held on 6th November 2020 after considering the recommendations of the Audit Committee had recommended the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai – 600 018 (Firm’s Registration No.004207S), as the Statutory Auditors of the Company subject to the approval of the members.

The Audit Committee has recommended appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai based on its standing for 76 years.

The new auditors will hold office for a period of five consecutive years from the conclusion of the 29th Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors.

M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Act.

They have further confirmed that they are not disqualified to be appointed as the Statutory auditors in terms of the Act and the Rules made thereunder.

Pursuant to provisions of section 139 of the Act approval of the members is required for appointment of the Statutory auditors and fixing their remuneration by means of an ordinary resolution.

Accordingly, approval of the members is sought for appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai - 600 018 as the Statutory Auditors of the Company on a proposed fee of Rs. 10,00,000/- (Rupees Ten Lakh only) for the financial year ending 31st March 2021.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

SPECIAL BUSINESS:

3. **Appointment of Mr. Nandakumar Subburaman (DIN: 00611401) as an Independent Director of Company.**

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing obligations and disclosure requirements) Regulation, 2015 ("Listing Regulations), Mr. Nandakumar Subburaman (DIN: 00611401), who was appointed as an Additional Director on November 07, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years."

"RESOLVED FURTHER THAT Mr. Nandakumar Subburaman as an Independent Director shall not be liable for retirement by rotation during the tenure of his office**."**

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as it may deem necessary, desirable or expedient and to do all acts, deeds and things in connection therewith and incidental in order to give effect to this resolution**."**

4. **Appointment of Mrs. P J Bhavani (DIN: 08294839) as Non - Executive Non-Independent Director of Company.**

To consider and if thought fit, to pass with or without modification(s) the following resolutions as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and (Listing Regulations), Mrs. P J Bhavani (DIN: 08294839), who was appointed as an Additional Director on July 31,2020 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Non-Executive Non-Independent Director of the Company (Woman Director)."

"RESOLVED FURTHER THAT Mrs. P J Bhavani as a Director shall be liable for retirement by rotation during the tenure of her office."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as it may deem necessary, desirable or expedient and to do all acts, deeds and things in connection therewith and incidental in order to give effect to this resolution"

By order of the Board of Directors
FOR PVP VENTURES LIMITED

Sd/-
Prasad V. Potluri
Chairman & Managing Director

Place: Chennai
Date: November 06, 2020

NOTES

Notes for e-AGM Notice

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

   KFin Technologies Private Limited, *(earlier known as Karvy Fintech Private Limited)* ("KFin" or "KFintech") shall be providing facility for remote e-voting, facility for participation in the AGM through VC/OAVM and e-voting during the AGM. The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC/OAVM shall be allowed on a first-come-first-serve basis.

2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on resolution(s) by poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

3. Members attending the AGM through VC/OAVM will be reckoned for the purpose of quorum under Section 103 of the Act.

4. The members can join the e-AGM 15 Minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned below in instructions.

5. Upto 1000 members will be able join on a FIFO basis to the e-AGM.

6. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

7. The Register of Members and Share Transfer Books of the Company will remain closed from 7th December, 2020 to 11th December, 2020 (both days inclusive) for the purpose of Annual General Meeting.

8. Dispatch of Annual Report through electronic mode:

9. In accordance with the MCA General Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, in view of the prevailing situation and owing to the difficulties involved in dispatching physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the financial year ended 31st March, 2020 pursuant to Section 136 of the Act and Notice calling the Annual General Meeting pursuant to Section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/ Cameo Corporate Services Limited or the Depository Participant(s). The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member. A copy of the Notice of this AGM along with Annual Report for the Financial Year 2019-2020 is available on the website of the Company at www.pvpglobal.com, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited, at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com and on the website of KFin Technologies Private Limited at https://evoting.kfintech.com/

10. Members are requested to register/update their email addresses for receiving all communications (including Annual Report) from the Company electronically:

    a) Members holding shares in physical form and who have not registered / updated their email addresses with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at investorrelations@pvpglobal.com or to einward.ris@kfintech.com

    b) Members holding shares in dematerialised form are requested to register / update their email addresses with the relevant Depository Participant.

11. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.

12. In accordance with the proviso to Regulation 40(1) of the SEBI Listing Regulations, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.

Instructions for the Members for attending the e-AGM through Video Conference:

1. **Attending e-AGM Video conference:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by M/s KFin Technologies Private Limited. Members may access the same at https://evoting.kfintech.com/"and click on the **"video conference"** and access the shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected.

2. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.

3. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

4. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

6. **AGM Questions prior to e-AGM:** Shareholders who would like to express their views/ask questions during the meeting may log into https://evoting.kfintech.com/and click on **"Post your Questions"** may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. Please note that, members questions will be answered only, the shareholder continue to hold the shares as of cut-off date benpos. The post the question shall commence on December 4, 2020 9.00 A.M (1ST) and closed on December 7, 2020 at 5.00 P.M.

7. **Speaker Registration:** Log into https://evoting.kfintech.com/ and click on **"Speaker Registration"** by mentioning the demat account number/folio number, city, email id, mobile number and submit. The Speaker registration shall commence on December 4, 2020 9.00 A.M (1ST) and closed on December 7, 2020 at 5.00 P.M.

I**nstructions for members for e-Voting during the e-AGM session:**

1. The e-Voting **"Thumb sign"** on the left hand corner of the video screen shall be activated upon instructions of the chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the **"instapoll"** page

2. Members to click on the **"Instapoll"** icon to reach the resolution page and follow the instructions to vote on the resolutions.

3. Only those shareholders, who are present in the e-AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the e-AGM.

Remote Voting through electronic means

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the Listing Regulations, the Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **4th December, 2020**, being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFin Technologies Private Limited or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The details of the process and manner for remote e-voting are given below:

i. Initial password is provided in the body of the email.

ii. Launch internet browser and type the URL: https://evoting.kfintech.com/ in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin Technologies Private Limited for e-voting, you can use your existing User ID and password for casting your votes.

iv. After entering the details appropriately, click on LOGIN.

v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT ***i.e. PVP Ventures Limited.***

viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at dhr300@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BAL_EVENT No.'

xii. Members can cast their vote online from ***December 7, 2020 09:00 A.M to December 10, 2020 05:00 P.M*** Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.

xiii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of https://evoting.kfintech.com/ or call KFin Technologies Private Limited on 1800 345 4001 (toll free).

GENERAL INFORMATION:

1. The Company's equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Banda Kurla Complex, Bandra (E), Mumbai – 400 051.

2. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at M/s. KFin Technologies Private Limited *(Formerly known as Karvy Fintech Private Limited)* Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032.

3. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investorrelations@pvpglobal.com

EXPLANATORY STATEMENT

(As required under Section 102 of the Act, the following explanatory statement sets out all material facts relating to business *mentioned under Item Nos. 3 and 4 of the accompanying Notice and should be read as forming part of the Notice)*

Item No. 3:

Mr. Nandakumar Subburaman (DIN: 00611401) was appointed by the Board of Directors as an Additional Director under the category of Non-Executive and Non-Independent Director w.e.f November 07, 2019. Further his directorship was changed from Non-Executive and Non-Independent Director to Independent Director, in terms of Sections 161 and 149 of the Companies Act 2013, with effect from January 30, 2020. In terms of the said Section, Mr. Nandakumar Subburaman shall hold office upto the date of the ensuing Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier.

Pursuant to the Companies (Amendment) Act, 2017, requirement of deposit of amount shall not apply in case of appointment of an Independent Director.

In the opinion of the Board, his presence on the Board of the Company will add value to the management.

Mr. Nandakumar Subburaman, 51 (Fifty One) years old and the Whole Time Director and CEO of Perfint Healthcare , a Robotic Medical Equipment Company, focused on Image Guided, Minimally Invasive Cancer care procedures. He is an alumnus of the Indian Institute of Management, Lucknow, India and of the Government college of Engineering, Tirunelveli, India.

Further, he has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed there under for appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Nandakumar Subburaman as an Independent Director is now been placed before the members for their approval.

A copy of the terms and conditions of appointment of the above Director is available for inspection at the registered office of the company during the business hours on any working days.

None of the Directors and Key Managerial Personnel as may be deemed to be concerned or interested in the resolution.

Item No 4:

Mrs. P J Bhavani (DIN: 08294839) was appointed as an Additional Director with effect from July 31, 2020 by Board on the recommendation of Nomination & Remuneration Committee, in terms of Sections 161 and 149 of the Companies Act 2013. In terms of the 161 and 149 of the Act, Mrs. P J Bhavani shall hold office upto the date of the ensuing Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier.

Pursuant to the Companies (Amendment) Act, 2017, requirement of deposit of amount shall not apply in case where Director is recommended by the Nomination and Remuneration Committee, constituted under sub-section (1) of section 178 of the Act.

Mrs. P J Bhavani was already a Director of the Company till August 14,2019 and she possesses requisite knowledge, experience and skill for the position of the directorship.

In compliance with the provisions of section 149 of the Act, the appointment of Mrs. P J Bhavani as Director is now been placed before the members for their approval.

A copy of the terms and conditions of appointment of the above Director is available for inspection at the registered office of the company during the business hours on any working days.

None of the Directors and Key Managerial Personnel as may be deemed to be concerned or interested in the resolution.

ANNEXURE TO ITEMS 3 and 4 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting
(Pursuant to Regulation 36 (3) of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	**Mr. Nandakumar Subburaman**	**Mrs. P J Bhavani**
DIN	00611401	08294839
Date of Birth	30-06-1969	05-07-1989
Nationality	Indian	Indian
Date of Appointment on the Board	07-11-2019 (Change in Designation to Independent Director w.e.f 30.01.2020)	31-07-2020
Qualifications	an alumnus of the Indian Institute of Management, Lucknow, India and of the Government college of Engineering, Tirunelveli, India.	B.Com., CA(Inter), CS(Inter)
Expertise in specific functional area	He is Whole Time Director &CEO of PerfintHealthtech Private Limited a Robotic Medical Equipment Company. He started his career in GE Healthcare and held various responsibilities in Supply Chain, Operations, Six Sigma and Finance. His experience spans multiple functions and industries.	Has six (6) years of experience in Auditing, Project/Revenue Management and Finance in Real Estate Sector. She associated with leading Audit firms in Chennai.
Number of shares held in the Company	Nil	1650
List of the directorships held in other companies	1. Perfint Healthcare Private Limited 2. Picturehouse Media Limited	1. Picturehouse Media Limited
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Nil	1.Picturehouse Media Limited
Relationship of Directors inter-se	Nil	Nil
*Committee memberships/Chairmanships includes only Audit Committee and Stake holders' Relationship Committee of other Public Limited Companies (whether Listed or not).		

By order of the Board of Directors
FOR PVP VENTURES LIMITED

Sd/-
Prasad V. Potluri
Chairman & Managing Director

Place : Chennai
Date : November 06, 2020

DIRECTORS' 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, 2020.

1. Financial Results

[RS. IN LAKHS]

PARTICULARS	STANDALONE		CONSOLIDATED	
	2019-20	2018-19	2019-20	2018-19
Total Income	2,928.50	3,080.49	4,452.19	3,727.76
Operational, Administration and Other Expenses	834.94	1,110.63	6,446.38	8097.30
Profit/(Loss) Before Depreciation Interest And Tax	**2,093.56**	**1,969.86**	**(1994.19)**	**(4,369.54)**
Depreciation	86.83	55.37	246.22	170.92
Interest and Finance Charges	2,918.04	2,486.11	6,912.06	5919.85
Profit / (Loss) Before Exceptional Items	**(911.31)**	**(571.62)**	**(9,152.47)**	**(10,460.31)**
Exceptional Items	-	(725.00)	(87.44)	1,168.25
Profit / (Loss) Before Tax	**(911.31)**	**153.38**	**(9,065.03)**	**(11,628.56)**
Tax Expense	270.05	-	270.45	3.20
Profit/ (Loss) after Tax	**(1,181.36)**	**153.38**	**(9,335.48)**	**(11,631.76)**
Other Comprehensive Income	2.24	5.84	7.36	13.28
Total Comprehensive Income	**(1,179.12)**	**159.22**	**(9,328.12)**	**(11,618.49)**
Basic and Diluted	(0.48)	0.06	(3.83)	(4.77)

2. State of the Company's Affairs

During the financial year 2019-20, the Company occurred loss in Standalone basis and losses on consolidated basis. The revenue from operations for the FY ended 31 March, 2020 on Standalone basis is Rs. 2900.45 Lakhs as compared to the previous year's total of Rs. 3,045.29 Lakhs.

3. Dividend

In view of the losses occurred in so many years 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, 2020.

4. Transfer to Reserves

The Board of Directors did not propose to transfer any amount to reserves for the period under review.

5. Capital Structure

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

6. Debentures

The total debentures outstanding as on the March 31, 2020 is 5000, 14.5% Redeemable fully convertible Debentures (FCD's) of Rs. 1,00,000/- each and the 1215, 18% Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCD's) of Rs.10,00,000 each.

7. 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.

8. Public Deposits

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

9. Insurance

All the properties of your Company have been adequately insured.

10. Related Party Transactions

In line with the requirements of the Companies Act, 2013 and erstwhile Listing Agreement and the current Listing Agreement signed with the stock exchanges pursuant to listing regulations, 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.

During the year under review, there were no Related Party Transactions. 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, 2020.

During the year, the Company had not entered into any contract / arrangement / transactions with Related Parties which could be considered as material in terms of Regulation 23 of the SEBI (LODR) Regulations, 2015. In accordance with Accounting Standard 18, the Related Party Transactions are disclosed under Note No. 45 of the Standalone Financial Statements.

11. Significant Orders and Matters:

During the financial year of the Company-

11.1 Due to the non-appointment of Woman Director until December 05, 2018, the NSE and BSE imposed Penalty amounting to Rs. 12,96,820 each for non-compliance with the SEBI (LODR) Regulation 17(1) and Regulation 19(1) & (2) respectively. Further, the shares of the Company were shifted to "Z" category ("BZ" series) (trading on trade for trade basis) w.e.f. February 26, 2019. The Company received Intimation letter from NSE & BSE Limited for Suspension of trading of Securities with effect from April 09, 2019 due to non-compliance in payment of fines.

11.2 With reference to Point Number 11.1, the Company has filed the application before SEBI, Securities Appellate Tribunal ("SAT"), Mumbai. The Tribunal directed the Stock Exchanges to file their reply to the memo of appeal with in three weeks timei.e March 30, 2020. Due to COVID – 19 lockdown, the matters listed before the Hon'ble SAT have been adjourned to November 05, 2020.

- The Company has made the payment of Rs. 11, 86,920/- (Under Protest) to National Stock Exchange India Limited ("NSE") on October 01, 2019 to protect interest of the Shareholders of the Company and the protection of whose interest is also regulatory mandate. Also the Company approached the NSE to revoke the suspension of trading of Securities.

  The NSE advised to close the Compliances at both recognized Stock Exchanges i.e BSE Limited, post the action the NSE can revoke the Suspension of trading.

- The Company received the Notice from BSE Limited for the Non Compliances under Regulation 19(1)(2) on the non Compliance of Constitution Nomination and Remuneration Committee and imposed fine to Rs. 1,13, 280/-.

11.3 The Company was inspected under section 206 of the Companies Act 2013 in Jan 2016 and we received letter dated 22.7.2017 from the Inspecting officer for violation of Sections 193 (1), 211, 209, 372 A of the Act, 1956 and Section 134 and 129 of the Act, 2013 respectively. The Registrar of Companies ("RoC") in letter dated 02.04.2019, intimated the Company that Ministry has sanctioned prosecution for the violations and advised for Compounding. Thus, the Company has filed the Compounding Applications under the provisions of Section 441 of the Companies Act, 22013 before The Regional Director (Southern Region), Ministry of Corporate Affairs, Chennai and paid Compounding fees.

11.4 The Company had received an order dated March 27, 2015 from Securities & Exchange Board of India ('SEBI'). An adjudicating officer of SEBI had imposed monetary penalty of Rs.15 lakhs each against PVP Ventures Limited ("Company") and Mr. Prasad V. Potluri, Chairman and Managing Director ("Mr. Prasad") (aggregating Rs. 30 lakhs) for alleged non-disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("SAST Regulations") and SEBI (Prohibition of Insider Trading) Regulations, 1992 ("PIT Regulations"). ("Non-Disclosure Order")

Further, the adjudicating officer of SEBI by an order dated March 27, 2015 imposed penalty of: i) Rs.15 crores each on PVP Global Ventures Private Limited ("Wholly-Owned Subsidiary") and Mr. Prasad (aggregating Rs. 30 crores) for alleged violation of PIT Regulations during period 2009-10 and ii) Rs. 15 lakhs each on the Wholly-Owned Subsidiary and Mr. Prasad for non-disclosures required under the SAST Regulations (aggregating Rs. 30 lakhs). ("Insider Order")

The Wholly-Owned Subsidiary, the Company and Mr. Prasad ("Appellants") challenged both the above orders before the Securities Appellate Tribunal ("SAT").

The SAT, by an order dated June 20, 2018 dismissed the appeal against and upheld the Non-Disclosure Order upholding the penalty of Rs. 30 lakhs.

In relation to the Insider Order, the SAT: i) set aside entirely the penalty of Rs. 15 lakhs each on the Wholly-Owned Subsidiary and Mr. Prasad; and ii) reduced the penalty of Rs. 15 crores against Mr. Prasad to Rs. 5 crores while upholding the penalty of Rs. 15 crores on the Wholly-Owned Subsidiary ("SATOrder"). Thus, the SAT Order reduced the aggregate penalty of Rs. 30 crores plus Rs. 30 lakhs to Rs. 20 crores.

The overall penalty as per the SAT Order is therefore Rs. 20 crores plus Rs. 30 lakhs.

The SAT, by another order dated July 6, 2018 stayed the operation of the SAT Order for a period of six weeks from July 6, 2018 subject to deposit of certain title deeds by the Appellants.

Thereby, PVP Global Ventures Pvt Ltd. on July 6, 2018, submitted the title deeds of lands admeasuring 53.08 acres of its wholly owned subsidiary Company i.e. Arete Real Estate Developers Private Limited and Expression Real Estate Developers Private Limited, underlying the Appeals in terms of the order passed by SAT for Rs. 20,30,00,000 for which the asset worth approximately Rs. 21,00,00,000 are being provided as security.

The Company has paid Rs. 21,79,082/- as on December 07, 2018 and requested to release all the Bank accounts and Demats Accounts. With respect to the Interest element, the Hon. Supreme Court in its order dt. 12th July 2019, has stayed the recovery of Interest on Penalty.

12. Material changes and commitments affecting financial position between the end of financial year and date of report- Nil.

13. Subsidiary Companies

The Company along with its subsidiaries is operating in the verticals of Urban Infrastructure, Media and Entertainment and retail customer services. As on March 31, 2020, the Company has 4 wholly-owned subsidiaries viz., PVP Corporate Parks Private Limited, PVP Global Ventures Private Limited, PVP Media Ventures Private Limited, Safetrunk Services Private Limited, besides 2 subsidiaries viz., New Cyberabad City Projects Private Limited, Picturehouse Media Limited and 4 stepdown subsidiaries viz., Adobe Realtors Private Limited, Arete real Estate developers Private Limited and Expression real Estate developers Private Limited, which is a wholly-owned subsidiary of PVP Global Ventures Private Limited and PVP Capital Limited, PVP Cinema Private Limited, which are wholly-owned subsidiaries of Picturehouse Media Limited. Further, as on March 31, 2020, the company did not have any Associate Companies.

The consolidated financial statements of the Company including its subsidiaries have been prepared in accordance with Section 129(3) and Section 133 of the Companies Act, 2013 read with the rules made thereunder and applicable Indian Accounting Standards (Ind AS) along with the Auditor's Report forms part of this Annual Report. 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. Hence, a separate report on the performance and financial position of each of the subsidiaries and joint venture companies is not repeated here for the sake of brevity.

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. These documents will also 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.

14. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report.

15. Corporate Governance

Your Company is committed towards maintaining high standards of Governance. The Report on Corporate Governance as stipulated under Schedule V of the Listing Regulations, Shareholders Information together with a Corporate Governance Compliance Certificate from Mr. PAP Murthy, Practicing Company Secretary confirming compliance, forms an integral part of this Report.

16. Board of Directors and Key Managerial Personnel

16.1 During the year, following appointments and Re-appointment's took place:

- Mr. Nandakumar Subburaman, was appointed as Additional Director under the Category of Non-Executive and Non-Independent Director on November 07, 2019. Further, his directorship was changed from Non-Executive Non-Independent Director to Non-Executive Independent Director with effect from January 30, 2020.
- Mrs. P J Bhavani was appointed as an Additional Director under the Category of Non-Executive and Non-Independent Director of the Company with effect from July 31, 2020.
- Mr. T N Madan, was appointed as Chief Financial Officer with effect from February 12,2020.
- Mrs. Ramyanka Yadav K was appointed as Company Secretary of the Company with effect from July 31, 2020.

Board of Directors recommends the above stated appointments of Directors and brief profile of them is given in the Explanatory statement and Corporate Governance report attached to this report.

16.2 Resignation:

- Mrs. Sai Padma Potluri, was appointed as an Additional Woman Director, on 14.08.2019 and the appointment has been confirmed by the Shareholders of the Company on their meeting held on September 27, 2019. She resigned from the Board of the Company with effect from June 01, 2020.
- Mr. D. Krishnamoorthy, Chief Financial Officer and Company Secretary of the Company resigned from the position with effect from January 31, 2020.

There is no other change in the Key Managerial Personnel except the above.

17. Training and familiarization programs and Annual Board Evaluation process

The details of training and familiarization programs and Annual Evaluation process of the Board, its Committees and of individual directors for directors have been provided in the Nomination, Remuneration & Performance Evaluation Policy annexed with this report.

The Independent Directors have submitted the declaration of independence, pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

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 as per Section 178(3) of the Companies Act, 2013 is hosted on the Company's website and the web link thereto is http://www.pvpglobal.com/pdf/PVP-N&RCommPolicy.pdf.

18. Compositions of Board Committees are specified as per the date of Director's report

Audit Committee	
Mr. N. S. Kumar	Chairman
Mr. Sohrab Chinoy Kersasp	Member
Mr. Prasad V. Potluri	Member

Nomination and Remuneration Committee	
Mr. N. S. Kumar	Chairman
Mr. Sohrab Chinoy Kersasp	Member
Mrs. P J Bhavani	Member

Stakeholders Relationship Committee	
Mr. N. S. Kumar	Chairman
Mr. Sohrab Chinoy Kersasp	Member
Mr. Prasad V. Potluri	Member

Corporate Social Responsibility Committee	
Mr. N. S. Kumar	Chairman
Mr. Sohrab Chinoy Kersasp	Member
Mr. Prasad V. Potluri	Member

Further details with respect to the aforesaid Committees are provided in the Corporate Governance Report attached herewith.

19. Number of Meetings of the Board

The Board met 5 (Five) 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.

20. 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 and other applicable provisions, if any. There are no material departures from prescribed accounting standards. The Directors confirm that:

(i) In preparation of the annual accounts for the financial year ended March 31, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) The directors have selected such accounting policies and applied them consistently and made judgments 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;

(iii) 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;

(iv) The directors have prepared the annual accounts on a going concern basis;

(v) The directors have laid down internal financial controls, which are adequate and are operating effectively; and

(vi) 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.

21. Statement on declaration given by Independent Directors under sub-section (6) of Sec.149

The independent directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149.

22. Auditors

22.1 Statutory Auditor

As per provision of Section 139 of the Act, M/s Brahmayya & Co., Chartered Accountants, (FRN: 000511S) were appointed as Statutory Auditors of your Company, to hold office until the Concluion of 30th AGM.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

22.1.1 Auditors' Report &Management Response on the Qualification made by statutory auditors:

The Auditors' Report for the financial year 2019-20 is a "qualified report'' for the both standalone and consolidated financial statements.

Auditors Qualification:

Standalone:

1. *Attention is invited to Note no.35 to the standalone financial statements, in relation to investment in equity shares includes investments in three subsidiary companies net off provision made amounting to Rs.25,008.90 Lakhs and loans and advances to subsidiary companies of net off provision made amounting to Rs.33,006.61 Lakhs. The management is of the view that considering the market value of the assets and expected cash flows from the business of these subsidiary companies the provision already made is adequate. However, considering erosion in the net worth of the subsidiary companies and their dependence on the holding company to continue as a going concern, and in the absence of visible cash flows, delay in commencement of projects and other related factors indicate the existence of material uncertainty in the ability of the company to realize the values thus, the carrying value of investments and loans and advances (net of provision already made) is unascertain of recoverability. Therefore, we are of the view that the carrying amounts of the investments as well as loans shall be adjusted for their realisability by making additional provision taking cognizance of erosion in the networth of the investee/ loanee companies and also taking to consideration their inability to continue as a going concern. Accordingly, the loss for the year is understated to this extent.*

2. *Attention is invited to Note No.40(c) to the standalone financial statements, the Company has mortgaged its land situated at perambur as a security and also given corporate guarantee to a bank for the borrowings made by PVP Capital Limited (i.e. wholly owned step down subsidiary company) amounting to Rs.10,000 Lakhs. The outstanding amount is Rs.16,787.91 lakhs as per the books of accounts as on 31st March, 2020.*

   PVP Capital Limited has not adhered to repayment schedule for principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the bank has taken symbolic possession of immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee but there were no bidders. We were informed that the PVP Capital Limited is in negotiation with the bank for one time settlement (OTS).

   The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligation by the PVP Capital Limited will be met in due course. Whereas, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. In this background, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the underlying loan have already been defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company towards corporate guarantee issued. Accordingly, to the extent of the carrying value of assets or the guarantees issued should be considered as obligation of the company. Accordingly, the loss for the year is understated to this extent.

   Consolidated:

3. *Attention is invited to note no.34 to the consolidated financial statements includes financial statements of Picturehouse Media Limited, in relation to loans and advances made for film production (including interest accrued) amounting to Rs.3,632.82 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. Management is of the view that loans and advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We were unable to obtain sufficient appropriate audit evidence about the carrying amounts of loans and advances as on 31st March, 2020 as the management was unable to provide us the current status of production films and confirmation of balances from the borrowers. Consequently, we were unable to determine whether any adjustments to the carrying amounts of loans and advances were necessary and to this extent, loss for the year is understated to this extent.*

4. *Attention is invited to Note No.34 to the consolidated financial statements includes financial statements of Picturehouse Media Limited, in relation to inventory i.e films production expenses amounting to Rs. 4,894.43 lakhs, mainly consists of advances given to artists and co-producers. As the management has not commenced the production of films, the advances continued to be carried as inventory. However, management states that it is evaluating options for optimal utilization of these payments. In the absences of demonstrable approach towards commencement and completion of production of films and also in the absence of confirmation of balances from the parties. Consequently, we were unable to determine whether any adjustments to the carrying amounts of inventory is necessary and to this extent, loss for the year is understated to this extent.*

5. *Attention is invited to note no.49(d) to the consolidated financial statements, the holding company has mortgaged its land situated at perambur as a security and also given corporate guarantee to a bank for the borrowings made by PVP Capital Limited (i.e. wholly owned step down subsidiary company) amounting to Rs.10,000 Lakhs. The outstanding amount is Rs.16,787.91 lakhs as per the books of accounts as on 31st March, 2020.*

   PVP Capital Limited has not adhered to repayment schedule for principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the bank has taken symbolic possession of immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee but there were no bidders. We were informed that the PVP Capital Limited is in negotiation with the bank for one time settlement (OTS).

   The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligation by the PVP Capital Limited will be met in due course. Whereas, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. In this background, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the underlying loan have already been defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company towards corporate guarantee issued. Accordingly, to the extent of the carrying value of assets or the guarantees issued should be considered as obligation of the company. Accordingly, the loss for the year end is understated to this extent.

6. The independent auditor of subsidiary companies in their auditor's report on the financial statements for the year ended 31st March, 2020 have drawn Qualified Opinion reproduced by us as under:

   a. *Attention is invited to note no.35 to the consolidated financial statements includes the financial statements of PVP Capital Limited, company has not adhered to repayment schedule for principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the bank has taken symbolic possession of immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee but there were no bidders and consequently the e-auction sale proceedings has become in fructuous. The outstanding amount is Rs.16,787.91 lakhs as per books of accounts as on 31st March, 2020.*

      Further, the company is currently pursuing the realization of dues to the company and settlement of existing lenders, other than this the company has not been carrying any business activity, the regulatory authorities may cancel the registration to carry the principal business activity as a Non- Banking Finance Company due to non-maintenance of minimum net owned fund of Rs.200 lakhs as stated in said note to the financial statements, the company's ability to meet its financial obligations, non payment of statutory dues and in the absence of visible cash flows, doubts are cast on its ability to continue as a going concern to achieve its future business plans. Taking into consideration, pending ultimate outcome of the legal proceedings as well as liquidity constraints, we are unable to express our view whether it would be appropriate to treat the company as going concern. However based on the management assertions the company's financial statements have been prepared on the basis of going concern, the impact if any, if the company was to be treated as not a going concern is not ascertainable at this stage.

   b. *Attention is invited to note no.36 to the consolidated financial statements includes the financial statements of PVP Capital Limited, in relation to loans for film production amounting to Rs.15,381.04 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. Management has assessed the recoverability of the loan amount and accordingly made a provision amounting to Rs.12,397.87 lakhs as adequate, no additional provision is necessary in this regard. However, Management is not able to provide us the status of production of films and recoverability of the whole amount. Accordingly, we are unable to express our view, whether any adjustments to the carrying value, if any required, is not ascertainable at this stage.*

c. *Attention is invited to note no.37 to the consolidated financial statements includes the financial statements of Safe Trunk Services Private Limited, no impairment assessment of property, plant and equipment and intangible assets in carrying value amounting to Rs.1,003.32 lakhs as on 31st March, 2020 is made for the business of safe locker facility centre, despite low cash flows from cash generating unit (CGU).Therefore, we are unable to comment on consequential impairment, if any, that is required to be made in carrying value of property, plant and equipment and intangible assets.*

d. *Attention is invited to note no.38 to the consolidated financial statements includes the financial statements of PVP Global Ventures Private Limited, The Company has given advances to body corporates of Rs. 13,755.54 lakhs for scouting of land for the proposed power projects. The long duration of outstanding of these advances and other factors like low probability of getting a big chunk of land for a power project indicate the existence of uncertainty on the eventual realisability of these advances. The financial impact if any due to non realisability is not ascertainable at this stage.*

Management Comments on the above qualification:

1. The Company has made investment in the Subsidiary Companies on a long term basis with an intension to expand its business vicinity through its subsidiary companies. Considering the business potential of these companies, expected future generation of revenues, cash flows, expected development of these projects and the market value of the assets of the subsidiaries, the company is of the view that the provisions already created are sufficient and there is no requirement to create further provisions in the books of accounts.
2. The Company has given a corporate guarantee to its Step-down Subsidiary Company, PVP Capital Limited (PVPCL), which has not adhered to repayment schedule of principal and interest dues to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs. 16,787.91 lakhs (includes interest) along with consequent interest and costs thereon as on 31st March, 2020. Further the bank has initiated SARFAESI proceedings and has taken symbolic possession of secured, immovable property of the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings has become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same.
3. The Company is of the view that loans and advances can be realized at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. The company is confident of realizing the value at which they are carried notwithstanding the period of outstanding.
4. The 'films under production expenses' mainly comprising payments to artistes and co-producers the company is evaluating options for optimal utilization of these payments in production and release of films. The company does not foresee any erosion in carrying value.
5. The Company has defaulted on repayment of interest and loans aggregating Rs. 16,787.91 lakhs which are payable on demand. Due to market condition in film industry, the company's borrowers did not meet their payment obligations and hence the above default. The company is contemplating to close the loan of way of One Time Settlement (OTS) in the near future.
6. a) The Company has a loan book of Rs. 15,381.04 lakhs given to various film producers. Due to significant delay in completing the films, the Company's Borrowers did not service the interest and loan repayment. Consequently, the company has made a provision of Rs. 12,397.86 lakhs as on 31st March 2020 for the expected credit loss.

   b) Management asserts that no adjustment to the carrying value is required as it is confident by considering the aspects like recovery from the borrowers and other resources to bring in additional cash flows to meets it obligations.

   c) Safetrunk Services Pvt Ltd (SSPL) is engaged in the business of providing private locker facility center. The Company has 4294 lockers with high end security facilities, which can be considered as a state of art infrastructure facility. The Company commenced its operation during the financial year 2018 and is in the process of consolidating the market. There is no intention to liquidate and the Company has got foreseeable future.

   d) The Company has given advance to acquire land for the proposed power projects. The Company is confident of acquiring the land against the advances. The Company doesn't foresee any erosion in carrying value of advances.

22.2 **Secretarial Auditor and Secretarial Audit report:**

Pursuant to the provisions of Section 204 of the Act and Rules and Regulation 24A of the Listing Regulations and other applicable provisions, framed thereunder, as amended, your Company has appointed Mr. PAP Murthy, Practising Company Secretary to undertake the Secretarial Audit of PVP Ventures Limited and PVP Capital Limited.

The Secretarial Audit Report forms part of the Annual Report as **Annexure-2** of the Board's Report.

***Auditors Qualification**:*

a. *The Composition of Nomination and Remuneration Committee of the Company was not in compliance with the Section 178(1) of Companies Act, 2013 and Regulation No. 19(1) & (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 15.08.2019 till 06.11.2019. However, the Company has complied with said provisions and regulations by reconstituting the committee on 07.11.2019.*

b. *The Company did not submit the statement of Related Party Transactions on consolidated basis within 30 days from the date of publication of financial results for the half year ended on 31.03.2019 and 30.09.2019 to the stock exchanges and also on Company's website as required under Regulation 23(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

c. *The Company has received credit rating report from Brickwork Ratings India Private Limited; credit rating agency on 17.10.2019 which needs to be intimated within 24 hours asrequired under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015but the same has been intimated to Stock Exchange with a delay of 3 days on 21.10.2019.*

d. *The Company has submitted the certificate under Regulation 52(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015for the year ended 31.03.2019 on 25.11.2019, which was required to be submitted within 7 working days of submission of Annual financial results for the said period.*

e. *Record date for payment of interest was not intimated to Stock Exchange for the due date 30th June, 2019 as required under Regulation 60 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

f. *During the period under review the Company did not file the certificate/s with Stock Exchanges as per Regulation 74(5) of SEBI (Depository Participants), Regulations 2018.*

g. *The Company is required to close trading window from the end of every quarter till 48 hours after declaration of financial results for designated persons in terms of Regulation 9 of SEBI (PIT) Regulations, 2015 read with Schedule B. However the Company closed trading window from the date of Intimation of Board Meeting to Stock exchange till 48 hours after declaration of financial results for all the quarters.*

h. *The Company did not file the initial disclosure with regard to entity identified as a Large Corporate as per Circular No.SEBI/HO/DDHS/CIRIP/2018/144 dated November 26, 2018to the stock exchange within prescribed period. However they filed the same on 22.05.2019*

Management Comments on the above qualification:

a) Mrs. Sai Padma Potluri was appointed as a member of Nomination and Remuneration Committee in the Board Meeting dated 14/08/2019 inadvertently. As per Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the composition of Nomination and Remuneration Committee need to be of Non-Executive Directors, as Mrs. Sai Padma Potluri is Executive Director the composition of Nomination and Remuneration Committee is reconstituted by inducting Mr. Nandakumar Subburaman, Non-Executive Director as member of the Committee on 07/11/2019 in compliance with SEBI (LODR) Regulations, 2015.

b) The qualifications of the Secretarial Auditors from point b to h pertaining to delay in filing of report and submission have been noted by the Company and the Company assure to follow the same in future.

23. Cost Records:

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company and accordingly such accounts and records are not made and maintained.

24. Reporting of Frauds

There have been no instances of fraud reported by Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

25. Stock Exchange Listing/ Listing Fees payment

Presently, the Equity Shares of the Company are listed on the (BSE Limited) and National Stock Exchange Limited.

Due to COVID-19 Pandemic, the Company is not in the position to meet the financial commitments and approached the Stock Exchange ie. BSE Limited and National Stock Exchange India Limited to grant extension to make the payment of listing fees for the financial year 2020-2021 and awaiting approval for the payment.

26. Chairman & Managing Director and Chief Financial Officer Certification

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

27. Extract of Annual Return

In accordance with Section 134 (3)(a) of the Companies Act, 2013, Ministry of Corporate Affairs has issued Notification No.G.S.R.538(E) for the amendment in Rule12 of Sub rule (1) of the Companies (Management and Administration)Rules, 2014 on the Extract of the Annual Return. Under this provision of Sub Section (3) of Section 92 of the Companies Act, 2013, the extract of the Annual Return published in website of the Company www.pvpglobal.com

28. Internal Financial Control

The Company has a well-placed, proper and adequate Internal Financial Control (IFC) system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. This is commensurate with the nature of business and the size and complexity of the company's operations.

The real estate industry is passing through a challenging phase and the Company is no exception. The top management of the Company, to utilize the available resources efficiently has decided to engage itself more with the operations of the Company. The Company is further enhancing/ strengthening the internal financial reporting with respect to significant business control, risk management processes etc. The Company's internal controls are further supplemented by internal audits, management review and documented policies, procedures & guidelines

The company has systems, policies and process in place, pertaining to the Internal Control over the investments and advances in its subsidiaries. The Company is also extending the financial and strategic support to recover the investments and advances made to subsidiaries considering the market value of the assets and expected cash flows.

29. Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177 of the Companies Act, 2013 and the Rules framed there under and pursuant to the provisions of listing Regulations, the Company has a Whistle Blower Policy framed to deal with instances of fraud and mismanagement, if any genuine grievances to the appropriate authority.

The Company has a Whistle Blower Policy framed to deal with instances of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company www.pvpglobal.com . During the year under review the Company has not received any complaint(s) under the said policy.

30. Corporate Social Responsibility (CSR)

Your Company has in place a CSR Committee in accordance with Section 135 of the Act. The details of the CSR Policy and the Report on CSR activities as prescribed under the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed herewith as **Annexure 3**. Further, the CSR Policy as approved by the Board is also available on website of the company.

31. 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) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 4** to the Board's Report.

32. Risk Management Policy

The Company has risk management policy in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may jeopardize the existence of the Company.

33. Compliance with Secretarial Standards

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.

34. Disclosure under the Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during financial year ended March 31, 2020:

• No. of complaints received : Nil

• No. of complaints disposed off : Nil

35. Conservation of Energy, Technology Absorption and Foreign Exchange Earning/Outgo

Disclosures pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, are not applicable to your company during the year under review.

36. Acknowledgements

Your Directors wish to express their appreciation for the support and co-operation extended by the bankers, financial institutions, joint development partners, 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 Board of Directors

	Sd/-	Sd/-
Date: September 14, 2020	**Prasad V. Potluri**	**N S Kumar**
Place: Chennai	Chairman & Managing Director	Director

MANAGEMENT DISCUSSION AND ANALYSIS

A. **ECONOMIC OVERVIEW**

Indian economy was primed to become the fastest growing economies in early 2018, driven by strong consumption and steady growth across sectors. Economic pressures across the globe had a direct bearing on the Indian economy resulting in an estimated decline in growth of GDP to 4.2% in FY20. Despite these shortcomings, the economy was exhibiting signs of a promising future evidenced from the improvements in "Ease of Doing Business" ranking in 2019.

Recent pandemic of a global scale has impacted all businesses alike and is expected to contract the economy by 4.5% in FY21. Lock-downs imposed by governments and authorities at various levels have disrupted the business operations and brought of the businesses to grinding halt. Varied policy measures by the government coupled with a solution to arrest the spread of COVID19 remains to be primary recovery driver of the lost momentum.

B. **INDUSTRY STRUCTURE AND DEVELOPMENT**

REAL ESTATE

Real estate as an asset class has been severely impacted due to the COVID pandemic, with impact across all segments like residential, commercial buildings and retail malls. According to recent reports, Apartments in India worth Rs 2.8 lakh crores are in a limbo due to stalled construction or sales. Further, the COVID situation is likely to result in a 35% drop in the demand for residential real estate in the coming year. Further, according to industry sources, the demand for residential real estate has dropped by almost 50% in the first half of 2020. The industry is under high levels of cash flow stress and its estimated that around 30% of the loans taken for Development across India are at a high risk of default. Developers are offering attractive schemes, including steep discounts on the list price to attract home buyers.

In order to provide relief to the Borrowers, Reserve Bank of India announced a 6 months moratorium for the period March 1 to Aug 31st which provided the much-needed short term relief to all sectors, including real estate. Further, the one-time restructuring scheme mooted by RBI should provide near term support to the industry to tide through the strained cash flow situation.

MEDIA & ENTERTAINMENT

Despite the recent challenges, the Indian media and entertainment industry is at the cusp of rapid development backed by a steady increase in consumer demand and rising internet penetration. Various estimated indicate the industry to grow to INR 3,330 Bn by 2024 with an expected CAGR of 13.5%.

Indian Film Industry has been at the forefront in showcasing the cultural heritage of the country with more than 75,000 films being produced in over 30 languages / dialects. The industry grew at an estimated 8% in FY20 to reach an overall size of INR 200 Bn and is estimated to touch INR 260 Bn by FY24. Overall movie goer base has been maintained throughout the year with a solid content pipeline and several new initiatives by exhibitors.

COVID 19 and the following government-imposed lockdowns since March 2020 has severely impacted, owing to production restrictions and closure of exhibition avenues. The lockdowns have also delayed major releases and shelved many ongoing projects. Digital medium / OTTs has become the prime source of content distribution, until normalcy resumes, and theatres start functioning at full capacities.

C. **OPPORTUNITIES, RISKS AND CONCERNS**

OPPORTUNITIES

Despite the grim outlook of the Real Estate sector, there have been certain potential green shoots of opportunities that has emerged owing to the changes to the lifestyle and work environment. Work from home has opened venues for an upgrade in the living space and for spacious homes, that can double up as home office and as well as social space. There has been moderate movement in demand for individual plots and villas. Government initiatives to reduce repo rate to the lowest has housing as an attractive asset class, both as an investment and as a social asset.

With regards to Media and Entertainment industry, India is projected to have 640 active internet users by end of 2020. With the growing internet penetration and increasing subscriber base of OTT platforms, the demand for innovative and vernacular content is higher than ever before. A joint study published by KPMG and Google revealed that by 2021, 9 out of 10 Indian internet users will be accessing the internet through a regional language. Thus, the avenues for distribution of local vernacular content to a global audience base is a great opportunity for content producers. Further, exhibitors are working on alternatives to the traditional exhibition theaters, like drive in theaters, roof top theatres etc. These business models are predicated on offering unique movie viewing experience to the audience, in a social distancing friendly environment. Albeit at an initial stage and possibly with a limited expansion potential in the near term, nevertheless these could be potential exhibition avenues for content producers to monetize the content, till main frame exhibition theatres return to normalcy.

THREATS, RISKS AND CONCERNS

The COVID pandemic and the ensuring social distancing norms have hampered all activities since March 2020.

The lockdown has brought economic activity to standstill and many sectors are on the slowly reviving their operations back. The economy has witnessed a sharp contraction by ~25% in Apr-Jun 2020 amidst high levels of ambiguity on business and employment scenario. Hence the overall demand is likely to be passive in general. Further, the pandemic and the following moratorium has created a high level of uncertainty on the asset quality / capital adequacy of the banks. Hence, it is expected that the banks will be cautious in their lending approach, which would have a bearing on the credit to both businesses and individuals, which will have a direct impact on real estate demand. Finally, Real estate, being a highly capital-intensive industry, is under high liquidity stress and Developers are finding ways and means to navigate through the crisis. This might impact timely delivery of ongoing projects, which in turn will negatively impact home buyer's confidence levels.

This has resulted in time and cost over-runs in content production process and making the title available for release. Further with muted credit availability and liquidity stress in the economy, the credit flow to movie industry has been severely impacted, further slowing down the content production process. Also, theatrical release that has been one of the most important sources of revenue for film producers, contributing between 40-50% of the overall revenue pie, is severely hampered. Consequent to COVID, most of the multiplexes and standalone theatres are still under lock- down, despite other businesses slowly returning to normal operations. Prolonged lock down of theatres and/or reduction in seating capacity due to social distancing norms could impact overall revenue from movie screening.

D. **OUTLOOK**

Overall economic outlook of the economy would likely to be guided by the developments in handling of the pandemic. However, governmental measures have shown promise in reviving the economy from the contraction at the earliest by boosting domestic demand and consumption.

Real Estate is expected to continue being under stress for the immediate future and would trace revival depending upon the pace of economic recovery. New launches are likely to be muted and there could be opportunities for consolidation in select markets. There is likely to be a demand spurt in select micro markets and product categories as customers seek houses that provides the right atmosphere to work from home and collaborate with a good community in a safe manner.

For Media and Entertainment industry, In the near term, OTT, satellite, and other digital platforms will continue to increase their market share as viewers would be cautious in venturing out to multiplexes and movie theatres. There will be an increased use of analytics in these digital platforms to understand user preferences in granular detail, which will serve as a guiding factor for new content creation. The audience base is set to widen and pave way for innovative, vernacular based customized content for each audience base. This given, when theatres also open, the overall market size for movies would be large and broad based, which will have a favorable impact on the industry in the long run.

REPORT ON CORPORATE GOVERNANCE

[*Pursuant to Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015*]

The Company believes in the system of accountability, transparency and business ethics in its business coupled with utmost importance to statutory compliances. Your Company believes that good Corporate Governance will lead to attainment of long term goals and value addition to the Stakeholders of the Company. The Corporate Governance process and systems have been gradually strengthened over the years.

1. **Company's philosophy on Corporate Governance :**

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

(i) Members appoint the Board of Directors ('Board') and authorize to conduct business with objectivity and ensure accountability;

(ii) 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

(iii) 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 adapting to the best practices in Corporate Governance and Disclosure.

2. **Board Composition:**

(a) **Composition and Category of Directors**

The Board consists of Five Directors comprising 1 (one) Promoter - Executive Director and 3 (three) Independent Directors and 1 (One) Woman Executive Director, as on March 31, 2020. The composition of the Board represents the finest blend of professionals from various backgrounds which enable the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

(b) **Attendance at Board meeting:**

The attendance of the Directors at the Meeting of Board of Directors held during financial year 2019-20 is as follows:

SL NO	NAME	NO. OF BOARD MEETINGS		ATTENDANCE AT THE AGM HELD ON SEPTEMBER 27,2019
		HELD	ATTENDED	
1.	Mr. Prasad V. Potluri	5	3	Yes
2.	Mr. N S Kumar	5	5	Yes
3.	Mr. ShohrabChinoy	5	5	Yes
4.	*Mrs. PJ Bhavani	5	1	NA
5.	**Mrs. Sai Padma Potluri	5	3	Yes
6.	***Mr. Nandakumar Subburaman	5	1	NA

*Mrs. PJ Bhavani was appointed as a Non-Executive Director w.e.f December 05, 2018, resigned with effect from August 14, 2019 and joined back as Additional Director with effect from July 31, 2020 under the category of Non-Executive and Non-Independent Director.

**Mrs. Sai Padma Potluri was appointed as Woman Executive Director with effect from August 14, 2019 and resigned w.e.f 01.06.2020 due to personal reason.

***Mr. Nandakumar Subburaman, was appointed as Additional Director under the Category of Non-Executive and Non-Independent Director on November 07, 2019. Further, his directorship changed from Non-Executive Non-Independent Director to Non-Executive Independent Director with effect from January 30, 2020.

The necessary quorum was present for all the Board Meetings and the 28th Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days.

Mrs. PJ Bhavani holds 1650 shares and Mrs. Sai Padma Potluri holds 15,00,000 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 Managing Director of the Company attached to this Annual Report.

(c) **Other Directorships**

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, date of appointment to the Board of PVP Ventures Limited and Director Identification Number (DIN) are provided below for the period ended March 31, 2020:

NAME OF THE DIRECTOR	DESIGNATION/ POSITION	DATE OF APPOINTMENT	DIN	DIRECTOR-SHIPS IN OTHER COMPANIES	POSITION ON COMMITTEES OF THE BOARD OF OTHER INDIAN COMPANIES	
					AS CHAIRMAN	AS MEMBER
Mr. N S Kumar	Non-Executive and Independent Director	19/03/2001	00552519	4	2	2
Mr. Shohrab Chinoy	Non-Executive and Independent Director	22/03/2019	03300321	9	Nil	2
Mr. Prasad V. Potluri	Chairman and Managing Director	04/12/2007	00179175	3	Nil	2
*Mrs. PJ Bhavani	Non-Executive Director	05/12/2018	08294839	1	Nil	0
**Mrs. Sai Padma Potluri	Executive Director	14/08/2019	01683528	1	0	0
***Mr. Nandakumar Subburaman	Independent Director	07/11/2019	00611401	2	0	1

*Mrs. P J Bhavani was appointed as a Non-Executive Director w.e.f December 05, 2018, resigned with effect from August 14, 2019 and joined back as Additional Director with effect from July 31, 2020 under the category of Non-Executive and Non-Independent Director.

**Mrs. Sai Padma Potluri was appointed as Woman Executive Director with effect from August 14, 2019 and resigned w.e.f 01.06.2020 due to personal reasons.

***Mr. NandakumarSubburaman, was appointed as Additional Director under the Category of Non-Executive and Non-Independent Director on November 07, 2019. Further, he the directorship changed from Non-Executive Non-Independent Director to Non-Executive Independent Director with effect from January 30, 2020.

Notes

(i) None of the Directors are related to each other except Mrs. Sai Padma Potluri who is Sister of Mr. Prasad V. Potluri.

(ii) As required by Regulation 26 of SEBI (LODR) Regulations, 2015 the disclosure includes Membership/ Chairpersonship of the Audit Committee and Stakeholders Relationship Committee of other public limited companies.

(iii) In Picturehouse Media Limited (Listed Company), Mr. N S Kumar, Mr. R Nagarajan and Mr. Sohrab Chinoy Kersasp and Mr. Nandakumar Subburaman are the Independent Director. Mr. Prasad V. Potluri is the Managing Director, Mrs. PJ Bhavani is the Non-Executive Director holding the directorship upto August 13, 2019. Mrs. Sai Padma Potluri, appointed as Executive Director of the Company with effect from August, 14, 2020.

(iv) 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. The Independent Directors have held a meeting on February 12, 2020 reviewed and discussed, the performance of non-independent directors and Board as a whole, and assessed the quality, quantity and timelines of flow of information between the company management and the Board which is necessary for the Board to effectively and reasonably perform their duties, 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.

None of the Directors hold Directorships in more than 20 Companies.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are directors.

(d) **Number of Board Meetings**

During the financial year 2019-2020, the Board met Five (5) times i.e., on May 30, 2019, August 14, 2019, November 07, 2019, November 13, 2019 and February 12, 2020.

(e) **Disclosure of relationship between directors inter-se**

Mr. Prasad V Potluri & Mrs. Sai Padma Potluri are Brother and Sister.

Except the mentioned above none of the Directors are related to each other.

(f) **Shares held by Non-Executive Directors**

As on March 31, 2020, The Company did not have Non-Executive Director.

(g) **Directors Induction, Evaluation and Familiarization**

The details of Director's induction and familiarization are available on the Company's website at www.pvpglobal.com. Details of the familiarization programme is hosted on http://www.pvpglobal.com/other-statutory-information/.

(h) **General Director Qualification Criteria**:

The Board has not established specific minimum age, education and years of business experience or specific types of skills for Board members, but, in general, expects a candidate to have extensive experience and proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values.

In terms of requirement of Listing Regulations, the Board has identified the following skills / expertise / Competencies of the Director are given below;

Skills and its description

	Mr. Prasad V Potluri	Mrs. Sai Padma Potluri	Mr. N S Kumar	Mr. Sohrab Chinoy Kersasp	Mr. Nandakumar Subburaman
Finance and Accounting Experience Experience in handling Financial Management of the organization along with the an understanding of accounting and Financial Statements	✓	✓	✓	✓	✓
Experience of crafting Business Strategies Experience in developing long-term strategies to grow business, consistently, profitability and in a sustainable manner in diverse business environment and changing economic conditions	✓	✓	✓	✓	✓
Experience on understanding of the changing regulatory landscape Experience of having Board accountability, high governance standard with an understanding of changing regulatory framework	✓	✓	✓	✓	✓

(i) **Independence of Independent Directors**

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013.

(j) **Resignation of Independent Director**

During the Financial year March 2020 none of the Independent Director resigned.

3. Audit Committee:

a. Brief description of terms of reference

i) 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;

ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. modified opinion(s) in the draft audit report;

v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii) Approval or any subsequent modification of transactions of the company with related parties;

ix) Scrutiny of inter-corporate loans and investments;

x) Valuation of undertakings or assets of the company, wherever it is necessary;

xi) Evaluation of internal financial controls and risk management systems;

xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv) Discussion with internal auditors of any significant findings and follow up there on;

xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii) To review the functioning of the Whistle Blower mechanism;

xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

xxi) Monitoring the end use of funds raised through public offers and related matters;

xxii) To review the management discussion and analysis of financial condition and results of operations;

xxiii) To review the statement of significant related party transactions (as defined by the audit committee), submitted by management;

xxiv) To review the management letters / letters of internal control weaknesses issued by the statutory auditors;

xxv) To review the internal audit reports relating to internal control weaknesses;

xxvi) To review the appointment, removal and terms of remuneration of the chief internal auditor.

xxvii) To review the statement of deviations of following:

a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xxviii) The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company; and

xxix) The Audit Committee shall have authority to investigate into any matter in relation to the items specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

b. Composition, Name of Members and Chairperson

The Audit Committee was constituted by the Board with 2 Independent Directors and 1 Executive Director with Independent Director as its Chairman.

All Members are financially literate and have the required accounting and financial management expertise.

NAME OF THE DIRECTOR	CATEGORY	POSITION
Mr. N S Kumar	Non-Executive and Independent Director	Chairman
Mr. ShohrabChinoy	Non-Executive and Independent Director	Member
Mr. Prasad V. Potluri	Chairman & Managing Director	Member

c. Audit Committee meetings and Attendance of the Audit Committee Meetings:

The Audit Committee met Four (4) times during the financial year 2019-20 i.e., on May 30, 2019, August 14, 2019, November 13, 2019,February 12, 2020 and not more than One Hundred and Twenty days had elapsed between any two Audit Committee Meetings. The necessary quorum was present for all the Audit Committee Meetings.

SL NO	NAME OF THE DIRECTOR	CATEGORY	NUMBER OF AUDIT COMMITTEE MEETINGS	
			HELD	ATTENDED
1	Mr. N S Kumar	Non-Executive and Independent Director	4	4
2	Mr. Sohrab Chinoy Kersasp	Non-Executive and Independent Director	4	4
3	Mr. Prasad V. Potluri	Chairman and Managing Director	4	2

The Company Secretary of the Company acts as a Secretary of the Committee.

4. Nomination and Remuneration Committee

a. **Brief description of terms of reference**

The Terms of Reference of Nomination and Remuneration Committee is as follows:

(i) Determine/recommend the criteria for qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(ii) Formulate criteria for evaluation of each Director's performance and performance of the Board as a whole;

(iii) Devising a policy on diversity of board of directors;

(iv) Identifying 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 of directors their appointment and removal.

(v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(vi) Determine/recommend the criteria for appointment of Executive, Non-executive and Independent Directors to the Board;

b. **Details of Composition, name of members and Chairperson**

The Nomination and Remuneration Committee consists of 3 Independent Directors and One Non-Executive and Non Independent Director with Independent Director as its Chairman. . Further, the Committee was re-constituted in the Board Meetings held on August 14, 2019 and November 07, 2019

The Nomination & Remuneration Committee comprises of three Directors, as detailed below.

Details of Composition of the Committee:

NAME OF THE MEMBER	CATEGORY	POSITION
Mr. N S Kumar	Non-Executive and Independent Director	Chairman
Mr. Sohrab Chinoy Kersasp	Non-Executive and Independent Director	Member
Mrs. PJ Bhavani	Non-Executive Director	Member w.e.f December 05,2018 up to August 14,2019) Induct as a member w.e.f July 31, 2020
Mrs. Sai Padma Potluri	Executive Director	Member from August 14,2019 to September 01,2019)
Mr.NandakumarSubburaman	Independent Director	Member (from November 07,2019 upto July 31,2020)

The Company Secretary of the Company acts as the Secretary to the Nomination & Remuneration Committee.

c. Nomination & Remuneration Committee Meeting and Attendance during the financial year ended March 31, 2020

The Nomination & Remuneration Committee met four (4) time during the financial year 2019-20 on 30.05.2019,14.08.2019, 07.11.2019 and 12.12.2020.

Details of Attendance of the Nomination and Remuneration of Committee Meetings

SL NO	NAME OF THE DIRECTOR	CATEGORY	NUMBER OF MEETINGS	
			HELD	ATTENDED
1	Mr. N S Kumar	Non-Executive and Independent Director	4	4
2	Mr. Shohrab Chinoy	Non-Executive and Independent Director	4	4
3	Mrs. PJ Bhavani	Non-Executive Director	4	1
4	Mrs. Sai Padma Potluri	Executive Director	4	0
5	Mr. Nandakumar Subburaman	Independent Director	4	0

d. Performance Evaluation Criteria of Independent Director:

During the year, committee under the guidance of Board, also formulated the criteria and framework for the performance evaluation of every Director of the Board including independent Directors and identified the ongoing training and education programs to ensure that the independent Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

Board Level Performance Evaluation

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, annual performance evaluation of the Directors including Chairman, Board and its Committees viz., the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee has been carried out. The Nomination and Remuneration Committee reviews the said Performance Evaluation on annual basis. The Performance evaluation of Independent Directors was carried out by the entire Board of Directors without participation of the directors who are subject to the evaluation.

5. Remuneration of Directors:

(i) There is no pecuniary relationship or transaction of Non-Executive Directors with the Company during the year 2019-2020.

(ii) No remuneration is paid to Non-Executive Directors, apart from sitting fee for attending the Board & Committee meetings.

(iii) Disclosures with respect to remuneration :

(a) All elements of remuneration package of individual Directors summarized under major groups such as salary, benefits, bonuses, stock options, pension etc.

Remuneration is paid to Mr. Prasad V. Potluri, Chairman & Managing Director of the Company, no other directors receive any remuneration apart from sitting fee.

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

NAME OF THE DIRECTOR	AMOUNT (IN RUPEES)
Mr. Prasad V. Potluri	NIL
Mr. Sohrab Chinoy Kersasp	1,25,000/-
Mr. N S Kumar	1,25,000/-
Mr. Nandakumar Subburaman	20,000/-
Mrs. PJ Bhavani	10,000/-
Mrs. Sai Padma Potluri	NIL

(b) Details of fixed component and performance linked incentives, along with the performance Criteria: NA

(c) Service contracts, notice period, severance fees: Nil

(d) Company has not granted any Stock options during the year

6. Stakeholders' Relationship Committee:

a. **Composition of the Committee**

The Stakeholders' Relationship Committee comprises of three Directors, as detailed below.

Details of Composition of the Committee:

NAME OF THE DIRECTOR	CATEGORY	POSITION
Mr. N S Kumar	Non-Executive and Independent Director	Chairman
Mr. Sohrab Chinoy Kersasp	Non-Executive and Independent Director	Member
Mr. Prasad V. Potluri	Chairman & Managing Director	Member

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

b. **Stakeholders' Relationship Committee Meeting and Attendance during the financial year ended March 31, 2020.**

The Committee met four (4) time during the financial year 2019-2020 on 30.05.2019, 14.08.2019, 13.11.2019 and 12.02.2020.

Details of Attendance of the Stakeholders' Relationship Committee Meetings

S L NO	NAME OF THE DIRECTOR	CATEGORY	NUMBER OF MEETINGS	
			HELD	ATTENDED
1	Mr. N S Kumar	Non-Executive and Independent Director	4	4
2	Mr. Shohrab Chinoy Kersasp	Non-Executive and Independent Director	4	4
4	Mr. Prasad V. Potluri	Executive Director	4	2

c. **Name and designation of the Compliance Officer;**

Mr. D. Krishnamoorthy, Company Secretary Upto January 31, 2020

Mrs. Ramyanka Yadav K, Company Secretary with effect from July 31, 2020

d. **Number of Shareholders' Complaints Received so far – NIL**

e. **Number of complaints not resolved to the satisfaction of shareholders is NIL**

f. **There were no pending complaints as at the year end.**

7. 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:

YEAR	VENUE	DATE & TIME	SPECIAL RESOLUTIONS PASSED
2018-19	Sri. P. Obul Reddy Hall", Vani Mahal, 103, G N Road, T. Nagar, Chennai – 600 017, Tamil Nadu	September 27, 2019 10:00 A.M	1. Re-appointment of Mr. N S Kumar as an Independent Director
2017-18	Sri. P. Obul Reddy Hall", Vani Mahal, 103, G N Road, T. Nagar, Chennai – 600 017, Tamil Nadu	September 10, 2018 10:00 A.M	Issuance of secured, rated, listed redeemable, Non-Convertible Debentures by way of Private Placement.
2016- 17	Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai- 600 026	September 28, 2017 10:00 A.M	Nil

b. Extraordinary General Meetings:

No Extraordinary General Meeting held during the year.

c. Postal Ballot:

During the year 2019-20, the Company has passed no resolution through Postal Ballot.

d. Special resolution proposed to be conducted through postal ballot

There is no such proposal as of now. In case, any resolution needs to be passed through Postal Ballot during the year 2019-20, the procedure laid down under Section 110 of the Companies Act, 2013 and the Rules made thereunder will be complied.

8. Means of Communication:

(a) The quarterly results are published in Financial Express (English) and MakkalKural (in Tamil)

(b) Quarterly Financial Results are furnished within the time frame to all the concerned Stock Exchanges as per Clause 41 of the Erstwhile Listing Agreement and Regulation 33 of the Securities Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations,2015 and the same are displayed on the Company's website www.pvpglobal.com

(c) The website www.pvpglobal.com 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.

(d) No official news releases or presentations to institutional investors/analysts were made during the year.

(e) Presentations made to Institutional investors or to the analysts: Nil.

9. General Shareholder information:

a. Annual General Meeting – December 11, 2020 at 10.00 am through Video Conference

b. Financial Year of the Company is 1st April to 31 March.

c. Dividend payment date – Not Applicable

d. Listing on Stock Exchanges – The Company's share are listed on:

Name of the stock exchange	Address
BSE Limited (BSE)	PhirozeJeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 023
National Stock Exchange of India Limited (NSE)	Exchange Plaza, 5 Floor, BandraKurla Complex, Bandra (East), Mumbai - 400 051

Due to COVID-19 Pandemic, the Company not is position to meet the financial commitments and approached the Stock Exchange i.e. BSE Limited and National Stock Exchange India Limited to grant extension to make the payment of listing fees for the financial year 2020-2021 and awaiting approval for the payment.

e. Stock Code of the Company's scrip is PVP for NSE and 517556 for BSE.

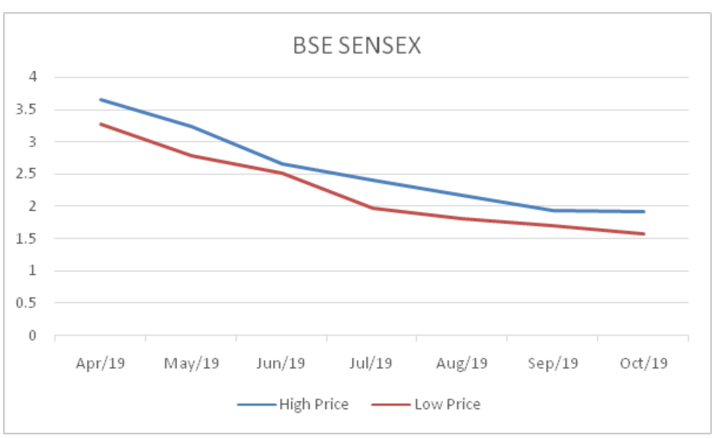
f. High and Low Market Price during each month in the accounting year was as follows:

	BSE		NSE	
Month	**High Price**	**Low Price**	**High**	**Low**
Apr-19	3.65	3.28	3.3	3.25
May-19	3.23	2.78	2.8	2.75
Jun-19	2.65	2.52	2.45	2.35
Jul-19	2.4	1.97	2.1	2
Aug-19	2.16	1.8	1.95	1.95
Sep-19	1.92	1.69	1.9	1.9
Oct-19	1.91	1.57	1.7	1.7

The share trading of the Company is suspended effect from April 09, 2019 for penal reason for non-compliance on non-appointment of woman director and non-reconstitution of Nomination & Remuneration Committee for the quarter ended September 2018 till December 4, 2018. Post effective date of suspension, the shares were traded on every Monday of week from April 2019 to till October 29, 2019 and thereafter no securities of Company were traded.

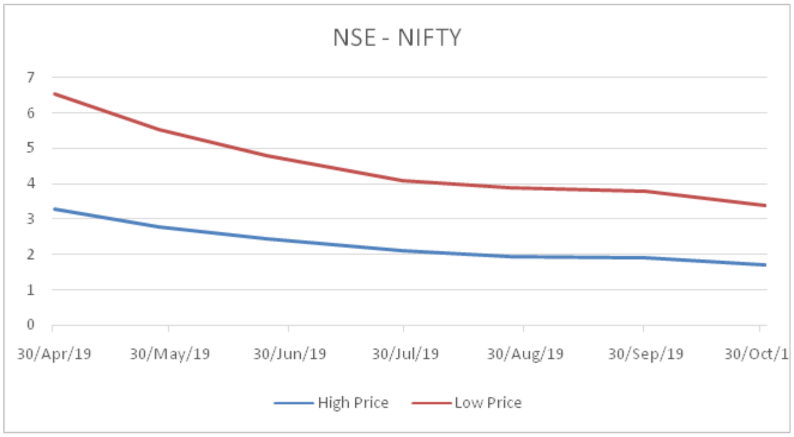
g. Performance in comparison to broad-based indices such as BSE Sensex, Nifty 50

I. Performance of PVP Ventures Limited monthly closing prices in comparison to monthly BSE Sensex closing



Post effective date of suspension, the shares were traded on every Monday of week from April 2019 to till October 29, 2019 and thereafter no securities of Company were traded.

II. **Performance of PVP Ventures Limited monthly closing prices in comparison to monthly NSE Nifty closing**



Post effective date of suspension, the shares were traded on every Monday of week from April 2019 to till October 29, 2019 and thereafter no securities of Company were traded.

h. There suspension of trading in securities of the Company is going on.

The equity shares of the Company have been suspended with effect from April 09, 2019 for penal reason for non-compliance on non-appointment of woman director and non-reconstitution of Nomination & Remuneration Committee for the quarter ended September 2018 till December 4, 2018.

The Company has appointed a Woman Director w.e.f 05th December 2018. The Company has filed application under Regulation 102 of SEBI (Listing Obligations & Disclosure Regulations) 2015 ("LODR"). SEBI has not considered the application on the ground that, the Company has not met the criteria under listing regulation to withdraw enforcement on the suspension of trading.

Further, the Company has filed the application before SEBI, Securities Appellate Tribunal ("SAT"), Mumbai. The Tribunal directed the Stock Exchanges to file their reply to the memo of appeal within three weeks timei.e March 30, 2020. Due to CoVID – 19 lockdown, the matters listed before the Hon'ble SAT have been adjourned to November 05, 2020.

i. Registrar to issue and Share Transfer Agents
KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 and 32,
Financial District, Nanakramguda, Serlingampally Mandal,
Hyderabad 500 032, Telangana.
T: +91 040 – 6716 1591 E: einward.ris@kfintech.com

j. Share Transfer System: The Registrar and Share Transfer Agents, KFin Technologies Private Limited, handles share transfer.

k. Distribution of Shareholding as on 31st March, 2020 was as follows:

(i) **Categories of Shareholders:**

CATEGORY	NO. OF SHARES	% TO SHARE CAPITAL
Promoters	140990766	57.53
FIIs and Financial Institutions/Banks	446640	0.18
Private Corporate Bodies	6486989	2.65
Indian Public	64104349	26.16
NRIs / HUFs/Clearing Members/Others/Trusts	8518387	3.48
Foreign Corporate bodies/Overseas corporate bodies	24505570	10.00
Custodians of GDRs	0	
Total	**245052701**	**100.00**

(ii) **Distribution of Shareholding:**

Slno	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 5000	30563	94.51	18957160	7.74
2	5001 - 10000	890	2.75	6994208	2.85
3	10001 - 20000	446	1.38	6382685	2.60
4	20001 - 30000	130	0.40	3295645	1.34
5	30001 - 40000	67	0.21	2356425	0.96
6	40001 - 50000	53	0.16	2452610	1.00
7	50001 - 100000	102	0.32	7206007	2.94
8	100001 and above	86	0.27	197407961	80.56
	TOTAL:	**32337**	**100.00**	**245052701**	**100.00**

l. **Dematerialization of Shares and Liquidity:** 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). As on 31st March, 2020, 99.88% shares were held in dematerialized form.

m. **There are no outstanding Global Depository Receipts/American Depository Receipts or Warrants or any convertible instruments as on the date of March 31, 2020.**

n. **Commodity Price Risk or Foreign Exchange risk and hedging activities:** The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company.

o. **Plant locations**

The Company do not have any plants.

p. **Address for Correspondence**
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: investorrelations@pvpglobal.com

q. **List of all Credit ratings obtained by the entity**

The Company has received Credit ratings from Brickwork, SEBI registered for its NCD's (Tranche A& B). Following are the details:

17.10.2019	Tranche A & B	BWR D (Issuer not Cooperating)

Further, the details are also provided on the website of the Company.

10. Other Disclosures

a. There were no material significant 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.

b. Details of Non-Compliance:

- PVP Global Ventures Private Limited. ("PVP Global"), Mr. Prasad V Potluri and PVP Ventures Ltd, received Orders from Adjudicating Officer dated 27th March, 2015 for non-compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 & SEBI (Prohibition of Insider Trading) Regulations, 1992. Subsequently, they have filed appeals before the Securities Appellate Tribunal (SAT) vide Appeal No. 356 & 357 of 2015 challenging the orders of Adjudicating Officer.

  SAT vide order dated 20th June, 2018 reduced the penalty of Rs. 1,530 lakhs on Mr. Prasad V Potluri to Rs. 515 Lakhs, upheld the penalties of Rs. 1,500 lakhs imposed on PVP Global Ventures Limited and Rs.15 Lakhs on PVP Ventures Limited. Hence, miscellaneous Applications No.180 & 181 dt. 2nd Jul'18 were filed before the Hon'ble SAT for staying its order for which the SAT granted 6 weeks' time to appeal with Hon'ble Supreme Court. Also on 6th July 2018, as Security, the appellants deposited Original Title deeds of Land valuing more than Rs.30 Crores, held by its subsidiaries for realization and payment of the aforesaid demand. Civil appeal No.9092 dated 16th August 2018, was filed before the Hon. S.C, which was dismissed on 14th September, 2018, and the SAT Orders were upheld. A demand was raised by the Recovery Officer, SEBI, Vide No.1770, 1771 and 1772 dated 26th October, 2018 with Interest from, 27th March, 2015, the date of order from Adjudicating Officer. The appellants filed review petitions before the Honorable SEBI/SAT, Mumbai on 10th November 2018 & 21st November, 2018, stating technical and legal reasons, that the final SAT order was dated 20th June 2018, whereas the Interest was calculated since 2015 and the orders dated 27th Mar'15 & 28th Jun'18 are silent on levy of interest.

SEBI initiated attachment proceedings on 19th November, 2018 of the Demat Accounts & Bank accounts of the three appellants. The holding company, PVP Ventures Ltd. paid Rs.15 lakhs and disputed interest of Rs. 6.46 lakhs on 07th Dec'18 and the freezing of accounts was lifted for PVP Ventures Ltd. SAT, dismissed the company's appeal on interest in Apr'19. The Company has appealed with the Honorable Supreme Court and received Stay Order dated 12th July, 2019 for payment of Interest. The appellants have written to SEBI, requesting to keep the order on record and to keep the recovery proceedings in abeyance.

Further, PVP Global Ventures Private Limited has made provisions, for the principal amount of Rs. 1500 lakhs and disputed interest of Rs. 645.53 lakhs.

- Due to the non-appointment of Woman Director until December 05, 2018, the NSE and BSE imposed fine amounting to Rs. 12,96,820 each for non-compliance with the SEBI (LODR) Regulation 17(1) and Regulation 19(1) & (2) respectively. Further, the shares of the Company were shifted to "Z" category ("BZ" series) (trading on trade for trade basis)w.e.f. February 26, 2019.

  The Company received Intimation letter from NSE & BSE Limited for Suspension of trading of Securities with effect from April 09, 2019 due to non-compliance in payment of fines.

- During the Financial year, the Company filed an appeal before the Hon'ble SEBI Securities Appellate Tribunal to challenge the monetary fine imposed by Stock Exchanges (i.e., BSE Limited & National Stock Exchange India Limited) on the Non Compliances under Regulation 17(1) – Composition of Board and Composition of Nomination & Remuneration Committee under regulation 19(10/(2)) for the quarter ended September, December 2018. The Company has made the payment of Rs. 11, 86,920/- (Under Protest) to National Stock Exchange India Limited ("NSE") on October 01, 2019 to protect interest of the Shareholders of the Company and the protection of whose interest is also regulatory mandate. Also the Company approached the NSE to revoke the suspension of trading of Securities.

  The NSE advised to close the Compliances at both recognized Stock Exchanges i.e BSE Limited, post the action the NSE can revoke the Suspension of trading.

- The Company received the Notice from BSE Limited for the Non Compliances under Regulation 19(1)(2) on the non Compliance of Constitution Nomination and Remuneration Committee and imposed fine to Rs. 1,13, 280/-.

c. 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.

d. The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted any of the clauses with regard to discretionary requirements.

e. The Policy for determining material subsidiaries is disclosed on the website of the Company http://www.pvpglobal.com/pdf/PolicyonMaterialSubsidiaries-PVPL.pdf.

f. 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/otherstatutory-information.html

g. Disclosure of commodity price risks and commodity hedging activities. – Not Applicable

h. There were no funds raised through preferential allotments or qualified institutional placements as specified under Reg. 32(7A)

i. The Company has duly enclosed the certificate received from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. Further the Company has enclosed for perusal.

j. During the financial year, the Board have accepted all the recommendations made by the Nomination and Remuneration Committee.

k. M/s. Bhramayya& Co. are the statutory Auditor of PVP Ventures Limited and Picturehouse Media limited its subsidiary company Further, total amount of Rs.42,00,000/- (Net of TDS) was paid to them for both the Companies for the relevant financial year.

l. disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

   a. number of complaints filed during the financial year - Nil

   b. number of complaints disposed of during the financial year -Nil

   c. number of complaints pending as on end of the financial year - Nil

11. The Company has complied with the requirements of the Schedule V, Corporate Governance report sub-paras (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. The Company has not adopted any of the Discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. The Company has made all the disclosures for compliance with corporate governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in the section Report on corporate governance of the annual report. Further, the Company has attached code of conduct, MD certificate and Compliance certificate issued by practicing Company secretary.

14. Disclosure with respect to Demat suspense account/ unclaimed suspense account – **Not applicable**

Other information useful for Shareholders:

a) In view of amendments to the Listing Regulations vide SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, effective April 1, 2019, requests for effecting transfer of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository, except in case of transmission or transposition of shares

b) Shareholders holding shares in physical form are requested to notify the Company in writing, any change in their address and Bank Account details under the signature of sole / first joint holder. Beneficial owners of shares in electronic form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their Depository Participants (DP) as the same are maintained by the DP.

c) SEBI has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to furnish their PAN details to their DP, if not already provided.

   Members holding shares in physical form are required to mandatorily submit the following to RTA.

   a. copy of their PAN, if not already provided; and

   b. copy of the PAN card of the transferee(s), members, surviving joint holder(s) / legal heir(s) while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates

For and on behalf of Board of Directors

Sd/-
Prasad V. Potluri
Chairman & Managing Director

Date: September 14, 2020
Place: Chennai

Code of Conduct for Directors and Senior Management

As the Chairman & Managing Director of PVP Ventures Limited and as required by Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 2019-20.

	Sd/-
Date: September 14, 2020	**Prasad V. Potluri**
Place: Chennai	Chairman & Managing Director

MD AND CFO CERTIFICATION

The Chairman & Managing Director and CFO have given a Certificate to the Board as contemplated in Schedule-V of the listing regulation as below:

To
The Board of Directors
PVP Ventures Limited

I, Prasad V. Potluri, Chairman & Managing Director and T N Madan, Chief Financial Officer of PVP Ventures Limited, to the best of our knowledge and information, and on behalf of the Company certify that:

a. We have reviewed financial statements and the Cash flow Statement for the year ended March 31, 2020 and that to the best of our knowledge and belief :

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing 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 violative of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. During the year under reference -

(i) there were no significant changes in the internal control over financial reporting;

(ii) no significant changes in accounting policies were made; and

(iii) 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.

For PVP Ventures Limited

	Sd/-	Sd/-
Place: Chennai	**Prasad V. Potluri**	**T N Madan**
Date : September 14, 2020	Managing Director	Chief Financial Officer

Corporate Governance Certificate

TO
THE MEMBERS OF
PVP VENTURES LIMITED

On account of COVID – 19 Pandemic, I have not been able to carry out physical visit to the Registered Office of the Company and I have examined the records of the company shared to me via e-mail / Google Drive pertaining to the compliance of conditions of Corporate Governance by **PVP VENTURES LIMITED** *("the Company")*, for the year ended on March 31, 2020, as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations] for the period 1st April, 2019 to 31st March, 2020.

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 my opinion and to the best of my information and according to the explanations given to me, by the Directors, Officers and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations except for:

- *not having 50% of Directors as independent directors for quarter ending 31st December 2019 as required under Regulation 17(1);*
- *not having proper Composition of Nomination and Remuneration Committee from 15.08.2019 till 06.11.2019 as required under Regulation 19(1) and*
- *not submitting the statement relating to Related Party Transactions to stock exchange on consolidated basis within 30 days from the date of publication of financial results for the half year ended on 31.03.2019 and 30.09.2019 and not publishing the same on Company's website as required under Regulation 23(9).*

I 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.

Signature:

Sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN: F000926B000711911

Date: 14.09.2020
Place: Hyderabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
PVP VENTURES LIMITED
KRM Centre, 9th Floor, Door No. 2 Harrington Road
Chetpet, Tamil Nadu – 600 031

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PVP VENTURES LIMITED** having CIN: L72300TN1991PLC020122 and having registered office at KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet, Tamil Nadu - 600 031 (hereinafter referred to as 'the Company'), provided to me by the Company via e-mail / Google Drive due to Covid-19 pandemic for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr.No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Prasad Veera Potluri	00179175	04/12/2007
2.	Mr. Narayanaswamy Seshadrikumar	00552519	19/03/2001
3.	Mr. Sohrab Chinoy Kersasp	03300321	22/03/2019
4.	Ms. Sai Padma Potluri	01683528	14/08/2019
5.	Mr. Nandakumar Subburaman	00611401	07/11/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

However it is observed that company is yet to redeem debentures as per the schedule of redemption and in this regard the Company had obtained extension of redemption period from Debenture holders till 31st December, 2020 vide their letter dated 21st August, 2020. In this background discharge of Board of Directors from implications of Section 164(2)(b) of the Companies Act, 2013, due to extension of redemption period with retrospective effect cannot be determined at this point of time.

Signature:

Sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN:F000926B000711922

Date: 14.09.2020
Place: Hyderabad

Annexure – 1

AOC-1

Statement containing the salient features of the financial statements of subsidiaries

NAME*	Date of Acquisition of Subsidary	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	01/10/2007	31/03/2020	INR	5,000,000	164,308,020	169,437,815	129,795	101,002,444	-	-82,025	-	-82,025	-	100%
PMVPL	29/04/2013	31/03/2020	INR	190,000	-4,503,767	12,373,582	16,687,350	12,299,650	-	-2,147,997	-	-2,147,997	-	100%
PGVPL	01/12/2006	31/03/2020	INR	88,228,690	1,037,794,359	1,355,070,096	229,047,046	68,726,762	-	-132,970,484	-910	-132,971,394	-	100%
NCCPPL	08/08/2006	31/03/2020	INR	12,470,000	2,518,575,919	2,531,815,630	769,711	310,673,219	-	-584,428	-	-584,428	-	81%
SSPL	16/01/2015	31/03/2020	INR	48,000,000	9,758,421	106,018,383	48,259,961	-	2,380,981	-10,927,949	-	-10,927,949	-	100%
ARPL	23/10/2013	31/03/2020	INR	100,000	65,493,185	69,874,691	4,281,506	-	-	-563,996	-	-563,996	-	100%
PCPL	25/08/2015	31/03/2020	INR	300,000	-1,061,159	18,701	779,860	-	-	-80,388	-	-80,388	-	100%
PCL	25/08/2015	31/03/2020	INR	250,000,000	-1,691,585,558	487,823,755	1,929,409,312	-	-	-596,991,784	-8,054,761	-605,046,545	-	100%
PML	25/08/2015	31/03/2020	INR	522,500,000	-403,223,785	1,195,852,291	1,076,575,000	252,650,000	144,763,000	-65,219,000	-40,000	-65,259,000	-	49.55%
ARED-PL	02/06/2018	31/03/2020	INR	100,000	97,680,496	100,289,895	2,509,399	7,310,375	-	-2,453,688	-	-2,453,688	-	100%
EREPL	02/06/2018	31/03/2020	INR	100,000	77,575,819	99,513,058	21,837,239	7,149,105	538,032	274,827	-	274,827	-	100%

* Name of the Subsidiary

PVP Corporate Parks Private Limited (PCPPL)

PVP Media Ventures Private Limited (PMVPL)

PVP Global Ventures Private Limited (PGVPL)

New Cyberabad City Projects Private Limited (NCCPPL)

Safetrunk Services Private Limited (SSPl)

Picturehouse Media Limited (PML)

Adobe Realtors Private Limited (ARPL)

PVP Cinema Private Limited (PCPL)

PVP Capital Limited (PCL)

Arete Real Estate Developers Private Limited (AREDPL)

Expressions Real Estates Private Limited (EREPL)

** Proposed Dividend

* ** % Of Shareholding

Note:

1. **Names of Subsidiaries which are yet to commence operations** - PVP Corporate Parks Private Limited, PVP Media Ventures Private Limited, New Cyberabad City Projects Private Limited, PVP Cinema Private Limited.
2. There are no Associate Companies or joint Ventures as on the date of this report.

Annexure – 2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[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

I 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 accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

On account of COVID – 19 Pandemic, I have not been able to carry out physical visit to the Registered Office of the Company and based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company which were shared with me via e-mail through Google Drive and also the information, confirmations, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2020, 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.

I 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, 2020, 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;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the listed entity during the period under review)**;

e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the listed entity during the period under review)**;

f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations 2013**; (Not applicable to the listed entity during the period under review)**;

h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the period of audit);**

i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

j) 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;

k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(v) Other Laws specifically applicable to the company include:

a) Transfer of Property Act, 1882

b) Real Estate (Regulation and Development) Act, 2016

c) Indian Easements Act, 1882

d) Registration Act, 1908

e) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and

f) The Land Acquisition Act, 1894

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

a. *The Composition of Nomination and Remuneration Committee of the Company was not in compliance with the Section 178(1) of Companies Act, 2013 and Regulation No. 19(1) & (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 15.08.2019 till 06.11.2019. However, the Company has complied with said provisions and regulations by reconstituting the committee on 07.11.2019.*

b. *The Company did not submit the statement of Related Party Transactions on consolidated basis within 30 days from the date of publication of financial results for the half year ended on 31.03.2019 and 30.09.2019 to the stock exchanges and also on Company's website as required under Regulation 23(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

c. *The Company has received credit rating report from Brickwork Ratings India Private Limited; credit rating agency on 17.10.2019 which needs to be intimated within 24 hours as required under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 but the same has been intimated to Stock Exchange with a delay of 3 days on 21.10.2019.*

d. *The Company has submitted the certificate under Regulation 52(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31.03.2019 on 25.11.2019, which was required to be submitted within 7 working days of submission of Annual financial results for the said period.*

e. *Record date for payment of interest was not intimated to Stock Exchange for the due date 30th June, 2019* as required under *Regulation 60 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

f. *During the period under review the Company did not file the certificate/s with Stock Exchanges as per Regulation 74(5) of SEBI (Depository Participants), Regulations 2018.*

g. *The Company is required to close trading window from the end of every quarter till 48 hours after declaration of financial results for designated persons in terms of Regulation 9 of SEBI (PIT) Regulations, 2015 read with Schedule B. However the Company closed trading window from the date of Intimation of Board Meeting to Stock exchange till 48 hours after declaration of financial results for all the quarters.*

h. *The Company did not file the initial disclosure with regard to entity identified as a Large Corporate as per Circular No.SEBI/HO/DDHS/CIRIP/2018/144 dated November 26, 2018 to the stock exchange within prescribed period. However they filed the same on 22.05.2019*.

I 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 except for not having *at least 50% of Directors as independent directors for quarter ending 31st December 2019 as per Regulation No. 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.* 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 in advance to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

I 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.

I further report that during the period under review:

➢ The Company has mortgaged its land situated at Perambur as a security and also given corporate guarantee to bank for the borrowings made by PVP Capital Limited (i.e. wholly owned step down subsidiary). PVP Capital Limited (PVPCL) has not adhered to repayment schedule of principal and interest dues to bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT). Further the bank has initiated SARFAESI proceedings and has taken symbolic possession of secured, immovable property of the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice. Further I am informed that PVPCL has applied for One Time Settlement to the bank. As informed to me there were no further developments in this regard.

- The Company had made an application to SEBI under Regulation 102 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 19.03.2019 to "relax strict enforcement of the regulations" for non-compliance with Regulation 17(1) and Regulation 19(1) and (2) of said regulations and SEBI vide letter dated 26.04.2019 rejected listed entity's application. Further it is also observed that due to non-payment of fines as levied by the stock exchanges trading in the securities of the listed entity is suspended pursuant to the provisions of SEBI SOP circular dated May 3, 2018. The Company has filed an appeal before Securities Appellate Tribunal, Mumbai against the order dated 31.10.2018 and 31.01.2019 passed by BSE Limited and orders dated 29.11.2018 and 31.01.2019 passed by National Stock Exchange of India Limited and the matter is sub-judice.
- The Company has received a demand notice from SEBI under section 28A of SEBI Act, 1992 read with Section 222 of the Income Tax Act, 1961 dated 26.10.2018 for recovery of Rs. 21,46,534 vide certificate no. 1771 of 2018. Further vide attachment proceeding No. 4105 of 2018 dated 19.11.2018 listed entity received a notice for attachment of demat accounts held by the company wherein debit freeze was ordered. Later, on 07.12.2018 listed entity has made full payment as sought under demand notice along with interest upto 31.12.2018 subject to appeal pending before Securities Appellate Tribunal (SAT) for determination of interest imposed on the listed entity. SAT, dismissed the listed entity's appeal on interest in Apr'19 and the Company has obtained stay of recovery of Interest on Penalty from the Hon. Supreme Court on 12th Jul 2019 and the matter is sub-judice.
- It is observed that company is yet to redeem debentures as per the schedule of redemption and in this regard the Company had obtained extension of redemption period from Debenture holders till 31st December, 2020 vide their letter dated 21st August, 2020. In this background discharge of Board of Directors from implications of Section 164(2)(b) of the Companies Act, 2013, due to extension of redemption period with retrospective effect cannot be determined at this point of time.
- The directions given in the orders passed by Regional Director (Southern Region), Chennai vide orders dated 24th December, 2019 for the Compounding Applications filed pursuant to letter dated 29th April, 2019 issued by Registrar of Companies, Chennai against certain non-compliances of the provisions of the Companies Act, 2013/1956 have been complied with.
- Company has received Show Cause Notice dated 31st July, 2019 under section 203 read with section 448 of the Companies Act, 2013 from the Registrar of Companies, Chennai (ROC) for mis-representation w.r.t disclosures of Key Managerial Personnel in the Balance sheet for the years ended 31.03.2015 and 31.03.2016.

The company vide letter dated 19th August, 2019 submitted its clarifications on the same and as informed to me by the company there is no further communication from ROC in this regard.

Signature:

Sd/-

Name of Company Secretary:

Date: 14.09.2020
Place: Hyderabad

P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN:F000926B000711891

This report is to be read with my 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

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My 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.

Signature:

Sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN:F000926B000711891

Date: 14.09.2020
Place: Hyderabad

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[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,
New Cyberabad City Projects Private Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **New Cyberabad City Projects Private Limited** (hereinafter called the 'Company'). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

On account of COVID – 19 Pandemic, I have not been able to carry out physical visit to the Registered Office of the Company and based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company which were shared with me via e-mail through Google Drive and also the information, confirmations, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2020, 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.

I 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, 2020, 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; **(Not applicable to the Company during the period of audit)**;

(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; **(Not applicable to the Company during the period of audit)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- **(Not applicable to the Company during the period of audit);**

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- **(Not applicable to the Company during the period of audit);**

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **(Not applicable to the Company during the period of audit);**

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **(Not applicable to the listed entity during the period under review);**

e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the listed entity during the period under review);**

f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not applicable to the Company during the period of audit);**

g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulation, 2013 - **(Not applicable to the listed entity during the period under review);**

h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the period of audit);**

i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **(Not applicable to the Company during the period of audit);**

j) 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 - **(Not applicable to the Company during the period of audit);**

k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **(Not applicable to the Company during the period of audit)**.

(vi) Other Laws specifically applicable to the company include:

a) Transfer of Property Act, 1882

b) Real Estate (Regulation and Development) Act, 2016

c) Indian Easements Act, 1882

d) Registration Act, 1908

e) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and

f) The Land Acquisition Act, 1894

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013

(ii) The Listing Agreements entered into by the company with Stock Exchange(s) - **(Not applicable to the Company during the period of audit)**.

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

- *Consequent upon resignation of Mr. R Nagarajan Independent Director on 25.09.2019 composition of the Board, Audit Committee and Nomination and Remuneration Committee was not in compliance with section 149, 177 and 178 read with relevant rules made thereunder. However after appointment of Mr.Sohrab Chinoy Kersasp on the board and reconstitution of the committees on 20.02.2020, composition of Board of Directors, Audit Committee and Nomination and Remuneration Committee was in compliance with the aforesaid sections.*

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. *However the company had only one Independent Director on the Board from 26.09.2019 till 19.02.2020*. 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 in advance to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

I 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.

I further report that:

- The Enforcement Directorate had provisionally attached the land at Nadergul, Ranga Reddy District admeasuring 28 Acres and 8 Guntas of the Company in connection with the redemption of the investments in M/s. Mahalakshmi Energy Ventures Private Limited by its fellow subsidiary Company. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate. The Fellow Subsidiary Company – PVP Global Ventures has already filed an appeal against the said Order before Appellate Authority, Delhi. As informed to me there is no further development in this regard.
- During the course of legal case against SEBI`s penalty order for Insider Trading, the fellow subsidiary, PVP Global Ventures Private Limited has provided the Company's land parcel aggregating to 53 acres 30 guntas as security deposit to SEBI. As informed to me there is no further development in this regard.

Signature:

Sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN: F000926B000711812

Date: 14.09.2020
Place: Hyderabad

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

'Annexure A'

To,
The Members,
New Cyberabad City Projects Private Limited

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My 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.

Signature:

sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN: F000926B000711812

Date: 14.09.2020
Place: Hyderabad

ANNEXURE – 3

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.**

   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 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.

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

   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.

   The CSR Policy and the activities undertaken for CSR is available on the Company's website www.pvpglobal.com

2. **The Composition of the CSR Committee.**

Corporate Social Responsibility Committee	
Mr. N. S. Kumar	Chairman
Mr. Sohrab Chinoy Kersasp	Member
Mr. Prasad V. Potluri	Member

3. **Computations:**

Sl. No	Particulars	31.03.2020
1	Average Net Profits of the Company for last 3 financial years	11,04,52,271
2	Prescribed CSR Expenditure in Rs (@2% on Avg Net profit of last 3 F.Y's)	22,09,045
3	Unspent Amount of the Previous year in Rs	88,10,049
4	Total Amount to be spent for the current financial year in Rs	110,19,094.68
5	Amount Spent During the Year in Rs	-
6	Amount Unspent (3+ 4- 5)	110,19,094.68

4. Manner in which the amount spent during the financial year is detailed below: **N.A.**

Sl. No.	Particulars	
(1)	CSR project or activity identified	--
(2)	Sector in which the project is covered	--
(3)	Projects or programme (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	--
(4)	Amount outlay (budget) project or programme wise	--
(5)	Amount spent on the project or programme Sub Heads; (1) Direct expenditure on projects or programmes (2) Overheads	--
(6)	Cumulative expenditure up to the reporting period	--
(7)	Amount Spent direct or through implementing agency	--

Note: The company is required to spend Rs. 36.98 Lakhs for the FY 2015-16, Rs. 10.58 lakhs for the FY 2016-17, Rs. 22.02 lakhs for the FY 2017 – 2018, Rs. 18.52 lakhs for the FY 2018-19, the same will be expended in future years.

For the Financial year ended March 2020, the Company required to spent Rs.22.09 Lakhs towards CSR activities. The company's only source of income is revenue from the Joint Development Agreement entered with M/s. North Town Estates Private Limited. Due to financial constraint of the Company, the board of the directors has decided to spend the CSR amount in upcoming financial year.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. – ***Reason mentioned in the Boards' Report.***

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

	Sd/-	Sd/-
Place: Chennai	**Prasad V. Potluri**	**NS Kumar**
Date: July 31, 2020	Chairman & Managing Director	Chairman of the Committee

Annexure - 4

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 2019-20, the percentage increase in remuneration of Key Managerial Personnel (KMP) and other Executive Directors during the financial year 2019-20.

SL. No	NAME OF THE 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	0	0.00
2	Mr. D. Krishnamoorthy	KMP (CFO & Company Secretary)	Not applicable	0.00
3	Mr. T.N. Madan	KMP (CFO)	Not applicable	0.00

2. The percentage decrease in Median Remuneration of employees of the Company for the FY 2019-20 is 35.60%.
3. The Company has 20 permanent employees on the rolls of the Company as on March 31, 2020.
4. Average Percentage decrease in salaries of the employees other than the Managerial Personnel in the financial year was 14.56% whereas the increase in the Managerial personnel was 109.96%.
5. 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

1. Top 10 employees of the Company based on Remuneration drawn for FY 2019-20:

Sl. No.	Name of the Employee	Age	Designation	Educational qualification	Date of Joining	Gross Remuneration paid till 31.030.2020
1	Dileep Badey	33	Senior Manager-Projects	BE Civil,PGDACM	04-08-2011	16,99,056
2	D. Krishnamoorthy	59	CFO & CS	B.Sc, FCA, ACS	24-10-2016	15,00,000
3	ANVR Sateesh	34	Manager-Finance & Accounts	B.Com, ACA, CMA	30-09-2015	11,12,616
4	T.N. Madan	35	CFO	CA	08-01-2020	11,09,678
5	Ambika Philip	36	GM-HR& Operations	Graduate	18-04-2012	9,89,000
6	S. Narayanan	37	Manager-Projects	B.Tech Civil	17-06-2013	8,90,100
7	Anand.D	35	Manager - Operations	BBM	10-06-2013	7,52,400
8	Hari Krishna	37	Manager – Finance & Accounts	MBA	01-04-2018	5,14,500
9	Sivarama Krishna	34	GM – Accounts & Finance	CA	01-12-2014	5,11,895
10	Krishna Kanth	34	Manager - Marketing	MBA	04-07-2014	4,42,750

2. There are no employees who were in receipt of remuneration in excess of Rs. 1 crore and 2 lakhs who were employed throughout the financial year.
3. There are no employees who were in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was in excess of Rs. 8,50,000 per month.

Standalone Financial Section
Independent Auditor's Report

To the Members of PVP Ventures Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of **PVP Ventures Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion section of our report*, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March, 2020, and its loss including other comprehensive income, its changes in equity and cash flows for the year ended on that date.

Basis for Qualified Opinion

1. *Attention is invited to Note no.35 to the standalone financial statements, in relation to investment in equity shares includes investments in three subsidiary companies net off provision made amounting to Rs.25,008.90 Lakhs and loans and advances to subsidiary companies of net off provision made amounting to Rs.33,006.61 Lakhs. The management is of the view that considering the market value of the assets and expected cash flows from the business of these subsidiary companies the provision already made is adequate. However, considering erosion in the net worth of the subsidiary companies and their dependence on the holding company to continue as a going concern, and in the absence of visible cash flows, delay in commencement of projects and other related factors indicate the existence of material uncertainty in the ability of the company to realize the values thus, the carrying value of investments and loans and advances (net of provision already made) is unascertain of recoverability. Therefore, we are of the view that the carrying amounts of the investments as well as loans shall be adjusted for their realisability by making additional provision taking cognizance of erosion in the networth of the investee/loanee companies and also taking to consideration their inability to continue as a going concern. Accordingly, the loss for the year is understated to this extent.*

2. *Attention is invited to Note No.40(c) to the standalone financial statements, the Company has mortgaged its land situated at perambur as a security and also given corporate guarantee to a bank for the borrowings made by PVP Capital Limited (i.e. wholly owned step down subsidiary company) amounting to Rs.10,000 Lakhs. The outstanding amount is Rs.16,787.91 lakhs as per the books of accounts as on 31st March, 2020.*

   PVP Capital Limited has not adhered to repayment schedule for principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the bank has taken symbolic possession of immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee but there were no bidders. We were informed that the PVP Capital Limited is in negotiation with the bank for one time settlement (OTS).

   The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligation by the PVP Capital Limited will be met in due course. Whereas, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. In this background, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the underlying loan have already been defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company towards corporate guarantee issued. Accordingly, to the extent of the carrying value of assets or the guarantees issued should be considered as obligation of the company. Accordingly, the loss for the year is understated to this extent.

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

Material uncertainty related to Going Concern

Attention is invited to Note No.34 to the standalone financial statements, which indicates that the company's current liabilities exceeded its current assets and the company was unable to honour its obligation towards repayment of principal and interest to its debenture holders and non- current investments are to be impaired significantly. Further, the impact of outbreak of Coronavirus (COVID -19) on the business operations especially considering the prevalent situation in real estate sector in which the company has significant exposure and along with the other matters as stated in said note, indicates that there is a material uncertainty exists that may cast doubt on the company's ability to continue as a going concern.

Our audit opinion is not modified in respect of this matter.

Emphasis of Matter

1. Attention is invited to note no.32(a) to the standalone financial statements, where many aspects of debenture trust deed have not been adhered by the company including repayment of principal and interest. We are unable to assess the current implications as the eventual outcome of these defaults which are unascertainable at this stage, as various concessions and approvals from the debenture holders, seeking exemptions from implications arising from the defaults in debenture trust deed are awaited.

2. Attention is invited to Note no.33 to the standalone financial statements, which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the standalone financial statements as at the balance sheet date.The assessment of Management is dependent on the circumstance as they evolve considering the uncertainties prevailing in the economic situation.

3. Attention is invited to Note no.40(a)to the standalone financial statements, the obligations towards disputed income tax matters amounting to Rs.1,783.25 lakhs are pending before different judicial forums. Pending disposal of these appeals the eventual obligation in this regard is unascertainable at this time. Based on the management's assessment and based on the experts view on the merits of the dispute, no provision is made in this regard.

4. Attention is invited to Note no.40(b) to the standalone financial statements, Bombay Stock Exchange Limited (BSE) has imposed penalty on the company amounting to Rs.12.97 lakhs as per regulation 17 and 19 of the SEBI (LODR) Regulations, 2015 for non compliance with the requirements pertaining to the composition of Board regarding failure to appoint Women Director and for non-compliance with the constitution of Nomination and Remuneration Committee. The company has disputed the same and filed an appeal before Securities Appellate Tribunal (SAT), the eventual obligation if any, in this regard is unascertainable at this stage. Based on the management's assessment, that it has good case to succeed, hence no provision is made in the standalone financial statements.

   Our audit opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our Report.

a. ***Recoverability of Deferred Tax Asset (DTA)***

Key Audit Matter	Auditor's Response
As at 31st March, 2020, the company recognisedRs.941.74 lakhs of deferred tax asset in the nature of MAT Credit. Ind AS 12 Income Taxes, require deferred tax assets to be recognised only to the extent that it is probable that sufficient future taxable profits will be generated in order for the benefits of the deferred tax assets to be realised. These benefits are realised by reducing tax payable on future taxable profits. Significant judgement is required over the recoverability of deferred tax assets arising from past tax losses because the realisation of tax benefits is dependent on future taxable profits and there are inherent in forecasting such profits. This was a key audit matter because of the size of the balances and because significant judgement was required by the company to assess whether there will be sufficient future taxable profits to utilise the recognised deferred tax assets.	We assessed the company's ability to utilize the deferred tax assets by: • Obtaining calculations of forecast taxable income for the next 5 years and agreeing these to the latest management approved budget and forecast. • Comparing the latest management approved budget to historical performance to assess the consistency and accuracy of the company's approach to budgeting. • Assessing the company's key assumptions in the budget and taxable income forecasts. • Ensured that the length of time over which the DTA would be recovered was appropriately supported by probable future taxable profits. • Recalculating deferred tax asset balances which comprise a combination of timing differences between tax and accounting values and tax losses, and • Assessing whether deferred tax assets had been appropriately recognised in the financial statement as at 31st March, 2020 based on the extent to which they can be recovered by forecast taxable profits.

b. ***Contingent Liabilities in relation to Tax Litigations and Other Statutory Litigations***

Key Audit Matter	Auditor's Response
The Company has received certain demand orders and notices relating to direct tax matters and demands from various statutory authorities. The company is contesting these demands (refer note no.40and 41 to the standalone financial statements). There is high level of judgment required in estimating the level of provisioning. The management's assessment is supported by the facts of matter, their own judgment and advices from legal and independent consultants whereever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the management's reported loss and the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/ interpretation of law involved.	Our audit procedures included the following: • Understanding the current status of the litigations/ tax assessments and demands from various statutory authorities. • Examining recent orders and/or communication received from various tax/statutory authorities and follow up action thereon. • Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal advice; and • Review and analysis of evaluation of the contentions of the management through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report including annexures to Board's Report and Report on Corporate Governance but does not include the standalone financial statements and our auditor's report thereon. The above reports are expected to be made available to us after the date of the auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter:

Further to the continuous spreading of COVID-19 across India, the Indian Government announced a strict 21- day lockdown on 24th March, 2020, which has further extended till 31st July, 2020 across the India to contain the spread of the Virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current COVID-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order 2016 ("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 the paragraph 3 and 4 of the order.
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) *Except for the effects of the matter described in the Basis for Qualified Opinion Paragraphs above*, 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 including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) *Except for the effects of the matter described in the Basis for Qualified Opinion Paragraphs above*, in our opinion, aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) The matter described in the Basis for Qualified Opinion Paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
   f) *Attention is invited to note no.32(a) to the standalone financial statements, which explains the management view point and understanding of the implications arising on account of defaults committed in redeeming the debentures as per the schedule of redemption, though the management obtained an extension from the debenture holder vide letter dated 05th February, 2020 till 31st May, 2020 and further extension vide letter dated 23rd June 2020 till 31st August, 2020, we are unable to express*

our opinion whether such extension of redemption period (covering all the defaults happened upto 31st March, 2019) with retrospective effect will exonerate the board of directors from the implications of section 164(2)(b) of the Companies Act, 2013.

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion Paragraph above.

h) With respect to the adequacy of the Internal financial control over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in **"Annexure B"**; and

i) In accordance with the requirements of section 197(16) of the Companies Act, 2013, as amended, in our opinion and to the best of our information and according to the explanations given to us, during the year, the company has not paid remuneration to the directors in accordance with the provisions of section 197 of the Companies Act, 2013. Therefore remuneration paid to the directors over and above the limits laid down under this section doesn't arise.

j) With respect to the other matters to be included Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note No.40 and 41 to the Standalone Financial Statements.

   ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses and

   iii. There are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For Brahmayya& Co.,
Chartered Accountants
Firm Regn. No.000511S

Sd/-
K. Jitendra Kumar
Partner
Membership No.201825

UDIN:20201825AAAADT3160

Place: Chennai
Date : 31st July, 2020

Annexure - A to the Independent Auditors' Report

Referred to in Clause 1 of **"Report on Other Legal and Regulatory Requirements"** Paragraph of the Independent Auditors' Report of even date the members of "**PVP Ventures Limited**" on the Standalone Ind AS Financial Statements as of and for the year ended 31st March 2020.

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties that are held in the name of the company other than inventory (refer point ii below).

(ii) In our opinion and according to the information and explanations given to us, having regard to nature of inventory i.e Land, the physical verification of title deeds, reconciliations with survey numbers of stock in hand and certification of extent of land sold by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause (iii), (iii)(a), (iii)(b) and (iii)(c) of Paragraph 3 of the Order are not applicable to the company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and securities given.

(v) The Company has not accepted any deposits from the public during this year. Therefore the provisions of clause (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays.

Undisputed amounts payable in respect thereof, which were outstanding at the year- end for a period of more than six months from the date they became payable are as follows:

Name of the Statue	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Date of Payment
The Tamilnadu Urban Land Ceiling and Regulation Act, 1978	Urban Land Tax	21.43	June 2017 to September, 2019	Yet to be remitted
The Income Tax Act, 1961	Income Tax*	213.35	Financial Year 2016-17	Yet to be remitted
The Income Tax Act, 1961	Interest on Income Tax	97.07	Financial Year 2016-17 (till 31st March, 2020)	Yet to be remitted

*Amount payable after adjusting the TDS receivable and available MAT Credit.

(b) According to the information and explanations given to us, the details of dues of Income tax which is not deposited on account of any dispute as on 31st March, 2020 is given below:

(Rs. in lakhs)

Nature of Statue	Nature of Dues	Tax Amount Disputed	Period to which Amount Relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	13.24	Assessment Year 2009-10	ITAT, Chennai
The Income Tax Act, 1961	Income Tax	493.43	Assessment Year 2013-14	CIT-A, Chennai
The Income Tax Act, 1961	Penalty	1,276.58	Assessment Year 2008-09	CIT-A, Chennai

(viii) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank and government as on reporting date except to the debenture holders as follows:

(Rs. in Lakhs)

Name of the Debenture holder	Due Date	Principal	Interest	Total Amount	Remarks
NCD Tranche A	30-09-2018	16.50	-	16.50	Extension letter received till 31st August, 2020.
NCD Tranche A	31-12-2018	241.25	-	241.25	
NCD Tranche A	31-03-2019	241.25	-	241.25	
NCD Tranche A	30-06-2019	241.25	18.68	259.93	
NCD Tranche A	30-09-2019	241.25	162.82	404.07	
NCD Tranche A	31-12-2019	241.25	164.31	405.56	
NCD Tranche A	31-03-2020	241.25	155.49	396.74	
NCD Tranche B	30-04-2019	518.13	1,108.12	1,626.24	
NCD Tranche B	31-07-2019	518.13	376.11	894.24	
NCD Tranche B	31-10-2019	518.13	376.12	894.25	
NCD Tranche B	31-01-2020	518.13	376.11	894.24	
FCD Debenture Holder	15-12-2017	-	363.49	363.49	Extension received till 31st August, 2020
FCD Debenture Holder	15-06-2018	-	361.51	361.51	
FCD Debenture Holder	15-12-2018	-	363.49	363.49	
FCD Debenture Holder	15-06-2019	-	361.51	361.51	
FCD Debenture Holder	15-12-2019	-	363.49	363.49	

*refer note no.32 (a) and (b) to the standalone financial statements.

(ix) During the year, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans. Therefore, provisions of clause (ix) of Paragraph 3 of the order are not applicable.

(x) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid any managerial remuneration as per section 197 of the Companies Act, 2013. Therefore, the provisions of clause 3(xi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company for the year under audit.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, the provisions of Clause (xii) of Paragraph 3 of the Order are not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of Clause (xiv) of Paragraph 3 of the Order are not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under section 192 of the Companies Act 2013. Therefore, the provisions of Clause (xv) of Paragraph 3 of the Order are not applicable.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of Clause (xvi) of Paragraph 3 of the Companies (Auditors Report) Order 2016 are not applicable to the company.

For Brahmayya& Co.,
Chartered Accountants
Firm Regn. No.000511S

Sd/-
K. Jitendra Kumar
Partner
Membership No.201825

UDIN:20201825AAAADT3160

Place: Chennai
Date : 31st July, 2020

Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **PVP Ventures Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as 31st March, 2020:

a. The company's internal financial controls in respect of supervisory and review controls over process of determining of (i) carrying value of the company's non current investments in its subsidiaries and (ii) recoverability of loans to its subsidiaries included under non-current investments. Absences of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in the carrying value of investments in such subsidiaries and the aforesaid dues from such subsidiaries and consequently, could also impact the profit (financial performance including other comprehensive income) after tax.

b. Assessment of expected cash shortfall and resultant loss allowance that may be required in respect of invocation of corporate guarantees and demand against the company in respect of such guarantees executed for its subsidiaries and other parties in favour of the lenders.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, *except for the possible effects of the material weaknesses described above* on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

We have considered the material weaknesses identified and reported in the Qualified Opinion paragraph in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the company for the year ended 31st March, 2020 and material weaknesses do not affect our opinion on the financial statements of the company.

For Brahmayya& Co.,
Chartered Accountants
Firm Regn. No.000511S

Sd/-
K. Jitendra Kumar
Partner
Membership No.201825

UDIN:20201825AAAADT3160

Place: Chennai
Date : 31st July, 2020

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

(₹ in Lakhs)

	Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
I	**ASSETS**			
(1)	**Non Current Assets**			
	(a) Property, Plant and Equipment	**4.1**	228.11	245.82
	(b) Other Intangible assets	**4.2**	0.07	0.21
	(c) Financial Assets			
	(i) Investments	**5**	82,412.18	82,079.48
	(ii) Other financial assets	**6**	27.86	21.36
	Total Financial Asset		**82,440.04**	**82,100.84**
	(d) Deferred tax assets - Tax Credit		941.74	1,211.62
	(e) Other non current assets	**7**	226.56	224.10
	Total Non Current Assets		**83,836.52**	**83,782.59**
(2)	**Current assets**			
	(a) Inventories	**8**	6,602.58	6,701.06
	(b) Financial Assets			
	(i) Trade receivables	**9**	129.21	143.84
	(ii) Loans	**10**	138.36	137.43
	(iii) Cash and cash equivalents	**11**	25.96	113.70
	(iv) Other financial assets	**12**	100.51	250.78
	Total Financial Asset		**394.04**	**645.75**
	(c) Other current assets	**13**	4.38	5.25
	Total Current Assets		**7,001.00**	**7,352.06**
(3)	**Non current assets classified as held for sale**		-	-
	Total Assets		**90,837.51**	**91,134.65**
II	**EQUITY AND LIABILITIES**			
A	**EQUITY**			
	(a) Equity Share Capital	**14**	24,505.27	24,505.27
	(b) Other Equity		35,289.58	36,497.56
	Total Equity		**59,794.85**	**61,002.83**
B	**LIABILITIES**			
(1)	**Non Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**15**	10,152.07	15,205.57
	(ii) Other financial liabilities	**16**	5.80	-
	Total Financial Liabilities		**10,157.87**	**15,205.57**
	(b) Provisions	**17**	15.84	14.38
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non current liabilities	**18**	4,220.58	4,489.67
	Total Non Current Liabilities		**14,394.29**	**19,709.62**
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**19**	1,442.98	1,010.20
	(ii) Trade payables	**20**		
	Total outstanding dues to micro, small and medium enterprises		-	-
	Total Outstanding dues to creditors other than micro, small and medium enterprises		80.45	41.87
	(iii) Other financial liabilities	**21**	11,776.34	4,490.29
	Total Financial Liabilities		**13,299.77**	**5,542.36**
	(b) Other current liabilities	**22**	3,009.87	4,558.33
	(c) Provisions	**23**	338.73	321.52
	Total Current Liabilities		**16,648.37**	**10,422.21**
(3)	**Liabilities associated with non current assets held for sale**		-	-
	Total Equity and Liabilities		**90,837.51**	**91,134.65**

Summary of Significant Accounting Policies **2**

The accompanying notes and other expalanatory information are integral part of the standalone financial statements.

As per our report of even date.

For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S

K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2020

(₹ in Lakhs)

	Particulars	Note	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
I.	Revenue from Operations	**24**	2,900.45	3,045.29
II.	Other Income	**25**	28.05	35.20
III.	**Total Income (I+II)**		**2,928.50**	**3,080.49**
IV.	**Expenses :**			
	Change in inventories of stock in trade	**26**	149.93	144.18
	Employee Benefit Expenses	**27**	156.26	175.72
	Finance Costs	**28**	2,918.04	2,486.11
	Depreciation and Amortisation	**4**	86.83	55.37
	Other Expenses	**29**	528.75	790.73
	Total Expenses		**3,839.81**	**3,652.11**
V.	**Profit Before Tax and Exception items (III-IV)**		**(911.31)**	**(571.62)**
VI.	Exceptional Items	**30**	**-**	**(725.00)**
VII.	**Profit/ (Loss) Before Tax (V+VI)**		**(911.31)**	**153.38**
VIII.	**Tax Expenses**			
	Current Tax		269.88	-
	Deferred Tax Asset/(Liability)		-	-
	Income Tax for Earlier Years		0.17	-
	Total Tax Expenses		**270.05**	**-**
VII.	**Profit / (Loss) for the period**		**(1,181.36)**	**153.38**
	Profit (Loss) from discontinued operations		-	**-**
	Tax Expenses of Discontinued operations		-	**-**
VIII.	**Profit (Loss) from discontinued operations after Tax**		**-**	**-**
IX.	**Profit (Loss) for the Period (VII -VII)**		**(1,181.36)**	**153.38**
X.	**Other Comprehensive income, net of tax**			
	i) Item that will not be reclassified to profit or Loss		**-**	
	Remeasurement of defined benefit obligation		2.24	5.84
	Less: Income tax expense		-	-
	ii) Items that will be reclassified to profit or loss		**-**	**-**
	Other Comprehensive income for the year, net of tax		**2.24**	**5.84**
XI.	**Total Comprehensive income for the year, net of tax (IX+X)**		**(1,179.12)**	**159.22**
XII.	**Earnings per equity share of nominal value of Rs.10 each**			
	Basic and Diluted (In Rs.)		**(0.48)**	**0.06**

Summary of Significant Accounting Policies 2

The accompanying notes and other expalanatory information are integral part of the standalone financial statements.

As per our report of even date.
For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S

K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

	Particulars		For the year ended 31st March 2020	For the year ended 31st March 2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit / (Loss) before Tax		**(911.31)**	**153.38**
	Adjustments for:			
	Depreciation and Amortization		86.83	55.37
	(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property		2.60	(1.42)
	Reversal of Interest Cost pertains to previous year		-	(725.00)
	Provision for Employee Benefits		(2.28)	14.20
	Loss on sale of Investment in subsidiary		3.24	1.34
	Provision for diminution in value of Investments		3.38	289.46
	Interest provided on Income tax Dues		22.29	74.78
	Interest Income		(23.81)	(30.28)
	Expenses Written Back		(3.54)	-
	Interest on Penalty of SEBI		-	6.79
	Assets Writtenoff		0.04	18.99
	Provision for Doubtful Advances		35.00	-
	Baddebts Written Off		70.00	0.27
	Interest Expenses		2,883.62	2,410.89
	Cash Generated Before Working Capital Changes		**2,166.06**	**2,268.77**
	Movement In Working Capital			
	Increase / (Decrease) in Trade Payables		42.12	(27.01)
	Increase / (Decrease) in Other Financial Liabilities		(0.04)	(14.29)
	Increase / (Decrease) in Other Liabilities		(1,817.55)	(1,602.56)
	(Increase) / Decrease in Trade Receivables		14.63	546.72
	(Increase) / Decrease in Loans		(0.93)	(3.19)
	(Increase) / Decrease in Inventories		98.48	(63.14)
	(Increase) / Decrease in Other Financial Assets		60.40	(77.36)
	(Increase) / Decrease in Other Assets		1.27	(5.92)
	Cash Generated From Operations		**564.46**	**1,022.02**
	Direct Taxes Paid		(2.13)	(11.54)
	Net Cash Flow From / (Used in) Operating Activities	**(A)**	**562.33**	**1,010.48**
B.	**CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES**			
	Purchase of PPE, Intangible Assets and Investment Property		(3.30)	(76.70)
	Proceeds from Sale of PPE, Intangible Assets and Investment Property		-	4.01
	Proceeds from the Sale of Investments		0.28	947.71
	Investments/advances to subsidiaries		(339.60)	(998.79)
	Investment in other companies		-	(0.03)
	Interest Income Received		2.14	102.99
	Net Cash Flow From / (Used in) Investing Activities	**(B)**	**(340.48)**	**(20.81)**

CASH FLOW STATEMENT (Contd.)

(₹ in Lakhs)

	Particulars		For the year ended 31st March 2020	For the year ended 31st March 2019
C.	**CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES**			
	Proceeds from/(to) Short - Term Borrowings (Net)		432.78	(0.97)
	Proceeds from Long Term Borrowings (Net)		-	8,228.60
	Repayment of Long Term Borrowings		(415.15)	(8,289.00)
	Repayment of Lease Liability		(54.57)	-
	Interest Paid		(272.65)	(882.07)
	Net Cash Flow From / (Used in) Financing Activities	**(C)**	**(309.59)**	**(943.44)**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**(A+B+C)**	(87.74)	46.23
	Cash and Cash Equivalents at the beginning of the year		113.70	67.47
	Cash and Cash Equivalents at the end of the year		**25.96**	**113.70**
	Components of Cash and Cash Equivalents			
	Cash on Hand		0.14	0.26
	Balances with Banks			
	-in Current Accounts and Deposits Accounts		25.82	113.44
	Cash and cash Equivalent		**25.96**	**113.70**

The accompanying notes and other expalanatory information are integral part of the standalone financial statements.

Notes:

The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements.

Reconciliation between the opening and closing balances in the balance sheet for financial liabilities arising from financing activities:

(Rs. in Lakhs)

Particulars	As at 01st April, 2019	Net Cash Out Flows	Non Cash Changes - Book Adjustments	As at 31st March, 2020
Long Term Borrowings	17,159.72	(415.15)	-	16,744.57
Short Term Borrowings	1,010.20	432.78	-	1,442.98
Other Financial Liabilities	2,477.96	(272.65)	2,883.62	5,088.93
Total Financial Liabilities	**20,647.88**	**(255.02)**	**2,883.62**	**23,276.48**

As per our report of even date.
For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S

K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

Particulars	Equity Share Capital	Other Equity - Reserves and Surplus - Security Premium Reserve	Other Equity - Reserves and Surplus - Retained Earnings	Other Equity - Reserves and Surplus - Debenture Redemption Reserve	Other Equity - Other Comprehensive Income - Other Items of Other Comprehensive Income	Total Equity attributable to equity holders of the company
Balance as on 01st April, 2018	**24,505.27**	**77,511.10**	**(39,616.69)**	**-**	**(15.90)**	**37,878.51**
Changes in Equity for the Year ended March 31, 2019						
Ind As 115 Transition Amount	-	-	(1,540.17)	-	-	(1,540.17)
Remeasurement of the net defined benefit liability/ asset , net of tax effect	-	-	-	-	5.84	5.84
Profit for the period ended 31st March, 2019	-	-	153.38	-	-	153.38
Transfer from Retained Earnings	-		(150.00)	150.00		-
Balance as on 31st March, 2019	**24,505.27**	**77,511.10**	**(41,153.48)**	**150.00**	**(10.06)**	**36,497.56**
Balance as on 01st April, 2019	**24,505.27**	**77,511.10**	**(41,153.48)**	**150.00**	**(10.06)**	**36,497.56**
Changes in Equity for the Year ended March 31, 2020						
Ind AS 116 Transition Amount	-	-	(28.86)	-	-	(28.86)
Remeasurement of the net defined benefit liability/ asset , net of tax effect	-	-	-	-	2.24	2.24
Profit for the period ended 31st March, 2020	-	-	(1,181.36)	-	-	(1,181.36)
Balance as on 31st March, 2020	**24,505.27**	**77,511.10**	**(42,363.70)**	**150.00**	**(7.82)**	**35,289.58**

The description of the nature and purpose of each reserve within equity is as follows:

1. **Security Premium :** This represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
2. **Retained Earnings :** Retained Earnings represent accumulated losses of the company.
3. **Debenture Redemption Reserve (DRR) :** The company has issued redeemable non-convertible listed debentures.Accordingly, the companies (Share Capital and Debentures Rules, 2014 (as amended)), requires the company to create DRR out of profits of the company.During the financial year 2018-19, Debenture Redemption Reserve (DRR) amounting to Rs.150 lakhs has created out of profits available for distribution of dividend.

The accompanying notes and other expalanatory information are integral part of the standalone financial statements.

As per our report of even date.
For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S

K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer
Place : Chennai
Date : 31st July, 2020

Sd/-
K. RAMYANKA
Company Secretary

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2020

1. Corporate Information

PVP Ventures Limited ('the Company') is a public limited company incorporated and domiciled in India. The Company shares are listed on two stock exchanges in India. The registered office of the Company is located at Door No:2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai, Tamilnadu – 600031.The Company is engaged in the business of developing urban infrastructure and investments in various ventures.

The Standalone Financial Statements of the Company for the year ended 31st March 2020 were authorised for issue in accordance with resolution of the Board of Directors on 31st July, 2020.

2. Significant Accounting Policies

Basis of Preparation of Financial Statements

These financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the companies act, 2013, ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.The amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of schedule III, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hither to in use.

The amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of schedule III, unless otherwise stated.

The financial statements are presented in Indian currency (INR), being the functional and presentation currency. Being the currency of the primary economic environment in which the company operate.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in ***Ind AS 1 Presentation of Financial Statements*** **and** ***Schedule III to the Companies Act, 2013.***

Current/ Non-Current Classification

An asset is classified as current when

1) It is expected to be realized or consumed in the Company's normal operating cycle;
2) It is held primarily for the purpose of trading;
3) It is expected to be realized within twelve months after the reporting period; or
4) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Any asset not confirming to the above is classified as non- current.

A liability is classified as current when

1) It is expected to be settled in the normal operating cycle of the Company;
2) It is held primarily for the purpose of trading;
3) It is expected to be settled within twelve months after the reporting period; or
4) The Company has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

   Any liability not conforming to the above is classified as noncurrent.

a. Property, Plant and Equipment:

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all direct costs relating to acquisition and installation of Property, Plant and Equipment and borrowing cost relating to qualifying assets. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is charged to profit or loss so as to write off the cost of assets less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful Life
Plant and Equipment	5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Computers and related Assets	3 years
Office Equipment	3 years

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

b. Impairment of Property, Plant & Equipment:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

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

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

c. Foreign Currency Translation:

Initial Recognition

On initial recognition, transactions in foreign currencies entered into by the company are recorded in the functional currency (i.e India Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Measurement of foreign currency items on reporting date

Foreign currency monetary items of the company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

Effective 01st April, 2018, the Company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Subsequent Measurement

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were the fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

d. Leases:

The company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e .the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of owner ship to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease.

The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 “Leases”) and is amortized over the lease term in accordance with the pattern of benefits provided.

e. Inventories

Inventories constitute land and related development 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, development of the land and other related direct expenses.

f. Financial Instruments

1) Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2) Subsequent measurement

(i) Financial assets carried at amortised cost

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

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii) Financial Assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

iv) Investment in Subsidiaries

Investments in subsidiaries are carried at cost in accordance with Ind AS 27 Separate Financial Statements.

v) Financial Liability

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

3) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4) Impairment of Assets

Financial Assets (other than at fair value):

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

5) Fair value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

g. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

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. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

h. Revenue Recognition

Effective 01st April, 2018, the company has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e 01st April, 2018). The comparative information in the statement of profit and loss is not restated – i.e the comparative information continues to be reported under Ind AS 18.

The company recognises revenue when it determines the satisfaction of performance obligations at a point of time. Revenue is recognised upon transfer of control of promised services to customer in an amount that reflects the consideration which the company expects to receive in exchange for the services.

Current assets are recognised under Trade Receivables.

Current Liabilities are recognised when there is an advance received from customers.

Revenue from dividend is recognised upon right to receive the dividend is established.

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable as per the agreements.

i. Employee Benefits

1) Gratuity

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to profit or loss. As required under Ind AS complaint schedule III, the Company transfers it immediately to retained earnings.

2) Compensated Absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Non-accumulating compensated absences are recognised in the period in which the absences occur.

3) Other Benefit Plans

Contributions paid/payable under defined contributions plans are recognised in the statement of Profit or 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.

j. Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

1) Current Income Tax

Current Income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

2) Deferred Income Tax

Deferred Income tax is recognised using balance sheet approach. Deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes,except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred Income tax assets are recognised for all deducted temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred Income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

k. Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

l. Earnings per Share

Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

m. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

n. Exceptional Items

When items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

o. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Urban Infrastructure". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

3. Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Valuation of investment in/loans to subsidiaries:** The company has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investment in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans thereon. The inputs to these models are taken from observable markets where possible, but where is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.
- **Useful lives of property, plant and equipment and intangible assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.
- Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.
- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.
- **Revenue from Contracts with Customers:** The company has applied judgments that affect the determination of the amount and timing of revenue from contracts with customers.

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

Note -4.1 : Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Plant and Machinery	Computers and Related Assets	Furniture and Fixtures	Vehicles	Office Equipments	Right to Use Building	Total
<u>**Gross Block**</u>							
Gross Carrying value as on 31st March, 2018	**2.98**	**21.86**	**73.43**	**190.90**	**91.62**	**-**	**380.79**
Additions	-	0.96	-	70.39	5.35	-	76.70
Disposals	-	-	-	(11.08)	-	-	(11.08)
Gross Carrying value as on 31st March, 2019	**2.98**	**22.82**	**73.43**	**250.21**	**96.97**	**-**	**446.41**
Additions	-	1.99	0.18	0.99	0.14	68.27	71.57
Disposals	-	-	-	(9.01)	(0.41)	-	(9.42)
Gross Carrying value as on 31st March, 2020	**2.98**	**24.81**	**73.61**	**242.19**	**96.70**	**68.27**	**508.56**
<u>**Accumulated Depreciation**</u>							
Accumulated Depreciation as on 31st March, 2018	**1.19**	**11.98**	**32.07**	**40.42**	**68.17**	**-**	**153.83**
For the period 2018-19							
Charges for the period	0.31	2.08	10.68	30.36	11.82	-	55.25
on Disposals	-	-	-	(8.49)	-	-	(8.49)
Accumulated Depreciation as on 31st March, 2019	**1.50**	**14.06**	**42.75**	**62.29**	**79.99**	**-**	**200.59**
For the period 2019-20							
Charges for the period	0.12	2.44	10.71	32.22	3.43	37.76	86.68
on Disposals	-	-	-	(6.66)	(0.16)	-	(6.82)
Accumulated Depreciation as on 31st March, 2020	**1.62**	**16.50**	**53.46**	**87.85**	**83.26**	**37.76**	**280.45**
<u>**Net Block**</u>							
Carrying Value as on 31st March, 2019	**1.48**	**8.76**	**30.68**	**187.92**	**16.98**	**-**	**245.82**
Carrying Value as on 31st March, 2020	**1.36**	**8.31**	**20.15**	**154.34**	**13.44**	**30.51**	**228.11**

Note: Gross Block as on 01.04.2015 represents deemed cost (Gross Block Rs.376.71 Lakhs - Accumulated Depreciation Rs. 143.30 Lakhs).

4.2 : Intangible Assets

(₹ in Lakhs)

Particulars	Software	Total
<u>**Gross Block**</u>		
Gross Carrying value as on 31st March, 2018	**0.43**	**0.43**
Additions	-	-
Deletions	-	-
Gross Carrying value as on 31st March, 2019	**0.43**	**0.43**
Additions	-	-
Deletions	-	-
Gross Carrying value as on 31st March, 2020	**0.43**	**0.43**
<u>**Accumulated Depreciation**</u>		
Accumulated Depreciation as on 31st March, 2018	**0.08**	**0.08**
Depreciation	0.14	0.14

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

4.2 : Intangible Assets

(₹ in Lakhs)

Particulars	Software	Total
Accumulated depreciation on deletions	-	-
Accumulated Depreciation as on 31st March, 2019	**0.22**	**0.22**
Depreciation	0.14	0.14
Accumulated depreciation on deletions	-	-
Accumulated Depreciation as on 31st March, 2020	**0.36**	**0.36**
Net Block		
Carrying Value as on 31st March, 2019	**0.21**	**0.21**
Carrying Value as on 31st March, 2020	**0.07**	**0.07**

Note No 5 : Investments

(Rs In Lakhs)

Particulars		As at 31st March, 2020	As at 31st March, 2019
Non-Current Investments			
Investment in equity instruments			
Investment carried at cost, fully paid up			
I. Investments in Subsidiaries			
(i) Quoted			
Picturehouse Media Limited (PHML)*		526.06	529.58
33,21,594 (31st March, 2019 - 33,43,880) equity shares of Rs. 10 each.			
Less: Provision for diminution in value of investment		492.84	489.46
	(A)	**33.22**	**40.12**
(ii) Unquoted			
PVP Corporate Parks Private Limited (PCPL)		50.00	50.00
500,000 (31st March 2019 - 5,00,000) equity shares of Rs.10 each (Refer Point III below)			
PVP Global Ventures Private Limited (PGPL)		91,205.21	91,196.45
88,22,869 (31st March 2019 - 88,22,869) equity shares of Rs.10 each (Refer Point III below)			
Less: Provision for diminution in value of investment		(35,160.16)	(35,160.16)
New Cyberabad City Projects Private Limited (NCCPPL)**		21,944.48	21,944.48
1,010,000 (31st March 2019 - 1,010,000)equity shares of Rs.10 each (Refer Point III Below)			
PVP Media Ventures Private Limited (PMPL)		863.96	863.85
19,000 (31st March 2019 - 19,000) equity shares of Rs.10 each (Refer Point III below)			
Safetrunk Services Private Limited (SSPL)		1,106.50	775.77
48,00,000 (31st March 2019 - 48,00,000) equity shares of Rs.10 each (Refer Point III below)			
	(B)	**80,009.99**	**79,670.39**
II. Other Investments			
Blaster Sports Ventures Private Limited (BSVPL)		2,368.94	2,368.94
2,36,89,430 (31st March, 2019 - 2,36,89,430) 1% compulsory convertible debentures of Rs.10 each			
Arsikere Solar Pvt Ltd - 100 equity shares of Rs.10 each		0.01	0.01
Kadur Solar Pvt Ltd - 100 equity shares of Rs.10 each		0.01	0.01
Ranibenur Solar Pvt Ltd - 100 equity shares of Rs.10 each		0.01	0.01
	(C)	**2,368.97**	**2,368.97**
Total Non-Current Investments	**(A+B+C)**	**82,412.18**	**82,079.48**

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

Note No 5 : Investments

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Aggregate of Non Current Investments		
Aggregate amount of quoted investments	526.06	529.58
Aggregate amount of impairment of quoted investments	(492.84)	(489.46)
Aggregate amount of quoted investments - Market Value	33.22	40.12
Aggregate amount of unquoted investments	117,539.12	117,199.52
Aggregate amount of impairment in value of investments	(35,160.16)	(35,160.16)
	82,412.18	**82,079.48**

III. Movement in investments as at 31st March 2020	Investment as at 31st March 2019	Investment made during the year	Fair value of Interest free loan	Investment as at 31st March, 2020
PVP Global Ventures Private Limited (PGPL)	54,527.00	-	36,678.21	91,205.21
New Cyberabad City Projects Private Limited(NCCPL)	101.00	-	21,843.48	21,944.48
PVP Media Ventures Private Limited (PMPL)	1.90	-	862.06	863.96
Safetrunk Services Private Limited (SSPL)	480.00	-	626.50	1,106.50
PVP Corporate Parks Private Limited (PCPL)	50.00	-	-	50.00
Total	**55,159.90**	**-**	**60,010.25**	**115,170.15**

* Company has pledged 10,00,000 equity shares of Rs.10/- each held in Picturehouse Media Limited for loan availed by subsidiary company.During the Financial Year 2018-19, UCO Bank Limited invoked 10,00,000 pledged shares, out of which 9,234 shares sold by bank.During the year,Out of balance shares, 22,286 shares sold by the UCO Bank Limited and remaining balance shares with held by the bank in their DMAT Statement.

** Loan provided to the subsidiary company i.e New Cyberabad City Projects Private Limited (NCCPL), has been secured by equitable mortgage on land.

Note 6 : Other Financial Assets - Non Current

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured and Considered good		
Security Deposit	27.86	21.36
	27.86	**21.36**

Note 7 : Other Non Current Assets

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured and Considered good		
Capital Advances	-	0.40
Taxes paid under protest *	150.00	150.00
Advance Tax and Tax deducted at source	76.56	73.70
Disputed Interest Paid to SEBI	6.79	6.79
Less: Provision for Interest Paid to SEBI	(6.79)	(6.79)
	226.56	**224.10**

* The company has received a favourable order from the ITAT (Income Tax Appellate Tribunal) and hence the amount is due as refund.

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

Note 8 : Inventory

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Inventory - Land (refer note no.31)	6,551.13	6,701.06
Inventory - Flat	51.45	-
(Valued at cost or net realised value which ever is less and as certified by the Management)		
	6,602.58	**6,701.06**

Note 9 : Trade Receivables

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current		
Considered good - Secured	-	-
Considered good - Unsecured	129.21	143.84
Significant increase in credit risk	-	-
Credit Impaired	-	-
	129.21	**143.84**

Note 10 : Loans

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current Loans		
Unsecured and Considered good		
Staff Advances	138.36	137.43
Unsecured and Considered Doubtful	-	-
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - Credit Impaired	-	-
	138.36	**137.43**

Note 11 : Cash and Cash Equivalents

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance With Banks		
In Current Accounts	17.79	105.41
In Deposit Accounts	8.03	8.03
Cash on Hand	0.14	0.26
	25.96	**113.70**

Note 12 : Other Financial Assets - Current

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured and Considered good		
Interest Accrued and Due on Fixed Deposit	0.53	0.53
Interest Accrued and Due on Staff Loans	65.94	65.94
Interest Accrued and due on debentures	22.82	1.15
Advance to Others	11.22	183.16
Advance to Others- Credit Impaired	3,086.88	3,051.88
Less: Provision for Doubtful advances	(3,086.88)	(3,051.88)
	100.51	**250.78**

Note 13 : Other Current Assets

(Rs In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured and Considered good		
Prepaid Expenses	3.91	4.16
Advance to Suppliers	0.47	1.09
	4.38	**5.25**

Note No.14 : Equity Share Capital

(a) Authorised, Issued, Subscribed and Paid-up share capital and par value per share

(Rs. in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Authorised Share Capital		
30,00,00,000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00
Issued, Subscribed and Paid Up		
24,50,52,701 equity shares of Rs. 10/- each	24,505.27	24,505.27
	24,505.27	**24,505.27**

(b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the Year:

(Rs. in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
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**

(c) Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	As at 31st March 2020		As at 31st March 2019	
	No of Shares held	% of holding	No of Shares held	% of holding
Platex Limited	132,612,766	54.12	132,612,766	54.12
SSG India Opporunities I Limited	24,505,270	10.00	24,505,270	10.00

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

(d) 13,409,314 equity shares of Rs.10 each fully paid-up in cash has been issued to Platex Limited 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.

(e) Terms / Rights attached to Equity Shares (eg. Dividend rights, Voting Rights)

The company has only one class of equity shares having a par value of Rs 10/- Per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.

(f) The company does not have any Bonus Shares Issued, Share issued for consideration other than Cash and Shares bought back during the period of five years immediately preceding the reporting date (31.03.2020)

(g) The company does not issued any shares under options.

Note 15 : Borrowings

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current		
Secured		
Debentures	11,684.00	12,075.00
1,215 (31st March, 2019 - 1,215) NCDs, Listed, Redeemable, Non Convertible Debentures (NCDs) of Rs.10,00,000 each		
Less: Current Maturity of Long Term Debt (refer note no.21)	(6,574.01)	(1,930.00)
From Banks - Vehicle Loans	60.57	84.72
Less: Current Maturity of Long Term Debt (refer note no.21)	(18.50)	(24.15)
Unsecured		
Debentures		
500 (31st March, 2019)14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs.1,00,000 each.	5,000.00	5,000.00
Less: Current maturity of Long Term Debt (refer note no.21)	-	-
	10,152.07	**15,205.57**

* refer note no.32 for terms of loan and repayment schedule

Note 16 : Other Financial Liabilities

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current		
Lease Payable (refer note no.38)	5.80	-
	5.80	**-**

Note 17 : Provisions

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current		
Provision for Employee Benefits		
Gratuity	15.84	14.38
	15.84	**14.38**

Note 18 : Other Liabilites

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current		
Security Deposit from Developer	4,220.58	4,489.67
	4,220.58	**4,489.67**

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

Note 19 : Current

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured Borrowings		
Loan from Subsidiary Company *	1,010.02	1,010.20
From Other Advances **	432.96	-
	1,442.98	**1,010.20**

* The company has availed an interest free unsecured loan from subsidiary company which is repayable on demand.

** The company has received advances from other parties which are repayable on demand.

Note 20 : Trade Payables

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Sundry Creditors for services (refer note no.37)	80.45	41.87
	80.45	**41.87**

Note 21 : Other Financial Liabilities - Current

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturity of Long Term Debt	6,592.51	1,954.15
Interest accrued but not due Debentures	2,176.99	1,449.01
Interest accrued and due on Debentures	2,911.94	1,028.95
Employee related payables	45.29	42.64
Provision for Expenditure	12.85	12.67
Other payables - Related parties	-	2.87
Lease Payable (refer note no.38)	36.76	-
	11,776.34	**4,490.29**

Note 22 : Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance received for sale of land (inventory)	2,901.28	4,517.23
Statutory Liabilities payable	108.59	41.10
	3,009.87	**4,558.33**

Note 23 Provisions - Current

(Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
- Gratuity	0.90	0.81
- Compensated Absences	21.49	27.56
Provision for Income Tax (Net of Advance Tax and Tax deducted at source	316.34	293.15
	338.73	**321.52**

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

Note 24 Revenue from Operations

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income from Real Estate	2,900.45	3,045.29
	2,900.45	**3,045.29**

Note 25 Other Income

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income	23.81	30.28
Sundry Creditors Writtenoff	3.54	-
Profit on sale of Asset	-	1.42
Excess provision Written back	0.70	-
Miscellaneous Income	-	3.50
	28.05	**35.20**

Note 26 Change in Inventory

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Opening Stock of Land	6,701.06	6,560.56
Add: Reversal of Land cost due to IND AS 115	-	77.36
Add: Current year Expenses	-	207.33
	6,701.06	**6,845.25**
Less: Closing Stock of Land	6,551.13	6,701.06
	149.93	**144.18**

Note 27 Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries and wages	146.96	164.88
Contribution to provident fund	1.14	1.01
Staff welfare expenes	8.16	9.83
	156.26	**175.72**

Note 28 Finance Cost

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Debentures	2,877.50	2,402.30
Interest on Vehicle Loan	6.12	8.59
Interest on Finance Lease obligations	11.84	-
Interest others	22.58	75.22
	2,918.04	**2,486.11**

Notes to the Standalone Financial Statements for the Year Ended 31st March 2020

Note 29 Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent	-	66.40
Power and Fuel charges	10.92	12.50
Communication Expenses	6.30	9.55
Legal, Professional and consultancy Charges	86.87	79.76
Books and Periodicals	0.08	0.15
Insurance		
- For Employees	0.85	0.92
- For Assets	3.65	2.87
Printing and Stationery	8.96	5.62
Advertisement and Publicity	3.01	3.20
Listing Fees and Others Expenses	14.20	17.49
Security Charges	8.29	7.59
Office Expenses	24.64	21.00
Charity and Donations	-	1.75
Membership fee	9.52	5.14
Directors Sitting Fees	2.80	3.10
Repairs and Maintenance		
- For Others	13.85	10.01
Business Promotion Expenses	0.89	-
Rates and taxes	41.19	67.26
Payment to statutory auditors		
for statutory audit	9.50	9.50
for tax audit	2.50	2.50
for certification	3.00	3.00
Bank Charges and Commission	0.42	0.76
Travelling Expenses and Conveyance	118.42	143.80
Provision for Diminution in value of investment	3.38	289.46
Loss on sale of Asset	2.60	-
Loss on sale of Investment in subsidiary	3.24	1.34
Miscellaneous expenses	44.63	0.01
Provision for Interest Paid to SEBI(Dispute) (refer note no.41)	-	6.79
Assets written off	0.04	18.99
Bad debts written off	70.00	0.27
Provision for doubtfull advances	35.00	-
	528.75	**790.73**

Note 30 Exceptional Items

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income from Liabilities Written off (refer note no.32(b))	-	725.00
	-	**725.00**

NOTES TO ACCOUNTS

31. Development Agreements

The Company, being the Landowner has signed a Joint Development Agreement (JDA) on 6th April 2011 with the Developer, North Town Estates Private Limited for development of land of measuring 70 Acres (approx) (1259.90 grounds). The company received Security deposit of Rs. 10,000 lakhs in the year 2011 against the same.

Since there was delay in execution of the "North Town" project, the Company negotiated and modified the terms and conditions of the JDA vide Amendment dated 04th May 2016 whereby the Developer released 20 acres (343.69 Grounds) of undeveloped land back to the Landowner and the proportionate Security Deposit of Rs.3,161.13 lakhs was paid back to the developer.

Further, the company had authorised the developer to mortgage or offer as security, a share of the undivided share of land to the extent of Revenue Share of the Developer for the phases Chaitanya and Ekanta, which are being developed, without causing any prejudice to the revenue share of the Land Owner.

The company entered into a Development Management Agreement (DMA) with M/s. Arihant Foundations and Housing Limited on 27th April, 2017, to develop residential lay out with infrastructure and amenities for the released 20 acres land.

32. Terms of Loans and repayment of borrowings

a) Non-Convertible Debentures – Rs.11,684 Lakhs

The Company has authorised to issue 1950 listed, (rated, secured), redeemable Non Convertible Debentures (the NCDs) of Rs. 10 Lakhs each for an aggregate amount of Rs.19,500 lakhs, out of which the company has issued Tranche A 386 Debentures aggregating to Rs.3,860 lakhs and Tranche B of 829 Debentures aggregating to Rs.8,290 lakhs which were, subscribed and paid up as per the debenture trust deed dated 16th June, 2017, with remaining debentures unissued. Thus out of aforesaid 1,950 Debentures of Rs.10 lakhs each, the company allotted a total of 1,215 Debentures amounting to Rs.12,150.00 lakhs.

The debentures and the debenture payments are secured by:

1. English mortgage of all the rights on piece and parcel of the land located at Door No.8/8D, Stephenson Road, Perambur, Chennai measuring 9.154 acres.
2. First Charge exclusive basis on all rights titles interest and benefits of the company in respect of the JDA, JDA Escrow Agreement, JDA Escrow Account and JDA Receivables excluding the outstanding security deposit.
3. A first ranking exclusive over security interest in debentures held by the company amounting to Rs.2,368.94 lakhs in Blaster Sports Ventures Private Limited.
4. Non-disposal undertaking of 100% shares of PVP Ventures Limited held by promoter group.
5. Personal Guarantee of Promoter (Mr. Prasad V Potluri).

Interest payable is 18%. The first payment is due on first anniversary and thereon payable on quarterly basis.

The debentures shall be redeemed at par value on the redemption date which payment will result in the principal amount of each debenture being reduced to zero.

The NCDs are issued for a period of 5 (Five years) from the date of issue of the NCDs. The Company shall redeem the debentures for Tranche A and Tranche B as follows:

Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in percent of paid up value) for the Tranche A Debenture	Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in per cent of face value) for Tranche B Debentures
30 June, 2018	6.250%	30 April 2019	6.250%
30 September, 2018	6.250%	31 July 2019	6.250%
31 December, 2018	6.250%	31 October 2019	6.250%
31 March, 2019	6.250%	31 January 2020	6.250%
30 June, 2019	6.250%	30 April 2020	6.250%
30 September, 2019	6.250%	31 July 2020	6.250%
31 December, 2019	6.250%	31 October 2020	6.250%
31 March, 2020	6.250%	31 January 2021	6.250%

Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in percent of paid up value) for the Tranche A Debenture	Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in per cent of face value) for Tranche B Debentures
30 June, 2020	6.250%	30 April 2021	6.250%
30 September, 2020	6.250%	31 July 2021	6.250%
31 December, 2020	6.250%	31 October 2021	6.250%
31 March, 2021	6.250%	31 January 2022	6.250%
30 June, 2021	6.250%	30 April 2022	6.250%
30 September, 2021	6.250%	31 July 2022	6.250%
31 December, 2021	6.250%	31 October 2022	6.250%
31 March, 2022	6.250%	31 January 2023	6.250%

Whereas the repayment dues of Tranche A Debentures aggregating to Rs.1,965.30 lakhs (out of which principal amounting to Rs. 1,464.00 lakhs and Interest amounting to Rs.501.30 lakhs) and Tranche B Debenture aggregating to Rs.4,308.96 lakhs (out of which principal amounting to Rs.2,072.51 lakhs and Interest amounting to Rs.2,236.46 lakhs) as on 31st March, 2020 are still unpaid. The company has received extension letter dated 05th February, 2020 from the Debenture holder extending the repayment of principal and interest amount which have fallen due till 31st March, 2019 to be paid on or before 31st May, 2020. The company has unable to pay the outstanding amount within the time limits, therefore, the company has requested and received the further extension from the debenture holder vide letter dated 23rd June, 2020 to be paid on or before 31st August, 2020. The debenture holder have also stipulated that, in the case of default of payment of principal repayment within the extended due date, default additional interest of 5%p.a (over and above the coupon) is to be paid on the defaulted amount from the original due date till the date of payment.

Whereas per the repayment dues of Tranche A and Tranche B Debentures after 31st March, 2019 amounting to Rs.5,775.26 lakhs (out of which principal amounting to Rs.3,037.51 lakhs and interest amounting to Rs. 2,737.76 lakhs) as on 31st March, 2020 are unpaid within the due dates as specified in the Debenture Trust Deed, and in the event of such default additional interest of 5% p.a (over and above the coupon) is to be paid on the defaulted amount till the date of payment, which has not been provided in the financial results, in view of the company's request for waiver of default interest is pending with the debenture holder.

Under the circumstances, the company defaulted the redemption of debentures which has fallen due in 30th September, 2018, 31st December, 2018 and 31st Mach, 2019 beyond the time permitted under section 164(2)(b) of the Companies Act, 2013. However, as per the legal advice, management is of the view that eventhough the repayment has not been made within the period contemplated in the above refer section, the default has been ratified by the debenture holder with retrospective effect by virtue of which the management contents that the disqualification of directors as per the above provisions has not been attracted.

b) Fully Convertible Debentures (FCD) – Rs.5,000.00 lakhs

The Company has allotted 13,289 convertible or redeemable debentures of Rs.1,00,000 each convertible into preference and/or equity shares as per scheme of amalgamation sanction by Honourable the High Court of Madras between the Company and PVP Ventures Private Limited dated 25th April 2008.

The Debentures are convertible into redeemable preference shares and/or equity shares of on or before 22nd January 2011. Each Debenture shall be converted into newly issued equity or redeemable preference shares in the share capital of the Company. As per the scheme of amalgamation sanctioned by the Honourable High Court of Madras, the debenture holders are entitled to 65,14,215 fully paid up equity shares. As per subscription agreement the company shall not transfer or encumber the entire shareholding in its Subsidiaries i.e. Cyberabad City Projects Private Limited (Now known as New Cyberabad City Projects Private Limited) and PVP Enterprises Limited (Now known as PVP Global Ventures Private Limited).Irrevocably and unconditionally guarantee is given by Mr. Prasad V. Potluri (Promoter) to the debenture holder in connection with the Debentures till the Shares allotted upon conversion have been irrevocably and unconditionally repaid or discharged in full.

The Debentures holder has extended the conversion/redemption option up to the period expiring on 31st March 2029 by letter dated 4th December 2017.

The Debentures will bear interest at the rate of 14.5% per annum. Interest on Debentures is payable semi-annually in arrears on 15th June and 15th December each year. Interest shall accrue on the overdue sum at the rate of [2.00] % per annum over and above the Interest Rate (the Default Interest Rate) from the due date.

During the previous year, One of the Debenture holder holding 5,000 debentures (Rs.1,00,000 each) amounting to Rs. 5,000 lakhs, has waived interest from 01st April, 2017 to 10th October, 2018 subject to redemption of debentures before 31st October 2018. The company had redeemed the debentures on 10th October, 2018. The Interest waived on this from 01st April, 2017 to

10th October, 2018 is Rs. 1,104.38 Lakhs. Out of this, the Interest relating to the previous financial year (FY 2017-18) is Rs. 725 Lakhs which has been shown under "Exceptional Items" in the previous year.

Further, The company has received the extension letter from the Debenture holder for the repayment of Interest for the period from April 2017 to March 2019 amounting to Rs. 1,449 lakhs till the 15th December, 2019 and further it is extended till 31st May, 2020 vide letter dated 05th February, 2020. The company has unable to pay the outstanding amount within the time limits, therefore, the company has requested and received the further extension from the debenture holder vide letter dated 23rd June, 2020 to be paid on or before 31st August, 2020. Further, the debenture holder has stipulated that, in the case of default of payment of interest amount within the extended due date, default additional interest of 2% (over and above the coupon) is to be paid on the defaulted amount from the original due date to till the date of payment.

During the year, the company has accounted finance cost of Rs.727.98 lakhs and as on reporting period, the outstanding principal amounting to Rs.5,000 lakhs. Total Outstanding as on 31st March, 2020 is Rs.7,176.99 lakhs.

c) **From Banks – Vehicle Loans**
Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 8% to 10.91% p.a. and repayable in 1 to 4 years in monthly installments.

33. COVID -19 Impact on Business Operations

The spread of COVID-19 has impacted global economic activity as has been witnessed in several countries. There have been severe disruptions in businesses in India during the Lockdown period. The company has assessed recoverability and carrying value of assets comprising property, plant and equipment, trade receivables, inventory and investments at balance sheet date. Based on the assessment by the management the net carrying values of the said assets will be recovered at values stated and there is no change in its ability to continue as Going Concern. The company evaluated the internal controls with reference to financial statements which have found to be operating effectively given that there has been no dilution of such controls due to factors caused by COIVD-19 situation.

34. Material Uncertainty related to Going concern

The company has unable to honour its obligations towards repayment of principal and interest dues to its debenture holders, due to this, the current liabilities exceeds the current assets by 9,647.37 lakhs, further the company has obligations pertaining to operations includes unpaid creditors and statutory dues. However, the company has taken various initiatives in relation to saving cost and optimizing revenue management opportunities. Further, the company is planning to launch residential lay out with infrastructure and amenities in 20 acres of land by considering the current situation of real estate sector which resultant into improving operating performance and sustainable cash flows. The company is confident that such cash flows which contemplates realization of assets and settlement of liabilities. Accordingly, notwithstanding the dependence on these material uncertain events, the group continues to prepare the consolidated financial results on a Going Concern basis.

35. The value of investments in subsidiaries and loans and advances to these companies net of provisions made are currently standing at Rs.25,008.90 Lakhs and Rs.33,006.61 Lakhs respectively. Considering the intrinsic value of the assets held by these companies and potential cash flows that may accrue on account of their business operations the management is of view that the carrying value of net investments and loans and advances does not warrant any adjustment in the long run.

36. Based on the management approach, as defined in Ind AS108,The business operations of the company is considered as single operating segment by the considering the performance as whole in the Real Estate and Allied Activities. Hence segment reporting is not applicable.

37. Micro, Small and Medium Enterprises (MSME): 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 yearend together with interest paid/payable as required under the said Act have not been given.

38. Leases

a) Effective 01st April, 2019, the company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01st April, 2019 using the modified retrospective approach. This has resulted in recognition of "Right to use" Asset of Rs.68.27 lakhs, a corresponding lease liability of Rs.97.12 lakhs, and an increase in cash outflows from financing activities by Rs.54.57 lakhs. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

b) **Details of the Right to use of Asset held by the company as follows**:

Particulars	Building (Rs. in Lakhs)
Right to use of Asset as on commencement date i.e 01st April, 2019	68.27
Addition	-
Deletion	-
Depreciation	37.76
Balance as at 31st March, 2020	**30.51**

c) **Movement in Lease liability**

Particulars	Building (Rs. in Lakhs)
Lease Liability recognised as on commencement date i.e 01st April, 2019	97.12
Addition	-
Finance Cost Accured	11.84
Payment of Lease Liability	66.40
Balance as at 31st March, 2020	**42.56**

d) **Breakup of Current and non current lease liabilities**

Particulars	Building (Rs. in lakhs)
Non Current Liability	5.80
Current Liability	36.76

e) Incremental borrowing rate applied to lease liabilities is 16.25% p.a.

f) The expenses relating to short term leases accounted and leases of low value assets during the year is **NIL**.

39. Earnings per Share (EPS)

Particulars	Refer	Year ended 31st March, 2020	Year ended 31st March, 2019
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	24,50,52,701	24,50,52,701
Profit/(Loss) after Taxes After Exceptional items (Rs. in Lakhs)	C	(1,181.36)	153.38
Earnings Per Share – Basic and diluted	C*100000/B	(0.48)	0.06

40. Contingent Liabilities:

(Rs. in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
1. **Claims against the company not acknowledged as debts**		
- Income Tax (refer note a)	1,783.25	1,783.25
- Non Compliance of SEBI Regulations (refer note b)	12.97	25.93
Total	**1,796.22**	**1,809.18**
Corporate Guarantee (refer note c)		
- PVP Capital Limited	10,000.00	10,000.00
- Safe Trunk Services Limited	35.01	460.00
- Other Entities	-	2,000.00

a) Income Tax Cases

Based on the Issues and circumstances in consideration for the below cases and based on the expert advice the Company is confident of success, hence provision for the disputed amount were not provided in the books

i) Assessment Year 2008-09: The Assessing officer passed an order after disallowing the investment received from the Holding Company as unexplained investment and the sale of land and others as unexplained receipts. The appeal filed by the company before CIT(A), Chennai was allowed in favour of the company with respect to the Investments received from the Holding Company. On the order of CIT(A),Chennai, the department has filed an appeal before Income Tax Appellate Tribunal and for the balance disallowance the company has filed a separate appeal before Income Tax Appellate Tribunal, Chennai. Honorable Income Tax Appellate Tribunal, Chennai has set aside the order of Assessing officer to redo the assessment with regards to appeal filed by the department.

Aggrieved by the order passed by Income Tax Appellate Tribunal, Chennai, company has filed an appeal before Honorable High Court of Madras and it has admitted the case and stayed the proceeding of the order of Income Tax Appellate Tribunal and the appeal filed by the company has dismissed by Income Tax Appellate Tribunal. Further upon the dismissal made by ITAT, Chennai, the AO has initiated penalty proceedings and issued demand notice amounting to Rs.1276.58 lakhs, which was disputed before CIT(A), Chennai. During the year, Learned CIT(A) has dismissed the appeal.

Aggrieved, by the order passed by Learned CIT(Appeals), company filed the appeal before Honorable Income Tax Appellate Tribunal, Chennai (ITAT). Since the quantum for the issues is already admitted by the Honorable High Court of Madras, ITAT deemed fit to grant stay of recovery of demand till the disposal of the appeal.

ii) Assessment Year 2009-10: The re-assessment proceeding u/ 148 of Income tax Act 1961 was initiated on the grounds of disallowance of Interest expenditure and Depreciation on Plant and Machinery. Consequently, the order was passed with a demand of Rs.13.24 lakhs. Aggrieved by the order the company has disputed the demand with Income Tax Appellate Tribunal, Chennai. Further the company has filed the rectification petition u/s. 154 with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

iii) Assessment Year 2013-14: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 493.43 lakhs for the AY 2013-14. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai. Further the company has filed the rectification petition u/s. 154 with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

b) The shares of the company are listed in Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Board had a Woman director till March 2017 and subsequent to the resignation, a new Woman Director was appointed on 05th December, 2018. During the previous year, the company received notice for delayed compliance of appointment of Women Director in the Board of Directors as per Regulation 17(1) and Constitution of Nomination and Remuneration Committee as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR") imposing penalty of Rs. 12.97 lakhs by BSE.

Aggrieved by the penalty, the company filed an application under Regulation 102 of SEBI LODR with SEBI, for granting exemption from penalty for delayed compliance of SEBI LODR. However, SEBI dismissed the application vide letter dated 26th April, 2019. Aggrieved by the aforesaid letter from SEBI dismissing the application, the Company filed an appeal with the Securities Appellate Tribunal (SAT) and the management believes that it has a good case and accordingly no provision has been made in the books of accounts.

c) Corporate Guarantees

i) The Company has given a corporate guarantee to its step-down subsidiary company, PVP Capital Limited ('PVPCL'), has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs.16,787.91 lakhs (including interest accrued) as per the books of accounts as on 31st March, 2020. The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same.

ii) The Company has given a corporate guarantee and pledged 10,00,000 equity shares of Rs. 10/- each held in Picturehouse Media Limited. With the approval of developer, the company has mortgaged 20 flats of Ekanta Tower-1 of North Town Project, Chennai, for availing term loan from the Bank by its subsidiary company i.e Safe trunk Services Private Limited (SSPL).

SSPL and UCO Bank has agreed for one time settlement (OTS) of Rs.390 lakhs vide letter dated 08th August, 2019. Accordingly, SSPL has paid Rs. 300 lakhs till 31st December, 2019 and for the balance amount of Rs.90 Lakhs, the Company has requested to pay the same in two monthly installments i.e January, 2020 and February, 2020 vide letter dated 31st December, 2019. The company has paid Rs.55.00 lakhs within the extended time limits and for the balance amount as on 31st March, 2020, the company has requested the bank to extension time period due to COVID-19 circumstances. Further, the company has requested the UCO Bank to release the mortgaged securities and shares pledged as collateral security.

41. Other Commitment

PVP Ventures Limited (PVP), Mr. Prasad V Potluri and PVP Global Ventures Private Limited (PVP Global) received Orders from Adjudicating Officer dated 27th March, 2015 for non-compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and SEBI (Prohibition of Insider Trading) Regulations, 1992. PVP Global, Mr. Prasad V Potluri and PVP filed appeals before the Securities Appellate Tribunal (SAT) vide Appeal No. 356 and 357 of 2015 challenging the orders of Adjudicating Officer.

SAT vide order dated 20th June, 2018 reduced the penalty of Rs. 1,530 lakhs on Mr. Prasad V Potluri to Rs. 515 Lakhs, upheld the penalties of Rs. 1,500 lakhs imposed on PVP Global and Rs.15 Lakhs on PVP. Hence, miscellaneous Applications No.180 and 181 dt. 2nd July, 2018 were filed before the Honourable SAT for staying its order for which the SAT granted 6 weeks' time to appeal with Honourable Supreme Court. Also on 6th July 2018, as Security, the PVP Global, appellant deposited Original Title deeds of Land valuing more than Rs.3000 lakhs, held by its subsidiaries for realization and payment of the aforesaid demand. Civil appeal No.9092 dated 16th August 2018,was filed before the Honourable Supreme Court, which was dismissed on 14th September, 2018, and the SAT Orders were upheld. A demand was raised by the Recovery Officer, SEBI, Vide No.1770, 1771 and 1772 dated 26th October, 2018 with Interest from, 27th March, 2015, the date of order from Adjudicating Officer. The appellants filed review petitions before the Honorable SEBI/SAT, Mumbai on 10th November 2018 and 21st November, 2018, stating technical and legal reasons, that the final SAT order was dated 20th June 2018, whereas the Interest was calculated since 2015 and the orders dated 27th March, 2015 and 28th June,2018 are silent on levy of interest.

SEBI initiated attachment proceedings on 19th November, 2018 of the Demat Accounts and Bank accounts of the three appellants. The holding company, PVP Ventures Limited paid Rs.15 lakhs towards principal and Rs. 6.79 lakhs towards disputed interest on 07th December, 2018 and the freezing of accounts was lifted for PVP Ventures Limited. SAT, dismissed the company's appeal on interest in April, 2019. The Company has appealed with the Honourable Supreme Court and received Stay Order dated 12th July, 2019 for payment of Interest. The appellants have written to SEBI, requesting to keep the order on record and to keep the recovery proceedings in abeyance. During the previous year, the company has made the provision for disputed interest amounting to Rs.6.79 lakhs.

42. Corporate Social Responsibilities Expenditure (CSR)

(Rs in Lakhs)

Sl.No	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
1	Average Net Profits of the Company for last three financial years	1104.52	926.24
2	Prescribed CSR Expenditure (@2% on Average Net profit of last 3 Financial Years)	22.09	18.52
3	Unspent Amount of the Previous year	88.10	69.58
4	Total Amount to be spent for the current financial year	110.19	88.10
5	Amount Spent During the Year	-	-
6	**Amount Unspent (3+ 4- 5)**	**110.19**	**88.10**

As per section 135 of The Companies Act 2013, the company should have spent Rs. 22.09 lakhs, towards CSR activities during the year 2019-20, but could not effect payment before 31st March 2020 and the same will be expensed in future years along with the unsent amount of the previous years.

43. Deferred Tax

Deferred tax asset has not been recognised in respect of the following items:

(Rs in Lakhs)

Particulars	31st March 2020		31st March 2019	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Deductible temporary differences	6,306.06	1,836.32	2,680.82	697.01
Unabsorbed Business loss	-	-	1,272.64	330.89
Effect of expenses not allowed for tax purpose in previous year	20.04	5.84	-	-
Total	**6,326.10**	**1,842.16**	**3,953.46**	**1,027.90**

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31.03.2020.

44. Income tax Expenses

Income tax expense in the statement of profit and loss comprises: (Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Tax	269.88	-
Deferred Tax (Asset)/Liability	-	-
Income Tax for earlier years	0.17	-
Net Tax	**270.05**	**-**
MAT Credit reversals / (for earlier years)	-	-
Total Income tax expenses	**270.05**	**-**

Particulars	31st March 2020	31st March 2019
Profit/(Loss) from the operation before income tax expenditure	(911.21)	153.38
Adjustment on account of Ind AS 115	(601.59)	675.24
Profit/(Loss) from the operation before Income Tax expenditure as per ICDS	(1,512.80)	(521.86)
Applicable Income tax rate	29.12%	26.00%
Tax effect at statutory income tax rate	(440.53)	(135.68)
Effect of expenses not allowed for tax purpose	19.59	97.08
Effect of unrecognised deferred tax	814.17	38.61
Differences in tax expenses on account of different tax rates	(123.35)	-
Income tax related to earlier years	0.17	-
MAT Credit reversals / (for earlier years)	-	-
Income tax expenses charged to the statement of profit and loss	**270.05**	**-**

45. Disclosure in Accordance with Ind AS -24 Related Party Transactions

a) **List of Related parties where control exists:**

Name of the Related Party	Nature of Relationship
Platex Limited (PL)	Holding Company
PVP Global Ventures Private Limited (PGPL)	Subsidiary Companies
New Cyberabad City Projects Private Limited (NCCPPL)	
PVP Corporate Parks Private Limited (PCPL)	
PVP Media Ventures Private limited (PMPL)	
Safetrunk Services Private Limited (SSPL)	
Adobe Realtors Private Limited	
Arete Real Estate Developers Pvt Ltd*	
Expressions Real Estates Pvt Ltd*	
Picturehouse Media Limited (PHML)	
PVP Capital Limited (PCL)	
PVP Cinema Private Limited	
Picturehouse Media Private Limited (PHMPL) Singapore**	

* Arete Real Estate Developers Private Limited and Expressions Real Estates Private Limited have become the Wholly Owned Subsidiary of PVP Global Ventures Private Limited with effect from 2nd June, 2018.

** Picturehouse Media Private Limited (PHMPL) Singapore has been officially struck off and dissolved with effect from 5th November, 2018.

b) **List of other related parties**

Name of the person/ company	Nature of Relationship
Mr. Prasad V.Potluri, Chairman and Managing Director	Key Managerial Persons
Mrs.Sai Padma Potluri, Executive Director (Appointed with effect from 14.08.2019 and Resigned with effect from 01.06.2020)	
Mr. N S Kumar, Independent Director	
Mr. R Nagarajan, Independent Director (Resigned with effect from 31.03.2019)	
Mr. Sohrab Chinoy Kersasp, Independent Director (Appointed with effect from 22.03.2019)	
Mrs. P J Bhavani, Non-Executive Director (Appointed with effect from 05.12.2018 and Resigned with effect from 14.08.2019)	
Mr. Nandakumar Subburaman (Appointed with effect from 07.11.2019)	
Mrs. Jhansi Sureddi	Relative to Key Managerial Person
Bruma Properties Private Limited (BPPL)	Enterprises where KMP exercise significant influence

c) **Summary of transactions with the related parties during the year ended 31st March, 2020**

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Loans from Subsidiaries		
PVP Corporate Parks Private Limited (PCPL) - Borrowed during the year - Repaid during the year	 - 0.17	 - 0.97
Loans and advances to Subsidiaries		
PVP Global Ventures Private Limited (PGPL) - Given during the year - Repaid during the year	 9.00 0.24	 1,083.12 212.13
PVP Media Ventures Private Limited (PMPL) - Given during the year - Repaid during the year	 0.11 -	 0.43 -
Safetrunk Services Private Limited - Given during the year - Repaid during the year	 362.26 31.53	 199.69 72.31
Sitting Fees paid to Directors		
Mr. N S Kumar	1.25	1.50
Mr. Sohrab Chinoy	1.25	-
Mr. Nanda Kumar	0.20	-
Mr. R Nagarajan	-	1.50
Mrs. P.J. Bhavani	0.10	0.10
Provision for advances		
Bruma Properties Private Limited (BPPL)	35.00	-

Compensation of Key Managerial Personnel of the Company (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Short – term employee benefits	-	12.00
(b) Post employee Benefits	-	-
(c) Other Long term Benefits	-	-
(d) Termination benefits	-	-
(e) Share - Based Payment	-	-

* During the previous year, The company is overdue in repayment of dues to non-convertible debenture (NCD) holders, hence the remuneration is paid only for 3 months i.e April 2018 to June, 2018 in accordance with provisions of section 197 of the Companies Act, 2013.

d) **Summary of Outstanding balances with the related parties as on 31st March, 2020** (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Investments in subsidiaries		
PVP Global Ventures Private Limited (PGPL)	54,527.00	54,527.00
New Cyberabad City Projects Private Limited (NCCPPL)	101.00	101.00
PVP Corporate Parks Private Limited (PCPL)	50.00	50.00
PVP Media Ventures Private limited (PMPL)	1.90	1.90
Safetrunk Services Private Limited (SSPL)	480.00	480.00
Picturehouse Media Limited (PHML)	526.06	529.58

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Provision for investment in subsidiaries		
PVP Global Ventures Private Limited (PGPL)	30,000.00	30,000.00
Picturehouse Media Limited (PHML)	492.84	489.46
Loans and advances given to subsidiary		
PVP Global Ventures Private Limited (PGPL)	36,678.22	36,669.45
PVP Media Ventures Private limited (PMPL)	862.06	861.95
Safetrunk Services Private Limited (SSPL)	626.50	295.77
New Cyberabad City Projects Private Limited (NCCPPL)	21,843.49	21,843.49
Provision for advances given to subsidiary		
PVP Global Ventures Private Limited (PGPL)	5,160.16	5,160.16
Loans received from subsidiary		
PVP Corporate Parks Private Limited (PCPL)	1,010.02	1,010.20
Other Payables – Mr. Prasad V.Potluri	-	2.87
Advance given		
Bruma Properties Private Limited	35.00	35.00
Provision on Advances – Bruma Properties Private Limited	35.00	-
Corporate Guarantees given/(received)		
PVP Capital Limited	10,000.00	10,000.00
Safe Trunk Services Private Limited	35.01	460.00

46. Gratuity and other post-employment benefit plans

a) **Defined Benefit Plan - Gratuity** (Rs. in lakhs)

Gratuity	31st March, 2020	31st March, 2019
Gratuity Plan:		
Defined benefit obligation (DBO)	16.74	15.19
Fair value of plan assets (FVA)	-	-
Net defined benefit (asset)/liability	**16.74**	**15.19**

The following table summarises the components of net benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2020

Particulars	2019-20	2018-19
Current Service Cost	2.62	4.83
Net Interest Cost	1.16	1.16
Total Cost	**3.79**	**5.99**

Amount recognised in Other Comprehensive Income for the year ended 31st March, 2020

Particulars	2019-20	2018-19
Actuarial (gain)/ loss on obligations	(2.24)	(5.84)

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2020 are as follows:

Particulars	2019-20	2018-19
Opening defined obligation	15.19	15.03
Current service cost	2.62	4.83
Interest cost	1.16	1.16
Actuarial (gain)/ loss – experience	-	-
Actuarial (gain)/ loss - demographic & Financial assumptions	(2.24)	(5.84)
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	-	-
Defined benefit obligation	**16.74**	**15.19**

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	31-Mar-20	31-Mar-19
Discount rate (in %)	6.80%	7.65%
Salary Escalation (in %)	7.50%	7.50%

A quantitative sensitivity analysis for significant assumption as at 31st March 2020 is as shown below:

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below: (Rs. in Lakhs)

Particulars	31st March, 2020		31st March, 2019	
Defined Benefit Obligation (Base)	**16.74**		**15.19**	
(% change compared to base due to sensitivity)	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (- / + 1%)	18.81	15.01	16.55	14.02
Salary Growth Rate (- / + 1%)	12.87	19.43	12.26	18.80
Attrition Rate (- / + 1%)	15.34	17.98	13.89	16.36
Mortality Rate (- / + 1%)	16.71	16.77	15.17	15.22

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31st March, 2020	31st March, 2019
Within the next 12 months (next annual reporting period)	3.75	7.03

Compensated Absences

The employees of the Company are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on the Actuarial certificate.

b) Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The company recognised Rs. 1.14 lakhs (previous year 1.01 lakhs) for provident fund contribution in the statement of profit or loss account.

47. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

Financial assets and liabilities

The carrying value of financial instruments by categories is as follows:

Fair Value Measurement:

(Rs. in Lakhs)

Particulars	Amount as on 31st March, 2020	Amount as on 31st March, 2019
Financial assets:		
Amortised Cost		
- Bank balance other than cash and cash Equivalents	25.96	113.70
- Trade Receivables	129.21	143.84
- Loans	138.36	137.43
- Other Financial Assets	100.51	250.78
Total	**394.04**	**645.75**
Financial liabilities:		
Amortised Cost		
- Borrowings	18,187.55	18,169.92
- Trade Payables	80.45	41.87
- Other Financial Liabilities	5,183.83	2,536.14
Total	**23,451.83**	**20,747.93**

Investment in Equity Instruments are carried at cost and hence not considered.

Management considers that the all financial instruments are carried at amortised cost and the carrying value of the company's financial assets and liabilities is considered approximate to their fair value at each reporting date.

48. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise investments, cash and bank balance, trade and other receivables.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The financial instruments affected by market risk includes investment, has been discussed below.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

Long term borrowings of the company bear fixed interest rate, thus interest rate risk is limited for the company.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company does not undertake transactions denominated in foreign currencies, consequently company activities does not expose to exchange rate fluctuations arise.

c) Equity price risk

The company's listed and non-listed equity securities are not susceptible to market price risk arising from uncertainties about future values of the investment securities. Hence the company does not bear significant exposure to Equity price risk in investment in subsidiaries.

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables, loans and other financial assets).

Trade Receivables The company's credit risk with regard to trade receivables has a high degree of risk diversification, due to large number of projects of varying sizes and types with numerous different customer categories.

Customer credit risk is managed by requiring customers to pay advances through progress billings done by developer before transfer of ownership, therefore substantially eliminating the company's credit risk in respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit provision is required and also the company does not have any significant concentration of credit risk. As on 31st March, 2020, outstanding receivables amounting to Rs.129.21 Lakhs (previous year Rs.143.84 Lakhs).

Credit risk on cash and cash equivalents is considered to be minimal as the counterparties are all substantial banks with high credit ratings.

iii) Liquidity risk

Liquidity risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The company's management is responsible for liquidity, funding as well as settlement management. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of Financial Liabilities: (Rs. in Lakhs)

Particulars	On demand	Less than 1 year	1-5 years	Total
As at 31st March 2020				
Borrowings	1,442.98	6,592.51	10,152.07	18,187.55
Trade payables	-	80.45	-	80.45
Interest accrued	-	5,088.93	-	5,088.93
Other Financial Liabilities	-	94.90	-	94.90
Total	**1,442.98**	**11,856.79**	**10,152.07**	**23,451.83**

Particulars	On demand	Less than 1 year	1-5 years	Total
As at 31st March 2019				
Borrowings	1,010.20	1,954.15	15,205.57	18,169.92
Trade payables	-	41.87	-	41.87
Interest accrued	-	2,477.96	-	2,477.96
Other Financial Liabilities	-	58.18	-	58.18
Total	**1,010.20**	**4,532.16**	**15,205.57**	**20,747.93**

49. Capital Management

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The company strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize cost of capital.

The Company monitors capital using the debt-equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, Bank balance other than cash and cash equivalents.

(Rs. in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Borrowings	18,187.55	18,169.92
Cash and Cash Equivalents	(0.41)	(0.26)
Bank Balances other than Cash and Cash Equivalents	(25.82)	(113.44)
Net Debt	**18,161.32**	**18,056.22**
Equity Share Capital	24,505.27	24,505.27
Other Equity	35,289.58	36,497.56
Total Equity	**59,794.85**	**61,002.83**
Debt Equity Ratio	**0.30**	**0.30**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2020 and 31st March 2019.

50. Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous Year – Rs.Nil).

As per our report of even date.
For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S

K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

Consolidated Financial Section
Independent Auditor's Report

To the Members of PVP Ventures Limited

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

We have audited the Consolidated Financial Statements of **PVP Ventures Limited** (hereinafter referred to as "the Holding Company" or "the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March 2020, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion section of our report*, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 as at March 31, 2020, of consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

1. *Attention is invited to note no.34 to the consolidated financial statements includes financial statements of Picturehouse Media Limited, in relation to loans and advances made for film production (including interest accrued) amounting to Rs.3,632.82 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. Management is of the view that loans and advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We were unable to obtain sufficient appropriate audit evidence about the carrying amounts of loans and advances as on 31st March, 2020 as the management was unable to provide us the current status of production films and confirmation of balances from the borrowers. Consequently, we were unable to determine whether any adjustments to the carrying amounts of loans and advances were necessary and to this extent, loss for the year is understated to this extent.*

2. *Attention is invited to Note No.34 to the consolidated financial statements includes financial statements of Picturehouse Media Limited, in relation to inventory i.e films production expenses amounting to Rs. 4,894.43 lakhs, mainly consists of advances given to artists and co-producers. As the management has not commenced the production of films, the advances continued to be carried as inventory. However, management states that it is evaluating options for optimal utilization of these payments. In the absences of demonstrable approach towards commencement and completion of production of films and also in the absence of confirmation of balances from the parties. Consequently, we were unable to determine whether any adjustments to the carrying amounts of inventory is necessary and to this extent, loss for the year is understated to this extent.*

3. *Attention is invited to note no.49(d) to the consolidated financial statements, the holding company has mortgaged its land situated at perambur as a security and also given corporate guarantee to a bank for the borrowings made by PVP Capital Limited (i.e. wholly owned step down subsidiary company) amounting to Rs.10,000 Lakhs. The outstanding amount is Rs.16,787.91 lakhs as per the books of accounts as on 31st March, 2020.*

   PVP Capital Limited has not adhered to repayment schedule for principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the bank has taken symbolic possession of immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee but there were no bidders. We were informed that the PVP Capital Limited is in negotiation with the bank for one time settlement (OTS).

   The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligation by the PVP Capital Limited will be met in due course. Whereas, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. In this background, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the underlying loan have already been defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company towards corporate guarantee issued. Accordingly, to the extent of the carrying value of assets or the guarantees issued should be considered as obligation of the company. Accordingly, the loss for the year end is understated to this extent.

4. The independent auditor of subsidiary companies in their auditor's report on the financial statements for the year ended 31st March, 2020 have drawn Qualified Opinion reproduced by us as under:

   a. *Attention is invited to note no.35 to the consolidated financial statements includes the financial statements of PVP Capital Limited, company has not adhered to repayment schedule for principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the bank has taken symbolic possession of immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee but there were no bidders and consequently the* *e-auction sale proceedings has become in fructuous. The outstanding amount is Rs.16,787.91 lakhs as per books of accounts as on 31st March, 2020.*

Further, the company is currently pursuing the realization of dues to the company and settlement of existing lenders, other than this the company has not been carrying any business activity, the regulatory authorities may cancel the registration to carry the principal business activity as a Non- Banking Finance Company due to non-maintenance of minimum net owned fund of Rs.200 lakhs as stated in said note to the financial statements, the company's ability to meet its financial obligations, non payment of statutory dues and in the absence of visible cash flows, doubts are cast on its ability to continue as a going concern to achieve its future business plans. Taking into consideration, pending ultimate outcome of the legal proceedings as well as liquidity constraints, we are unable to express our view whether it would be appropriate to treat the company as going concern. However based on the management assertions the company's financial statements have been prepared on the basis of going concern, the impact if any, if the company was to be treated as not a going concern is not ascertainable at this stage.

b. *Attention is invited to note no.36 to the consolidated financial statements includes the financial statements of PVP Capital Limited, in relation to loans for film production amounting to Rs.15,381.04 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. Management has assessed the recoverability of the loan amount and accordingly made a provision amounting to Rs.12,397.87 lakhs as adequate, no additional provision is necessary in this regard. However, Management is not able to provide us the status of production of films and recoverability of the whole amount. Accordingly, we are unable to express our view, whether any adjustments to the carrying value, if any required, is not ascertainable at this stage.*

c. *Attention is invited to note no.37 to the consolidated financial statements includes the financial statements of Safe Trunk Services Private Limited, no impairment assessment of property, plant and equipment and intangible assets in carrying value amounting to Rs.1,003.32 lakhs as on 31st March, 2020 is made for the business of safe locker facility centre, despite low cash flows from cash generating unit (CGU).Therefore, we are unable to comment on consequential impairment, if any, that is required to be made in carrying value of property, plant and equipment and intangible assets.*

d. *Attention is invited to note no.38 to the consolidated financial statements includes the financial statements of PVP Global Ventures Private Limited, The Company has given advances to body corporates of Rs. 13,755.54 lakhs for scouting of land for the proposed power projects. The long duration of outstanding of these advances and other factors like low probability of getting a big chunk of land for a power project indicate the existence of uncertainty on the eventual realisability of these advances. The financial impact if any due to non realisability is not ascertainable at this stage.*

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

Material uncertainty related to Going Concern

Attention is invited to Note No.43 to the consolidated financial statements, which indicates that the group was unable to honour its obligation towards repayment of principal and interest to its debenture holders and bank. Further, the impact of outbreak of Coronavirus (COVID -19) on the business operations especially considering the prevalent situation in real estate sector and movie production sector in which the group has significant exposure and along with the other matters as stated in said note, indicates that there is a material uncertainty exists that may cast doubt on the company's ability to continue as a going concern.

Our audit opinion is not modified in respect of this matter.

Emphasis of Matter

1. Attention is invited to note no.33(a) to the consolidated financial statements, where many aspects of debenture trust deed have not been adhered by the company including repayment of principal and interest. We are unable to assess the current implications as the eventual outcome of these defaults which are unascertainable, as various concessions and approvals from the debenture holders, seeking exemptions from implications arising from the defaults in debenture trust deed are awaited.

2. Attention is invited to note no.49(c) to the consolidated financial statements, Bombay Stock Exchange Limited (BSE) has imposed penalty on the company amounting to Rs. 20.56 lakhs as per regulation 17 and 19 of the SEBI (LODR) Regulations, 2015 for non compliance with the requirements pertaining to the composition of Board regarding failure to appoint Women Director and for non-compliance with the constitution of Nomination and Remuneration Committee. The company has disputed the same and filed an appeal before Securities Appellate Tribunal (SAT).Pending disposal of the appeal, the eventual obligation in this regard is unascertainable at this stage. Based on the management's assessment, that it has good case to succeed, hence, no provision is made in the financial statements.

3. Attention is invited to note no.44 to the consolidated financial statements,which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the consolidated financial statements of the Group as at the balance sheet date. The assessment of Management is dependent on the circumstance as they evolve considering the uncertainties prevailing in the economic situation.

4. Attention is invited to note no.49(a) to the consolidated financial statements, the obligations towards disputed income tax matters amounting to Rs.1,893.13 lakhs are pending before different judicial forums. Pending disposal of these appeals the eventual

obligation in this regard is unascertainable at this time. Based on the management's assessment and based on the experts view on the merits of the dispute, no provision is made necessary in this regard.

Our audit opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our Report.

a. ***Recoverability of Deferred Tax Asset (DTA)***

Key Audit Matter	Auditor's Response
As at 31st March,2020, the group recognised Rs.941.74 lakhs of deferred tax asset in the nature of MAT Credit. Ind AS 12 Income Taxes, require deferred tax assets to be recognised only to the extent that it is probable that sufficient future taxable profits will be generated in order for the benefits of the deferred tax assets to be realised. These benefits are realised by reducing tax payable on future taxable profits. Significant judgement is required over the recoverability of deferred tax assets arising from past tax losses because the realisation of tax benefits is dependent on future taxable profits and there are inherent in forecasting such profits. This was a key audit matter because of the size of the balances and because significant judgement was required by the company to assess whether there will be sufficient future taxable profits to utilise the recognised deferred tax assets.	We assessed the group's ability to utilize the deferred tax assets by: • Obtaining calculations of forecast taxable income for the next 5 years and agreeing these to the latest management approved budget and forecast. • Comparing the latest management approved budget to historical performance to assess the consistency and accuracy of the company's approach to budgeting. • Assessing the company's key assumptions in the budget and taxable income forecasts. • Ensured that the length of time over which the DTA would be recovered was appropriately supported by probable future taxable profits. • Recalculating deferred tax asset balances which comprise a combination of timing differences between tax and accounting values and tax losses, and • Assessing whether deferred tax assets had been appropriately recognised in the financial statement as at 31st March, 2020 based on the extent to which they can be recovered by forecast taxable profits.

b. ***Contingent Liabilities in relation to Tax Litigations and Other Statutory Authorities***

Key Audit Matter	Auditor's Response
The Group has received certain demand orders and notices relating to direct tax matters, indirect tax matters and demands from various statutory authorities. The group is contesting these demands (refer note no.49 to the consolidated financial statements). There is high level of judgment required in estimating the level of provisioning. The management's assessment is supported by the facts of matter, their own judgment and advices from legal and independent service tax consultants whereever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the management's reported loss and the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/interpretation of law involved.	Our audit procedures included the following: • Understanding the current status of the litigations/ tax assessments and demands from various statutory authorities. • Examining recent orders and/or communication received from various tax authorities/judicial forums and follow up action thereon. • Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal advice; and • Review and analysis of evaluation of the contentions of the management through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report including annexures to Board's Report and Report on Corporate Governance but does not include the consolidated financial statements and our auditor's report thereon. The above reports are expected to be made available to us after the date of the auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity 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. 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 other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

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

Auditors' Responsibilities for the Audit of Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other audit reports as noted in 'Other Matters Paragraphs' below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

1. We did not audit financial statements and other financial information of ten subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs.49,322.36 Lakhs as at 31st March, 2020, total revenue of Rs.29.19 Lakhs (including other income), total loss after tax of Rs.7,545.84 lakhs, total comprehensive loss (net of tax) of Rs.7,570.95 lakhs and net cash-out flows of Rs.55.47 lakhs for the year ended 31st March, 2020, as considered in the consolidated financial statements. The financial statements and other financial information of these subsidiaries have been audited by the other auditors whose reports have been furnished to us by the management and our report on the consolidated financial statements in so far as it relates to the aforesaid subsidiaries is based solely on the reports of other auditors.

2. Further to the continuous spreading of COVID-19 across India, the Indian Government announced a strict 21- day lockdown on 24th March, 2020, which has further extended till 31st July, 2020 across the India to contain the spread of the Virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

   As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current COVID-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the group without any further manual modifications.

   We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on consideration of the report of the other auditors on separate financial statements of subsidiaries referred in the other matters paragraph above, we report to the extent applicable that:

a. We/the other auditors whose reports we have relied upon, 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. *Except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above*, 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 it 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 including Other Comprehensive Income, the Consolidated Statement of Cash Flowsand Consolidated Statement of Changes in Equity 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. *Except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above*, 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. The matter described in the Basis for Qualified Opinion Paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

f. *Attention is invited to note no.33(a) to the consolidated financial statements, which explains the management view point and understanding of the implications arising on account of defaults committed in redeeming the debentures as per the schedule of redemption, though the management obtained an extension from the debenture holder vide letter dated 05th February, 2020 till 31st May, 2020 and further extension vide letter dated 23rd June 2020 till 31st August, 2020, we are unable to express our opinion whether such extension of redemption period (covering all the defaults happened upto 31st March, 2019) with retrospective effect will exonerate the board of directors from the implications of section 164(2)(b) of the Companies Act, 2013.*

   On the basis on the reports of the other statutory auditors of its subsidiary companies, none of the directors of the subsidiary companies are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion Paragraph above.

h. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure A" to this report; and

i. With respect to the other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Companies Act, 2013, as amended, in our opinion and to the best of our information and according to the explanations given to us, during the year, the holding company and its subsidiaries, has not paid remuneration to the directors in accordance with the provisions of section 197 of the Companies Act, 2013. Therefore, remuneration paid to the director over and above the limits laid down under this section doesn't arise.

j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matter' paragraph:

    i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group. Refer note no: 49 to the consolidation financial statements.

    ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

    iii. There are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group.

For Brahmayya& Co.,
Chartered Accountants
Firm Regn No. 000511S

Sd/-
K.Jitendra Kumar
Partner
Membership No. 201825

UDIN:20201825AAAADU3878

Place : Chennai
Date : 31st July,2020

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of **PVP Ventures Limited** as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of PVP Ventures Limited ("the Holding Company" or "the Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Covered Entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following weaknesses have been identified in the operating effectiveness of the company's internal financial control over financial reporting with reference to the consolidated financial statements as at 31st March, 2020:

a. "The company's internal financial control with regard to assessment of loans and advances and inventory as more fully explained in note no.34 and 36 to these financial statements were not operating effectively and could potentially result in the not providing adjustments that may be required to be made to the carrying value of such assets and also company needs to strengthen its documentation relating to disbursement of loans".

b. Assessment of expected cash shortfall and resultant loss allowance that may be required in respect of invocation of corporate guarantees and demand against the company in respect of such guarantees executed for its subsidiaries and other parties in favour of the lenders.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, *except for the possible effects of the material weaknesses described above* on the achievement of the objectives of the control criteria, the Group has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

We have considered the material weaknesses identified and reported in the Qualified Opinion paragraph in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the company for the year ended 31st March, 2020 and material weaknesses do not affect our opinion on the financial statements of the Group.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the aforesaid subsidiaries is solely based on the corresponding reports of the auditors of such companies.

Our report is not qualified in respect of the above matter with respect to our reliance on the work done by and the reports of other auditors.

For Brahmayya& Co.,
Chartered Accountants
Firm Regn No. 000511S

Sd/-
K.Jitendra Kumar
Partner
Membership No. 201825

UDIN:20201825AAAADU3878

Place : Chennai
Date : 31st July,2020

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

(₹ in Lakhs)

	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I	**ASSETS**			
(1)	**Non Current Assets**			
	(a) Property, Plant and Equipment	**4.1**	1,372.02	1,231.57
	(b) Good Will	**4.2**	-	-
	(c) Other Intangible assets	**4.2**	6.35	7.38
	(d) Financial Assets			
	(i) Investments	**5**	2,904.45	3,299.36
	(ii) Other financial assets	**6**	63.58	58.21
	Total Financial Asset		**2,968.03**	**3,357.57**
	(e) Deferred tax assets - Tax Credit		941.74	1,211.62
	(f) Other non current assets	**7**	14,260.31	15,127.90
	Total Non Current Assets		**19,548.45**	**20,936.04**
(2)	**Current assets**			
	(a) Inventories	**8**	34,099.50	34,369.48
	(b) Financial Assets			
	(i) Trade receivables	**9**	150.31	162.89
	(ii) Loans	**10**	5,638.19	9,502.83
	(iii) Cash and cash equivalents	**11**	34.37	180.66
	(iv) Other financial assets	**12**	1,539.58	1,690.55
	Total Financial Asset		**7,362.45**	**11,536.93**
	(c) Other current assets	**13**	99.67	102.25
	Total Current Assets		**41,561.62**	**46,008.66**
(3)	**Non current assets classified as held for sale**		-	-
	Total Assets		**61,110.07**	**66,944.70**
II	**EQUITY AND LIABILITIES**			
A	**EQUITY**			
	(a) Equity Share Capital	**14**	24,396.25	24,396.25
	(b) Other Equity		(18,346.26)	(12,124.31)
	(c) Non Controlling Interest		(7,150.02)	(3,903.58)
	(d) Equity component of Parent Company		707.00	707.00
	Total Equity		**(393.03)**	**9,075.36**
B	**LIABILITIES**			
(1)	**Non Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**15**	18,340.39	24,120.77
	(ii) Other financial liabilities	**16**	247.09	-
	Total Financial Liabilities		**18,587.48**	**24,120.77**
	(b) Provisions	**17**	25.26	26.80
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non current liabilities	**18**	4,252.59	4,516.13
	Total Non Current Liabilities		**22,865.33**	**28,663.70**
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**19**	10,933.72	10,678.73
	(ii) Trade payables			
	Total outstanding dues to micro, small and medium enterprises		-	-
	Total Outstanding dues to creditors other than micro, small and medium enterprises	**20**	213.79	182.63
	(iii) Other financial liabilities	**21**	19,929.85	9,506.38
	Total Financial Liabilities		**31,077.36**	**20,367.74**
	(b) Provisions	**22**	1,610.95	1,515.43
	(c) Other current liabilities	**23**	5,949.46	7,322.47
	Total Current Liabilities		**38,637.77**	**29,205.64**
(3)	**Liabilities associated with non current assets held for sale**		-	-
	Total Equity and Liabilities		**61,110.07**	**66,944.70**
	Summary of Significant Accounting Policies	**2**		

The accompanying notes and other explanatory information are an integral part of the Consolidation Financial Statements.

As per our report of even date.

For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S
Sd/-
K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

	Particulars	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
I.	Revenue from Operations	24	4,371.89	3,681.41
II.	Other Income	25	80.30	46.35
III.	**Total Income (I+II)**		**4,452.19**	**3,727.76**
IV.	**Expenses**			
	Cost of Land	26	149.93	144.18
	Cost of Film Production expenses	27	987.04	2.41
	Employee Benefit Expenses	28	236.27	265.35
	Finance Costs	29	6,912.06	5,919.85
	Depreciation and Amortisation	4	246.22	170.92
	Other Operating and General Expenses	30	1,003.65	879.50
	Contingent provision on sub- standard assets		3,099.47	6,198.93
	Provision for doubtful advances and debts		970.02	606.93
	Total Expenses		**13,604.66**	**14,188.07**
V.	**Profit Before Tax and Exceptional items (III-IV)**		**(9,152.47)**	**(10,460.31)**
VI.	Exceptional Items	31	(87.44)	1,168.25
VII.	**Profit/ (Loss) Before Tax (V+VI)**		**(9,065.03)**	**(11,628.56)**
VIII.	**Tax Expenses**			
	Current Tax			
	Less/Add: MAT Credit Entitlement/ Utilised		269.88	-
	Income tax relating to earlier years		0.57	3.20
	Total Tax Expenses		**270.45**	**3.20**
IX.	**Profit (Loss) for the Period (VII -VIII)**		**(9,335.48)**	**(11,631.76)**
X.	**Other Comprehensive income, net of tax**			
	i) Items that will not be reclassified subsequently to profit and loss			
	Remeasurement of defined benefit obligation		7.36	13.28
	Less :-income tax expense		-	-
	ii) Items that will be reclassified subsequently to profit and loss		-	-
	Other Comprehensive income for the year, net of tax		**7.36**	**13.28**
XI.	**Total Comprehensive income for the year, net of tax (IX+X)**		**(9,328.12)**	**(11,618.48)**
XII.	**Net Loss/ profit attributable to::**			
	Non Controlling Interest		(3,255.81)	(4,941.72)
	Owners of the Parent		(6,079.67)	(6,690.04)
	Other Comprehensive income for the year attributable to:			
	Non Controlling Interest		2.49	3.75
	Owners of the Parent		4.87	9.53
XIII.	**Total Comprehensive income for the year attributable to:**			
	Non Controlling Interest		**(3,253.32)**	**(4,937.97)**
	Owners of the Parent		**(6,074.80)**	**(6,680.51)**
XIV.	**Earnings Per Share**			
	Basic and Diluted - (Rs.)		**(3.83)**	**(4.77)**
	Face Value per Ordinary share - (Rs.)		**10.00**	**10.00**

Summary of Significant Accounting Policies **2**

The accompanying notes and other explanatory information are an integral part of the Consolidated Financial Statements.

As per our report of even date.

For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S
Sd/-
K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

	Particulars	As at 31st March 2020	As at 31st March 2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before Tax	**(9,065.03)**	**(11,628.56)**
	Adjustments for:		
	Depreciation and Amortization	246.22	170.92
	(Profit) / Loss on Sale of Property, Plant and Equipment	2.60	(1.50)
	Unrealised (Gain) / loss on Foreign Exchange Fluctuations (Net)	-	12.09
	Fair Value through Profit and Loss	(0.33)	(0.35)
	Provision for diminution in value of investment	395.23	92.70
	Bad debts writtenoff	81.28	17.77
	Provision for doubtful advances	970.02	606.93
	IND AS Adjustment - FVTPL - Loans and Advances	21.06	18.40
	Interest provided on Income tax Dues	102.83	169.29
	Contingent provision on sub- standard assets	3,099.47	6,198.93
	Provision on Employee benefits	(2.39)	16.33
	Sundry Creditors Written off	(7.34)	(1.87)
	Assets writtenoff	-	18.99
	Inventory Written off	-	16.25
	Provision on Interest Paid to SEBI	-	6.79
	Interest Income	(276.50)	(657.21)
	Interest Expenses	6,737.09	5,679.02
	Cash Generated Before Working Capital Changes	**2,304.22**	**734.92**
	Movement In Working Capital		
	Increase / (Decrease) in Trade Payables	38.53	(256.27)
	Increase / (Decrease) in Other Financial Liabilities	69.90	(16.71)
	Increase / (Decrease) in Other Liabilities	(1,636.55)	525.80
	(Increase) / Decrease in Trade Receivables	(6.47)	556.41
	(Increase) / Decrease in Inventories	269.98	(987.46)
	(Increase) / Decrease in Loans and Advances	625.18	(717.40)
	(Increase) / Decrease in Other Financial Assets	126.05	(143.01)
	(Increase) / Decrease in Other Assets	(25.14)	(256.83)
	Cash Generated From Operations	**1,765.70**	**(560.55)**
	Direct Taxes Paid	(8.28)	(718.26)
	Interest expenses on financing activities	(14.53)	(41.29)
	Net Cash Flow From / (Used in) Operating Activities	**1,742.89**	**(1,320.10)**
B.	**CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES**		
	Purchase of PPE, Intangible Assets and Investment Property	(11.77)	(76.97)
	Proceeds from Sale of PPE, Intangible Assets and Investment Property	20.00	4.11
	Capital Advances	-	(0.40)
	Purchase of Non Current Investments - Others	-	(0.03)
	Proceeds from sale of investments	0.26	996.11
	Interest Income Received	190.62	1,009.45
	Net Cash Flow From / (Used in) Investing Activities	**199.11**	**1,932.27**

CONSOLIDATED CASH FLOW STATEMENT (Contd.)

(₹ in Lakhs)

	Particulars	As at 31st March 2020	As at 31st March 2019
C.	**CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES**		
	Proceeds/(repayments) from Short Term Borrowings	254.99	242.87
	Proceeds from Long Term Borrowings	832.83	11,869.65
	Repayment of Long Term Borrowings	(1,995.91)	(10,264.56)
	Interest Paid on borrowings	(1,076.92)	(2,410.34)
	Lease liability paid	(103.28)	-
	Net Cash Flow From / (Used in) Financing Activities	**(2,088.29)**	**(562.38)**
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(146.29)	49.79
	Cash and Cash Equivalents at the beginning of the year	180.66	130.87
	Cash and Cash Equivalents at the end of the year	**34.37**	**180.66**
D.	**Components of Cash and Cash Equivalents**		
	Cash and Cheques on Hand	0.20	6.96
	Balances with Banks		
	-In Current Accounts and Deposit Accounts	34.17	173.70
	Cash and cash Equivalent	**34.37**	**180.66**

Notes:

1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements.

Reconciliation between the opening and closing balances in the balance sheet for financial liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	As at April 01, 2019	Net Cash Flows	Non- Cash Changes Book Adjustments	As at March 31, 2020
Long Term Borrowings	26,074.92	(1,163.08)	21.06	24,932.90
Short term Borrowings	10,678.73	254.99	-	10,933.72
Other Financial Liabilities	7,476.18	(1,091.45)	6,737.09	13,121.82
Total Financial Liabilities	**44,229.83**	**(1,999.54)**	**6,758.15**	**48,988.44**

Summary of Significant Accounting Policies **2**

The accompanying notes and other explanatory information are an integral part of the Financial Statements.

As per our report of even date.

For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S
Sd/-
K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

Particulars	Equity Share Capital	Other Equity									Equity Component of Parent Company	Non Controlling Interest	Total Equity attributable to equity holders of the company
		Reserves and Surplus							Other Comprehensive Income (OCI)				
		Security Premium	Retained Earnings	Capital Reserve	General Reserve	Statutory Reserve	Exchange Fluctuation Reserve	Debenture Redemption Reserve	Equity Instruments through OCI	Other Items of OCI			
Balance as on 31st March 2018	**24,396.25**	**85,685.26**	**(92,899.72)**	**2,926.05**	**0.44**	**263.09**	**(6.23)**	**-**	**-**	**135.19**	**707.00**	**1,014.46**	**(2,174.46)**
Transitional effects from IND AS 115	-	-	(1,540.17)	-	-	-	-	-	-	-	-	-	(1,540.17)
Changes in Non Controlling Interest	-	-	(13.94)				-	-	-	-	-	14.07	0.13
Changes due to Strike off of Foreign Subsidiary	-	-					6.23	-	-	-	-	5.86	12.09
Remeasurement of the net defined benefit liability/ asset , net of tax effect	-	-	-	-	-	-	-	-	-	9.53	-	3.75	13.28
Loss for the period	-	-	(6,690.04)	-	-	-	-	-	-	-	-	(4,941.72)	(11,631.76)
Transferred from Retained Earnings	-	-	(150.00)					150.00	-	-	-	-	-
Balance as on 31st March 2019	**24,396.25**	**85,685.26**	**(101,293.87)**	**2,926.05**	**0.44**	**263.09**	**0.00**	**150.00**	**-**	**144.72**	**707.00**	**(3,903.58)**	**(15,320.89)**
Transitional effects from IND AS 116 (refer note no.48)			(147.44)									6.88	(140.56)
Changes in Non Controlling Interest			0.29										0.29
Remeasurement of the net defined benefit liability/ asset , net of tax effect										4.87		2.49	7.36
Loss for the period			(6,079.67)									(3,255.81)	(9,335.48)
Transferred from Retained Earnings													-
Balance as on 31st March 2020	**24,396.25**	**85,685.26**	**(107,520.69)**	**2,926.05**	**0.44**	**263.09**	**0.00**	**150.00**	**-**	**149.59**	**707.00**	**(7,150.02)**	**(24,789.28)**

The description of the nature and purpose of each reserve within equity is as follows:

1. **Security Premium :** This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
2. **Retained Earnings :** Retained Earnings represent accumulated losses of the company.
3. **Capital Reserve :** Capital Reserve represents reserve recognised on amalgamations and arrangements and profit/loss on sale of fixed assets recognised during the financial year 2009-10 and 2010-11.
4. **General Reserve:** Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 ("the Companies Act") , the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. The amount credited to the reserve can be utilised by the company in accordance with the provisions of the companies act, 2013.
5. **Statutory Reserve:** Statutory Reserve represents reserve created as per section 45-IC of the Reserve Bank of India Act, 1934.
6. **Exchange Fluctuation Reserve :** Exchange differences relating to the translation of the results and the net assets of the group's foreign operations from their functional currencies to the group's presentation currency (i.e currency units) are recognised directly in other comprehensive income and accumulated in the exchange fluctutation reserve. Exchange differences previously accumulated in the exchange fluctuation reserve will be reclassified to profit or loss on the disposal of foreign operations.
7. **Debenture Redemption Reserve (DRR) :** The company has issued redeemable non-convertible listed debentures.Accordingly,the companies (Share Capital and Debentures Rules, 2014 (as amended)), requires the company to create DRR out of profits of the company. During the financial year 2018-19, Debenture Redemption Reserve (DRR) amounting to Rs.150 lakhs has created out of profits available for distribution of dividend.

Summary of Significant Accounting Policies 2

The accompanying notes and other explanatory information are an integral part of the Consolidated Financial Statements.

As per our report of even date.
For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S
Sd/-
K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S KUMAR
Director

Sd/-
T N MADAN
Chief Financial Officer
Place : Chennai
Date : 31st July, 2020

Sd/-
K. RAMYANKA
Company Secretary

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2020

1. Corporate Information

PVP Ventures Limited ("the Parent Company") is a public company incorporated and domiciled in India and governed by the Companies Act, 2013 ("Act"). The Parents company's registered office is situated at Door No:2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai, Tamilnadu – 600031.The main activities of the Parent Company along with its subsidiaries are developing urban infrastructure and Movie production and Movie Financing related activities. The Parent Company together with its subsidiaries is hereinafter referred to as the "Group".

These Consolidated Financial Statements of the Group for the year ended 31st March 2020 were authorised for issue in accordance with resolution of the Board of Directors on 31st July, 2020.

2. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

These financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the companies act, 2013, ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hither to in use.

The amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of schedule III, unless otherwise stated.

The financial statements are presented in Indian currency (INR), being the functional and presentation currency. Being the currency of the primary economic environment in which the Group operate.

All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in **Ind AS 1 Presentation of Financial Statements** and **Schedule III to the Companies Act, 2013.**

Current/ Non Current Classification

An asset is classified as current when

a) It is expected to be realized or consumed in the Group's normal operating cycle;

b) It is held primarily for the purpose of trading;

c) It is expected to be realized within twelve months after the reporting period; or

d) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Any asset not confirming to the above is classified as non- current.

A liability is classified as current when

a) It is expected to be settled in the normal operating cycle of the Group;

b) It is held primarily for the purpose of trading;

c) It is expected to be settled within twelve months after the reporting period; or

d) The Group has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as noncurrent.

b) Basis of consolidation:

i) The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries.

When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Parent Company's voting rights in an investee are sufficient to give it power, including rights arising from other contractual arrangements.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the

Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

In case of subsidiaries consolidated for the first time consequent to adoption of IND AS, the deemed cost of goodwill as of the transition date has been computed to equal the difference between:

- the Group's interest in carrying amounts of assets and liabilities; and
- the cost, in the Parent Company's separate financial statements, of its investment in the subsidiary.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent Company.

Associates are all entities over which the group has significant influence but no control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associates is accounted for using equity method of accounting, after initially being recognised at cost.

ii) List of subsidiaries and proportion of voting power held

Name of the Subsidiary Company	Principal place of business	As at 31st March 2020	As at 31st March 2019
		% of Ownership Directly or through subsidiaries	% of Ownership Directly or through subsidiaries
PVP Corporate Parks Private Limited	India	100.00%	100.00%
PVP Global Ventures Private Limited	India	100.00%	100.00%
PVP Media Ventures Private Limited	India	100.00%	100.00%
Safetrunk Services Private Limited	India	100.00%	100.00%
New Cyberabad City Projects Private Limited	India	80.99%	80.99%
Picturehouse Media Limited	India	49.55%	49.55%
Adobe Realtors Private Limited *	India	100.00%	100.00%
Arete Real Estate Developers Private Limited *	India	100.00%	100.00%
Expressions Real Estate Private Limited*	India	100.00%	100.00%
PVP Capital Limited**	India	100.00%	100.00%
PVP Cinema Private Limited**	India	100.00%	100.00%
Picturehouse Media Private Limited (Singapore)**@	Singapore	100.00%	100.00%

* Adobe Realtors Private Limited, Arete Real Estate Developers Private Limited, Expressions Real Estate Private Limited are the wholly owned subsidiary companies of PVP Global Ventures Private Limited.

** PVP Capital Limited, PVP Cinema Private Limited and Picturehouse Media Private Limited (Singapore) are the wholly owned subsidiaries of Picturehouse Media Limited.

@ Struck off with effect from 05th November, 2018.

During the Financial Year 2018-19, UCO Bank Ltd invoked 10 lakhs pledged shares in Picturehouse Media Limited held by PVP Ventures Limited. Consequently, the total investment of 51.46% in Picturehouse Media Limited held by PVP Ventures Limited along with its subsidiaries has reduced to 49.55%.

iii) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

c) Ind AS 103 – Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Common control transactions

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

1. The assets and liabilities of the combining entities are reflected at their carrying amounts.
2. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
3. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
4. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
5. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
6. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

d) Property, Plant and Equipment:

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all direct costs relating to acquisition and installation of Property, Plant and Equipment and borrowing cost relating to qualifying assets. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is charged to profit or loss so as to write off the cost of assets less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful Life
Plant and Equipment	5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Computers and related Assets	3 years
Office Equipment	3 years

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

e) Intangible Assets

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

f) Impairment of Property, Plant and Equipment and Intangible Assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount.

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

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

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

g) Foreign Currency Translation:

Initial Recognition

On initial recognition, transactions in foreign currencies entered into by the group are recorded in the functional currency (i.e India Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Measurement of foreign currency items on reporting date

Foreign currency monetary items of the company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

Effective 01st April, 2018, the group has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Group Companies

For the purposes of the consolidated financial statements, items in the consolidated statements of profit or loss of those operations for which the Indian Rupees is not the functional currency are translated to Indian Rupees at the average rates of exchange during the year. The related consolidated balance sheet are translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in the other comprehensive income. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in profit or loss.

h) Leases:

The Group as a Lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether :(i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e .the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of owner ship to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease.

The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

i) Inventories

Land and related development activities are valued at Cost or Net Realizable Value whichever is lower. Cost comprises of all expenses incurred for the purpose of acquisition of land, development of the land and other related direct expenses.

Investments in films and associated rights, including acquired rights and advances to talent associated with film production, are stated at lower of cost / unamortised cost or realisable value. Costs include production costs, overhead and capitalized interest costs net of any amounts received from third party investors.

A charge is made to write down the cost once the film is theatrically exhibited commercially. Charge is recognized in the income statement within cost of production.

j) Financial Instruments

1) Initial Recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

2) Subsequent measurement

i) Financial assets carried at amortised cost

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

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election for its investments which are classified as equity instruments based on its business model, to present the subsequent changes in fair value through other comprehensive income.

iii) Financial Assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

iv) Investment in Subsidiaries

Investments in subsidiaries are carried at cost in accordance with Ind AS 27 Separate Financial Statements.

v) Financial Liability

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

3) Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or its transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4) **Impairment of Assets**

Financial Assets (other than at fair value):

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

5) **Fair value of Financial Instruments**

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

k) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

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 Group, 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. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

l) **Revenue Recognition**

Effective 01st April, 2018, the company has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e 01st April, 2018). The comparative information in the statement of profit and loss is not restated – i.e the comparative information continues to be reported under Ind AS 18.

As a consistent practice, the Group recognises revenues on accrual basis.

1) The Group recognises revenue when it determines the satisfaction of performance obligations at a point of time. Revenue is recognised upon transfer of control of promised services to customer in an amount that reflects the consideration which the company expects to receive in exchange for the services.

   Current assets are recognised under Trade Receivables. Current Liabilities are recognised when there is an advance received from customers.

2) Revenue from film production is recognized, net of sales related taxes, when the agreement exists, the fees are fixed or determinable, the product is delivered or services have been rendered and collectability is reasonably assured. The Group considers the terms of each arrangement to determine the appropriate accounting treatment.

   The following additional criteria apply in respect of various revenue streams within filmed entertainment:

   Theatrical — Contracted minimum guarantees are recognized on the theatrical release date. The Group's share of box office receipts in excess of the minimum guarantee is recognized at the point they are notified to the Group.

   Other rights - other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date when the rights are made available to the assignee for exploitation.

3) a) Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

   b) In respect of PVP Capital Limited, Interest income on loans is accrued over the maturity of the loan where the interest is serviced regularly as per the applicable prudential norms prescribed for NBFCs by RBI to the extent applicable to the company. Interest on loans which are classified as non-performing assets and are accounted for on realization basis.

4) Dividend from investments is accounted for as income when the right to receive dividend is established.

m) Employee Benefits

1) Gratuity

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to profit or loss. As required under Ind AS complaint schedule III, the Group transfers it immediately to retained earnings.

2) Compensated Absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Non-accumulating compensated absences are recognised in the period in which the absences occur.

3) Other Benefit Plans

Contributions paid/payable under defined contributions plans are recognised in the statement of Profit or Loss 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.

n) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

i) Current Income Tax

Current Income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii) Deferred Income Tax

Deferred Income tax is recognised using balance sheet approach. Deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred Income tax assets are recognised for all deducted temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred Income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

o) Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

p) Earnings per Share

Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

q) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

r) Exceptional Items

When items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

s) Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment are allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments are disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment and all other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

3. Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- **Valuation of investment in/loans to subsidiaries**

  The Group has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investment in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans thereon. The inputs to these models are taken from observable markets where possible, but where is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

- Accounting for the film content requires management's judgment as it relates to total revenues to be received and costs to be incurred for each film. The Group is required to identify and assess and determine income generated from commercial exhibition of films. Judgment is also required in determining the charge to profit and loss account. As well as considering the recoverability or conversion of advances made in respect of securing film content or the services of talent associated with film production.

- **Useful lives of property, plant and equipment and intangible assets:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the carrying amount of property, plant and equipment at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.

- **Impairment testing:** Property, plant and equipment and intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash -generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.

  Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.

- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

- **Revenue from Contract with Customers:** The Group has applied judgments that affect the determination of the amount and timing of revenue from contracts with customers.

Notes to the Consolidated Financial Statements for the year ended 31st March 2020

Note No 4.1 : Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Building	Plant and Machinery	Computers and Related Assets	Furniture and Fixtures	Vehicles	Office Equipments	Right to Use of the Asset	Total
Gross Block									
Gross Carrying value as on 31st March, 2018	**-**	**348.81**	**199.91**	**40.90**	**558.25**	**290.62**	**174.09**	**-**	**1,612.58**
Additions	-	-	-	0.96	-	70.39	5.62	-	76.97
Deletions	-	-	-	(0.47)	-	(11.08)	-	-	(11.55)
Gross Carrying value as on 31st March, 2019	**-**	**348.81**	**199.91**	**41.39**	**558.25**	**349.93**	**179.71**	**-**	**1,678.00**
Additions	89.23	35.98	-	2.34	0.18	0.99	0.14	279.38	408.24
Deletions	(20.00)		-	-	-	(9.01)	(0.41)	-	(29.42)
Gross Carrying value as on 31st March, 2020	**69.23**	**384.79**	**199.91**	**43.73**	**558.43**	**341.91**	**179.44**	**279.38**	**2,056.82**
Accumulated Depreciation									
Accumulated Depreciation as on 31st March, 2018	**-**	**0.47**	**5.60**	**27.21**	**44.84**	**77.05**	**134.08**	**-**	**289.25**
Depreciation for the year	-	5.51	36.85	2.79	56.37	49.12	15.48	-	166.12
Accumulated depreciation on deletions	-	-	-	(0.45)	-	(8.49)	-	-	(8.94)
Accumulated Depreciation as on 31st March, 2019	**-**	**5.98**	**42.45**	**29.55**	**101.21**	**117.68**	**149.56**	**-**	**446.43**
Depreciation for the year	-	5.79	37.39	3.15	56.91	50.85	6.33	84.76	245.19
Accumulated depreciation on deletions	-	-	-	-	-	(6.66)	(0.16)	-	(6.82)
Accumulated Depreciation as on 31st March, 2020	**-**	**11.77**	**79.84**	**32.70**	**158.12**	**161.87**	**155.73**	**84.76**	**684.80**
Net Block									
Carrying Value as on 31st March, 2019	**-**	**342.83**	**157.46**	**11.84**	**457.04**	**232.25**	**30.15**	**-**	**1,231.57**
Carrying Value as on 31st March, 2020	**69.23**	**373.02**	**120.07**	**11.03**	**400.31**	**180.04**	**23.71**	**194.62**	**1,372.02**

Note: Gross Block as on 01.04.2015 represents deemed cost (Gross Block 376.71 Lakhs - Accumulated Depreciation-143.3 Lakhs) as per Ind AS 101.

Note 4.2 Intangible Assets

(₹ in Lakhs)

Particulars	Software	Total	Goodwill
Gross Block			
Gross Carrying Value as at 31st March 2018	**9.75**	**9.75**	**4,639.37**
Additions	-	-	-
Deletions	-	-	(3.93)
Gross Carrying Value as at 31st March 2019	**9.75**	**9.75**	**4,635.44**
Additions	**-**	**-**	
Deletions	**-**	**-**	
Gross Carrying Value as at 31st March 2020	**9.75**	**9.75**	**4,635.44**
Accumulated Depreciation			
Accumulated Depreciation as on 31st March, 2018	**1.48**	**1.48**	**4,635.44**
Depreciation for the year	0.89	0.89	3.93
on Disposals	-	-	(3.93)
Accumulated Depreciation as on 31st March, 2019	**2.37**	**2.37**	**4,635.44**
Depreciation for the year	1.03	1.03	**-**
on Disposals		**-**	**-**
Accumulated Depreciation as on 31st March, 2020	**3.40**	**3.40**	**4,635.44**
Net Block			
Carrying Value as on 31st March, 2019	**7.38**	**7.38**	**-**
Carrying Value as on 31st March, 2020	**6.35**	**6.35**	**-**

Note No. 5 Investments

(₹ in Lakhs)

Particulars		As at 31st March 2020	As at 31st March 2019
Non-Current Investments			
Investments in other Equity Instruments			
I. Investment carried at cost fully paid up			
Unquoted Investments			
Blasteres Sports Ventures Private Limited		2,368.94	2,368.94
2,36,89,430 (31st March, 2019 - 2,36,89,430) 1% compulsory convertible debentures of Rs.10 each			
Arsikere Solar Private Limited - 100 equity shares of Rs.10 each		0.01	0.01
Kadur Solar Private Limited - 100 equity shares of Rs.10 each		0.01	0.01
Ranibenur Solar Private Limited - 100 equity shares of Rs.10 each		0.01	0.01
	(A)	**2,368.97**	**2,368.97**
II. Investments in Equity Shares in others carried at fair value through Profit and Loss account			
Jagati Publications Limited 36,38,053 equity shares of Rs.10 each (refer note no.40)		13,096.99	13,096.99
Less: Provision for diminution in value of investment		(12,566.27)	(12,171.04)
	(B)	**530.72**	**925.95**
III. Investments in Mutual Funds carried at Fair value through Profit and Loss			
Investment in Canara Robeco Mutual Funds		4.76	4.44
(15,176.50 units @31.39 per unit)			
	(C)	**4.76**	**4.44**

Notes to the Consolidated Financial Statements for the year ended 31st March 2020

Note No. 5 Investments

(₹ in Lakhs)

Particulars		As at 31st March 2020	As at 31st March 2019
IV. Investment in debentures,Carried at cost,fully paid up			
Unquoted			
Crust Realtors Private Limited		328.00	328.00
3280 - 0% Optional Convertible Debentures of Rs.10,000/- each			
Mantel Realtors Private Limited		500.00	500.00
5000 - 0% Optional Convertible Debentures of Rs.10,000/- each			
P'n'V Real Estates & Developers Private Limited		450.00	450.00
4500 - 0% Optional Convertible Debentures of Rs.10,000/- each			
Stone Valley Real Estates Private Limited		350.00	350.00
3500 - 0% Optional Convertible Debentures of Rs.10,000/- each			
Hercules Real Estates and Projects Private Limited		20.00	20.00
200 - 0% Optional Convertible Debentures of Rs.10,000/- each			
		1,648.00	**1,648.00**
Less: Provision for diminution in value of Investments in Debentures (refer note 42)		(1,648.00)	(1,648.00)
	(D)	-	-
Total Non-Current Investments	**(A+B+C+D)**	**2,904.45**	**3,299.36**
Aggregrate amount of quoted investments and market value		4.76	4.44
Aggregrate amount of unquoted investments		17,113.96	17,113.96
Aggregate amount of impairment in value of investments		(14,214.27)	(13,819.04)
Total amount of Non Current Investments		**2,904.45**	**3,299.36**

Note No. 6 Other Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current		
Security Deposit	63.58	58.21
	63.58	**58.21**

Note No. 7 Other Assets

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current		
Advance Income Tax and Tax deducted at source	1,158.73	1,150.12
Taxes Paid under Protest*	238.37	211.06
Capital Advances	-	11.25
Other Advances (refer note no.38)	13,755.48	13,755.47
Less : Impaired Loss Allowance	(892.27)	-
Disputed Interest Paid to SEBI	6.79	6.79
Less: Provision for Interest Paid to SEBI	(6.79)	(6.79)
	14,260.31	**15,127.90**

* Includes amount of Rs.150 Lakhs for which the company has received a favourable order from the ITAT (Income Tax Appellate Tribunal) and hence the amount is due as refund .

Note No. 8 Inventory

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Inventory - Land (refer note no.32)	6,551.13	6,701.06
Inventory - Flat	51.45	-
Inventory - Land	22,573.36	22,572.51
Film Production Expenses - Work in Progress (refer note no.34)	4,894.43	5,066.25
Consumables	29.13	29.66
	34,099.50	**34,369.48**

- (Valued at cost or net realised value which ever is less and as certified by the Management.)

Note No. 9 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Considered Good - Secured	-	-
Considered Good - Unsecured	150.31	162.89
Significant increase in credit risk	-	-
Credit Impaired	567.09	548.04
Less: Provision for Doubtful Debtors	(567.09)	(548.04)
	150.31	**162.89**

Note No. 10 Loans

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Secured - Considered Good		
Advances for Film Finance (refer note no.34 and 36)	17,689.50	18,430.79
Less : Impaired Loss Allowance	(12,397.87)	(9,298.40)
Unsecured and Considered good		
Staff Advances	275.44	275.62
Unsecured, Considered Doubtful		
Advances for others	1,122.90	1,122.90
Less : Provision for Doubtful advances	(1,051.78)	(1,028.08)
Loans Receivables which have significant increase in credit risk	-	-
Loans Receivables - Credit Impaired	-	-
	5,638.19	**9,502.83**

Note No. 11 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance With Banks		
In Current Accounts	26.14	165.67
In Deposit Accounts	8.03	8.03
Cash on Hand	0.20	6.96
	34.37	**180.66**

Notes to the Consolidated Financial Statements for the year ended 31st March 2020

Note No. 12 Other Financial Assets - Current

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Interest accrued on Movie Finance	1,324.37	1,306.38
Interest accrued and Due on Staff Loans	129.42	129.42
Interest Accrued and Due on Fixed Deposit	0.53	0.53
Interest Accrued and due on debentures	22.82	1.15
Interest receivable on income tax refund	46.22	-
Advances for Others	16.22	253.07
Advance to Others- Credit Impaired	3,145.77	3,110.77
Less: Provision for Doubtful advances	(3,145.77)	(3,110.77)
	1,539.58	**1,690.55**

Note No. 13 Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Prepaid Expenses	4.86	5.23
Advances to Suppliers	0.51	1.56
Goods and Service Tax Input tax Credit	94.30	95.46
	99.67	**102.25**

Note 14 : Equity Share Capital

(a) Authorised, Issued, Subscribed and Paid-up share capital and par value per share

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Authorised Share Capital		
30,00,00,000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00
Issued, Subscribed and Paid Up		
24,50,52,701 equity shares of Rs. 10 each	24,505.27	24,505.27
Less: 10,90,235 equity shares held by PVP Global Venture Private Limited	109.02	109.02
	24,396.25	**24,396.25**

(b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31st March 2020	As at 31st March 2019
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**

(c) Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	As at 31st March 2020		As at 31st March 2019	
	No of Shares held	% of holding	No of Shares held	% of holding
Platex Limited	132,612,766	54.12	132,612,766	54.12
SSG India Opportunities I Limited	24,505,270	10.00	24,505,270	10.00

(d) 13,409,314 equity shares of Rs.10 each fully paid-up in cash has been issued to Platex Limited 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.

(e) PVP Global Ventures Private Limited (PVPGVPL) holds 10,90,235 equity shares of PVP Ventures Limited, as these shares were acquired before the company became its subsidiary. However, PVP Global Ventures Private Limited (PVPGVPL) does not have any rights to vote at meetings of PVP Ventures Limited or any class of members thereof over these shares.

(f) Terms / Rights attached to Equity Shares (eg. Dividend rights, Voting Rights)

The company has only one class of equity shares having a par value of Rs 10/- Per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.

(g) The company does not have any Bonus Shares Issued, Share issued for consideration other than Cash and Shares bought back during the period of five years immediately preceding the reporting date (31.03.2020).

(h) The company does not issued any shares under options other than the conversion of fully convertible debentures.

Note 15 Borrowings

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current		
Secured Loans		
From Banks - Vehicle Loans (refer note no.33(c))	60.57	84.72
Less: Current maturities (refer note no.21)	(18.50)	(24.15)
Debentures		
1,215 (1,215- 31st March, 2019) NCDs, Listed, Redeemable, Non Convertible Debentures (NCDs) of Rs.10,00,000 each (refer note no.33(a))	11,684.00	12,075.00
Less: Current maturities (refer note no.21)	(6,574.01)	(1,930.00)
Unsecured Loans		
Debentures		
500 (500 - 31st March, 2019), 14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs.1,00,000 each (refer note no.33(b))	5,000.00	5,000.00
From Companies (refer note no.33(d))	8,188.33	8,915.20
	18,340.39	**24,120.77**

Note 16 Other Financial Liabilities

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current		
Lease Payable	247.09	-
	247.09	**-**

Note 17 Provisions

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current		
Provision for Employee Benefits		
Gratuity	25.26	26.80
	25.26	**26.80**

Notes to the Consolidated Financial Statements for the year ended 31st March 2020

Note 18 Other Liabilities

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current		
Security Deposit from Developer	4,220.58	4,489.67
Security Deposit from Safe deposit Customers	32.01	26.46
	4,252.59	**4,516.13**

Note 19 Borrowings - Current

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Secured		
From Banks -Working Capital Loan	10,000.00	10,000.00
From Banks - Term Loan	35.01	387.98
UnSecured		
From Companies	723.71	290.75
From Others	175.00	-
	10,933.72	**10,678.73**

Refer Note No: 33(e) for security details,terms of repayment and other relevant details.

Note 20 Trade Payables

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Sundry Creditors for services	213.79	182.63
	213.79	**182.63**

Note 21 Other Financial Assets - Current

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Current Maturity of Long Term Debt	6,592.51	1,954.15
Interest accrued but not due on Debentures	3,044.25	2,434.48
Interest accrued and due on Debentures	2,044.68	43.48
Interest accrued and due on Bank borrowings	6,789.09	4,163.49
Interest accrued and not due on borrowings	1,243.80	834.73
Employee related payables	48.20	44.22
Provision for Expenditure	97.75	28.96
Lease Payable	69.57	-
Other payables - related parties	-	2.87
	19,929.85	**9,506.38**

Note 22 Provisions - Current

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for Employee Benefits		
Gratuity	4.85	4.35
Compensated Absences	30.56	39.27
Provision against Standard Assets	61.38	61.38
Provision for Income tax	1,898.76	1,795.93
Less:Tax Deducted at Source(TDS) Receivable	(384.60)	(385.50)
	1,610.95	**1,515.43**

Notes to the Consolidated Financial Statements for the year ended 31st March 2020

Note 23 Other Current Assets

(Rs in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Advances received from Theatrical Exhibitors	25.00	55.30
Advance received for sale of land (inventory)	2,901.28	4,517.23
Retention money from suppliers	8.42	8.42
Income Received in Advance	15.96	7.81
Statutory Liabilities payable	853.39	588.18
Other current liabilities (refer note no.50) *	2,145.41	2,145.53
* Penalty levied by Securities Appellate Tribunal (SAT)		
	5,949.46	**7,322.47**

Note 24 Revenue from Operations

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Income from Real Estate	2,900.45	3,045.29
Income from Movie Rights and Related Activities	1,241.16	0.71
Income from Film Financing Activity (refer note no.47)	206.47	626.93
Sale of Lockers	23.81	8.48
	4,371.89	**3,681.41**

Note 25 Other Income

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Interest income on Income tax refund	46.22	-
Profit on Sale of Assets	-	1.50
Sundry Creditors Written off	7.34	1.87
Fair Value through Profit and Loss	0.33	0.35
Miscellaneous Income	0.55	10.53
Interest Income	23.81	30.28
Excess provision on Employee Benefits Written back	2.05	1.82
	80.30	**46.35**

Note 26 Cost of Land

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Opening Stock of Land	6,701.06	6,560.56
Add: Reversal of Land cost due to IND AS 115	-	77.36
Add: Current year Expenses	-	207.32
	6,701.06	**6,845.24**
Less: Closing Stock of Land	6,551.13	6,701.06
	149.93	**144.18**

Notes to the Consolidated Financial Statements for the year ended 31st March 2020

Note 27 Cost of Film Production Expenses

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Opening Film Production Expenses	5,066.25	4,520.27
Add: Current year Expenses	815.22	548.39
	5,881.47	**5,068.66**
Less: Closing Film Production Expenses	4,894.43	5,066.25
	987.04	**2.41**

Note 28 Employee Benefit Expenses

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Salaries and wages	228.88	257.06
Contribution to Provident and other funds	2.05	2.12
Staff welfare expenes	5.34	6.17
	236.27	**265.35**

Note 29 Finance Cost

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Interest on Debentures	2,877.50	2,402.30
Interest on other Loans	3,798.02	3,268.13
Interest on Vehicle Loans	6.12	8.59
Interest others	174.97	240.83
Interest on lease charges (refer note no.48)	55.45	-
	6,912.06	**5,919.85**

Note 30 Other Expenses

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Rent	0.55	145.45
Insurance		
- For Employees	3.83	5.02
- Assets	5.63	4.97
Power and Fuel	17.76	19.44
Printing and Stationery	9.08	7.51
Communication Expenses	9.40	13.98
Repairs and Maintenance	22.90	14.52
Books and Periodicals	0.08	0.15
Registration Charges	0.01	0.11
Security Charges	25.37	23.78
Rates and taxes	50.94	91.46
Payment to statutory auditors		
for Statutory Audit	26.27	25.38
for tax audit	5.00	5.00
for certification	6.00	6.00

Note 30 Other Expenses

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Directors Sitting Fees	5.20	6.90
Legal, Professional and consultancy	97.91	123.64
Office Maintenance	30.24	27.17
Advertisement, publicity and sales promotion	5.82	6.40
Bank Charges	2.96	5.08
Business Promotion Expenses	1.42	0.66
Investor related expenses including Listing Fees	21.71	21.86
Travelling Expenses including Conveyance	121.62	153.17
Charity and Donations	-	1.75
Membership fee	10.03	5.50
Bad debts Written Off	81.28	17.77
Loss on sale of asset	2.60	-
Exchange Fluctuation Loss	-	12.09
Assets Written off	0.04	18.99
Inventory Written Off	-	16.25
Miscellaneous expenses	44.77	0.01
Provision for Diminution in Value of Investments	395.23	92.70
Provision for Interest Paid to SEBI(Dispute)	-	6.79
	1,003.65	**879.50**

Note 31 Exceptional Items

(Rs in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Reversal of Provision on Advances	-	(370.00)
Liabilities written back (refer note no.33(b) and 49(d)(ii))	(87.44)	(725.00)
Penalty -SEBI (refer note no.50)	-	2,145.53
Impairment of Goodwill (refer note no.61)	-	117.72
	(87.44)	**1,168.25**

32. Development Agreement

The Group, being the Landowner has signed a Joint Development Agreement (JDA) on 6th April 2011 with the Developer, North Town Estates Pvt. Ltd for development of land of measuring 70 Acres (approx.) (1,259.90 grounds). The group received Security deposit of Rs. 10,000 lakhs in the year 2011 for the same.

Since there was delay in execution of the "North Town" project, the Group negotiated and modified the terms and conditions of the JDA vide Amendment dated 04th May 2016 whereby the Developer released 20 acres (343.69 Grounds) of undeveloped land back to the Landowner and the proportionate Security Deposit of Rs.3,161.13 lakhs was paid back to the developer.

Further, the group had authorised the developer to mortgage or offer as security, a share of the undivided share of land to the extent of Revenue Share of the Developer for the phases Chaitanya and Ekanta which are being developed, without causing any prejudice to the revenue share of Land Owner.

The group entered into a Development Management Agreement (DMA) with M/s. Arihant Foundations and Housing Limited on 27th April, 2017, to develop residential lay out with infrastructure and amenities for released 20 acres land.

33. Terms of Loans and repayment of borrowings

a) Non-Convertible Debentures – Rs.11,684 Lakhs

The Company has authorised to issue 1950 listed, (rated, secured), redeemable Non Convertible Debentures (the NCDs) of Rs. 10 Lakhs each for an aggregate amount of Rs.19,500 lakhs, out of which the company has issued Tranche A 386 Debentures aggregating to Rs.3,860 lakhs and Tranche B of 829 Debentures aggregating to Rs.8,290 lakhs which were, subscribed and paid up as per the debenture trust deed dated 16th June, 2017, with remaining debentures unissued. Thus out of aforesaid 1,950 Debentures of Rs.10 lakhs each, the company allotted a total of 1,215 Debentures amounting to Rs.12,150.00 lakhs.

The debentures and the debenture payments are secured by:

1. English mortgage of all the rights on piece and parcel of the land located at Door No.8/8D, Stephenson Road, Perambur, Chennai measuring 9.154 acres.
2. First Charge exclusive basis on all rights titles interest and benefits of the company in respect of the JDA, JDA Escrow Agreement, JDA Escrow Account and JDA Receivables excluding the outstanding security deposit.
3. A first ranking exclusive over security interest in debentures held by the company amounting to Rs.2,368.94 lakhs in Blaster Sports Ventures Private Limited.
4. Non-disposal undertaking of 100% shares of PVP Ventures Limited held by promoter group.
5. Personal Guarantee of Promoter (Mr. Prasad V Potluri).

Interest payable is 18%. The first payment is due on first anniversary and thereon payable on quarterly basis.

The debentures shall be redeemed at par value on the redemption date which payment will result in the principal amount of each debenture being reduced to zero.

The NCDs are issued for a period of 5 (Five years) from the date of issue of the NCDs. The Company shall redeem the debentures for Tranche A and Tranche B as follows:

Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in percent of paid up value) for the Tranche A Debenture	Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in per cent of face value) for Tranche B Debentures
30 June, 2018	6.250%	30 April 2019	6.250%
30 September, 2018	6.250%	31 July 2019	6.250%
31 December, 2018	6.250%	31 October 2019	6.250%
31 March, 2019	6.250%	31 January 2020	6.250%
30 June, 2019	6.250%	30 April 2020	6.250%
30 September, 2019	6.250%	31 July 2020	6.250%
31 December, 2019	6.250%	31 October 2020	6.250%
31 March, 2020	6.250%	31 January 2021	6.250%
30 June, 2020	6.250%	30 April 2021	6.250%
30 September, 2020	6.250%	31 July 2021	6.250%
31 December, 2020	6.250%	31 October 2021	6.250%
31 March, 2021	6.250%	31 January 2022	6.250%
30 June, 2021	6.250%	30 April 2022	6.250%
30 September, 2021	6.250%	31 July 2022	6.250%
31 December, 2021	6.250%	31 October 2022	6.250%
31 March, 2022	6.250%	31 January 2023	6.250%

Whereas the repayment dues of Tranche A Debentures aggregating to Rs.1,965.30 lakhs (out of which principal amounting to Rs. 1,464.00 lakhs and Interest amounting to Rs.501.30 lakhs) and Tranche B Debenture aggregating to Rs.4,308.96 lakhs (out of which principal amounting to Rs.2,072.51 lakhs and Interest amounting to Rs.2,236.46 lakhs) as on 31st March, 2020 are still unpaid. The company has received extension letter dated 05th February, 2020 from the Debenture holder extending the repayment of principal and interest amount which have fallen due till 31st March, 2019 to be paid on or before 31st May, 2020. The company has unable to pay the outstanding amount within the time limits, therefore, the company has requested and received the further extension from the debenture holder vide letter dated 23rd June, 2020 to be paid on or before 31st August, 2020. The debenture holder have also stipulated that, in the case of default of payment of principal repayment within the extended due date, default additional interest of 5%p.a (over and above the coupon) is to be paid on the defaulted amount from the original due date till the date of payment.

Whereas per the repayment dues of Tranche A and Tranche B Debentures after 31st March, 2019 amounting to Rs.5,775.26 lakhs (out of which principal amounting to Rs.3,037.51 lakhs and interest amounting to Rs. 2,737.76 lakhs) as on 31st March, 2020 are unpaid within the due dates as specified in the Debenture Trust Deed, and in the event of such default additional interest of 5% p.a (over and above the coupon) is to be paid on the defaulted amount till the date of payment, which has not been provided in the financial results, in view of the company's request for waiver of default interest is pending with the debenture holder.

Under the circumstances, the company defaulted the redemption of debentures which has fallen due in 30th September, 2018, 31st December, 2018 and 31st Mach, 2019 beyond the time permitted under section 164(2)(b) of the Companies Act, 2013. However, as per the legal advice, management is of the view that eventhough the repayment has not been made within the period contemplated in the above refer section, the default has been ratified by the debenture holder with retrospective effect by virtue of which the management contents that the disqualification of directors as per the above provisions has not been attracted.

b) Fully Convertible Debentures (FCD) – Rs.5,000.00 lakhs

The Company has allotted 13,289 convertible or redeemable debentures of Rs.1,00,000 each convertible into preference and/or equity shares as per scheme of amalgamation sanction by Honourable the High Court of Madras between the Company and PVP Ventures Private Limited dated 25th April 2008.

The Debentures are convertible into redeemable preference shares and/or equity shares of on or before 22nd January 2011. Each Debenture shall be converted into newly issued equity or redeemable preference shares in the share capital of the Company. As per the scheme of amalgamation sanctioned by the Honourable High Court of Madras, the debenture holders are entitled to 65,14,215 fully paid up equity shares. As per subscription agreement the company shall not transfer or encumber the entire shareholding in its Subsidiaries i.e. Cyberabad City Projects Private Limited (Now known as New Cyberabad City Projects Private Limited) and PVP Enterprises Limited (Now known as PVP Global Ventures Private Limited). Irrevocably and unconditionally guarantee is given by Mr. Prasad V. Potluri (Promoter) to the debenture holder in connection with the Debentures till the Shares allotted upon conversion have been irrevocably and unconditionally repaid or discharged in full.

The Debentures holder has extended the conversion/redemption option up to the period expiring on 31st March 2029 by letter dated 4th December 2017.

The Debentures will bear interest at the rate of 14.5% per annum. Interest on Debentures is payable semi-annually in arrears on 15th June and 15th December each year. Interest shall accrue on the overdue sum at the rate of [2.00] % per annum over and above the Interest Rate (the Default Interest Rate) from the due date.

During the previous year, One of the Debenture holder holding 5,000 debentures (Rs.1,00,000 each) amounting to Rs. 5,000 lakhs, has waived interest from 01st April, 2017 to 10th October, 2018 subject to redemption of debentures before 31st October 2018. The company had redeemed the debentures on 10th October, 2018. The Interest waived on this from 01st April, 2017 to 10th October, 2018 is Rs. 1,104.38 Lakhs. Out of this, the Interest relating to the previous financial year (FY 2017-18) is Rs. 725 Lakhs which has been shown under "Exceptional Items" in the previous year.

Further, The company has received the extension letter from the Debenture holder for the repayment of Interest for the period from April 2017 to March 2019 amounting to Rs. 1,449 lakhs till the 15th December, 2019 and further it is extended till 31st May, 2020 vide letter dated 05th February, 2020. The company has unable to pay the outstanding amount within the time limits, therefore, the company has requested and received the further extension from the debenture holder vide letter dated 23rd June, 2020 to be paid on or before 31st August, 2020. Further, the debenture holder has stipulated that, in the case of default of payment of interest amount within the extended due date, default additional interest of 2% (over and above the coupon) is to be paid on the defaulted amount from the original due date to till the date of payment.

During the year, the company has accounted finance cost of Rs.727.98 lakhs and as on reporting period, the outstanding principal amounting to Rs.5,000 lakhs. Total Outstanding as on 31st March, 2020 is Rs.7,176.99 lakhs.

c) From Banks – Vehicle Loans

Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 8% to 10.91% p.a. and repayable in 1 to 4 years in monthly installments.

d) From Company

The group has availed Indian rupee loan from a company which is repayable based on the availability of funds and interest rate charged at 12% on daily average balances.

e) Current Borrowings

a) The group has availed Indian rupee term loan from bank amounting to Rs.10,000 lakhs and interest rate charged is base rate +4.50% i.e 14.70%. Loan is secured by a charge on the loans made to film finance and other related activities, apart from the collateral securities on the properties belonging to group companies and personal guarantee of Mr.Prasad V.Potluri and Smt.Jhansi Sureddi.

As on 31st March, 2020, the group is overdue for a period of two years in repayment of principal and interest amounting to Rs.16,787.91 lakhs to the bank.

b) The group has availed an Indian rupee term loan from a bank amounting to Rs.460 Lakhs which is to be repaid in 24 quarterly installments with a 6 months moratorium, carrying variable interest rate of MCLR +4.90% i.e 14.45% p.a (floating) at monthly rests (Marginal cost of Fund based lending rate is 9.55% for one year). Quarterly installment of Rs.19.17 Lakhs each commencing from 31-12-2016 to 30-09-2022.The group has provided 20 flats of Ekanta Tower -1 of North Town Project, Chennai as Collateral Security and pledging 10,00,000 equity shares of Rs. 10/- each held in Picturehouse Media Limited apart from the collateral securities on the properties belonging to Group Companies and personal guarantee of Mr. Prasad V Potluri and Mrs. Jhansi Sureddi.

SSPL and UCO Bank has agreed for one time settlement (OTS) of Rs.390 lakhs vide letter dated 08th August, 2019. Accordingly, SSPL has paid Rs. 300 lakhs till 31st December, 2019 and for the balance amount of Rs.90 Lakhs, the Company has requested to pay the same in two monthly installments i.e January, 2020 and February, 2020 vide letter dated 31st December, 2019. The company has paid Rs.55.00 lakhs within the extended time limits and for the balance amount as on 31st March, 2020, the company has requested the bank to extension time period due to COVID-19 circumstances. Further, the company has requested the UCO Bank to release the mortgaged securities and shares pledged as collateral security

c) The Group has availed loans from company amounting to Rs.50 lakhs with interest rate of 18% p.a and the balance amounting to Rs.673.71 lakhs are interest free loans. The loans are repayable on demand.

d) The group has availed a loan from others which is repayable on demand and interest rate charged is 12%p.a.

34. In respect of Picturehouse Media Limited, the current assets of the group includes loans and advances amounting to Rs.3,632.82 lakhs and 'expenditure on films under production' amounting to Rs. 4,894.43 lakhs. As regards the loans and advances, the management is confident of realising the value at which they are carried notwithstanding the period of outstanding. As regards 'expenditure on films under production' mainly comprising payments to artistes and co-producers the group is evaluating options for optimal utilization of these payments in production and release of films. Accordingly the holding company is confident of realising the entire value of 'expenditure on films under production'. The management does not foresee any erosion in carrying value.

35. In respect of, PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs.16,787.91 lakhs (including interest accrued) as per the books of accounts as on 31st March, 2020. The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same.

Further, PVPCL has received communication letter from the Reserve Bank of India (RBI) letter dated 20th November, 2019, stating that the company has not maintained the mandatory amount of Net Owned Fund of Rs.200 Lakhs. Further, RBI has instructed to furnish an action plan to achieve the mandatory amount of Net Owned Fund of Rs.200 Lakhs on or before 31st March, 2020, failing which RBI would be constrained to initiate strict action including the cancellation of Certificate of Registration.

Management has evaluating the action plans to realize the dues to the company and settlement the existing vendors, further company can carry the movie financing business after taking necessary approvals from the RBI. Hence management is of the view that the financial statements shall continue to be prepared on the assumption that the company is a going concern.

36. PVP Capital Limited has a loan book of Rs. 15,381.04 lakhs given to various film producers. Due to significant delay in completing the films, the Company's customers did not service the interest and loan repayment. Consequently, the company has made a cummulative provision of Rs. 12,397.87 lakhs for the expected credit loss. Management asserts that no adjustment to the carrying value is required as it is confident of recovery from the borrowers.

37. Safetrunk Services Pvt Ltd (SSPL) is engaged in the business of providing private locker facility center. The company has 4294 lockers with high-end security facilities, which can be considered as a State of art infrastructure facility. The Company commenced its operation during the financial year 2018 and is in the process of consolidating the market. There is no intention to liquidate and the Company has got foreseeable future. Despite low cash flows from the cash generating unit (CGU), impairment of the carrying value of entire assets of the CGU of Rs.1,003.32 lakhs has not been provided for, due to which the Loss is lesser by this amount. Considering the gestation period for market capitalisation, the financial statements are prepared on Going Concern basis though the Company`s income is far less than the operational expenditure and the management does not forsee any erosion in carrying value of Cash Generating Unit.

38. PVP Global Ventures Private Limited has advanced a sum of Rs. 13,755.54 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, the group may demand payment of the advance and shall not be obliged to acquire the land parcel from these parties.

39. In respect of PVP Global Ventures Private Limited, The Enforcement Directorate had provisionally attached the land measuring 28 Acres and 8 Guntas of the Group in connection with the redemption of the investments in Mahalakshmi Energy Ventures Private Limited by the Group. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate.

The Company has filed an appeal against the said Order. Based on the expert advice, the Company is confident of succeeding before the appellate authority.

40. In respect of PVP Global Ventures Private Limited, The Company holds investments of 13,097.00 lakhs in M/s. Jagati Publications Limited. The transfer of share certificates for the said investments in the name of the Company is still pending. Since, the original certificates are seized by Central Board of Investigation (CBI) during search operation in connection with quid pro quo case relating to investments in Jagati Publications Limited by the group, the same couldn't be delivered along with the share transfer form. The CBI couldn't establish any quid pro quo against the group and therefore the Company as part of the group is not charge sheeted. However the CBI is yet to return the original share certificates. Pending the original share certificates from CBI, the share certificates are still registered in the name of group companies.

Due to the ongoing case filed by CBI, the High Court of Telangana is monitoring the day to day operations of the Investee Company and transfer of shares of the Investee Company has kept in abeyance until the final Order is issued. In the back drop of these facts, the valuation of the equity shares of Jagati Publication has been done by the Company by considering the profitability of the Investee Company and the general rate of return on equity by other listed publishing companies after being adjusted for factors affecting the Investee Company. Based on the availability of information, management has estimated the provision of Rs.12,566.27 lakhs as at 31st March, 2020.

41. The Company had issued 707, Zero Percent Compulsory Convertible Debentures of Rs.1,00,000/- each ("CCDs") to Platex Limited, the ultimate holding company. These CCDs 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. The Debentures were supposed to be converted by June 16, 2019 this year.

Platex Limited requested to continue and not to convert the CCDs as per the agreement and further requested to extend the term of conversion of other next five years in view of expecting perpetual returns for our investments vide letter dated 15th May, 2019. Therefore, the company has extended the conversion period till 16th June, 2024.

42. During the financial year 2009-10, The Group had invested a sum of Rs. 1,648.00 Lakhs in 0% Optionally Convertible Debentures (OCDs) of Companies, which are engaged in developing real estate projects. These Optionally Convertible Debentures (OCDs) are convertible within 10 years into fully paid equity shares of these investee companies at price to be determined at the time of conversion. The Management has reviewed these investments and as a matter of prudence provision for the entire value has been made in the earlier years.

43. **Material uncertainty related to Going Concern:** The Group has unable to honour its obligations towards repayment of principal and interest dues to its debenture holders and bank, further the company has obligations pertaining to operations includes unpaid creditors and statutory dues and incurring continuous losses. However, the group has taken various initiatives in relation to saving cost and optimizing revenue management opportunities. Further, the group is planning to launch residential lay out with infrastructure and amenities in 20 acres of land by considering the current situation of real estate sector. Therefore, the group is confident of meeting of all the obligations by way of time bound monetisation of its assets and receipts of various claims, which resultant into improving operating performance and sustainable cash flows. Accordingly, notwithstanding the dependence on these material uncertain events, the group continues to prepare the consolidated financial results on a Going Concern basis.

44. **COVID -19 Impact on Business Operations:** The spread of COVID-19 has impacted global economic activity as has been witnessed in several countries. There have been severe disruptions in businesses in India during the Lockdown period. The Group has assessed recoverability and carrying value of assets comprising property, plant and equipment, trade receivables, inventory and investments at balance sheet date. Based on the assessment by the management the net carrying values of the said assets will be recovered at values stated and there is no change in its ability to continue as Going Concern. The Group evaluated the internal controls with reference to financial statements which have found to be operating effectively given that there has been no dilution of such controls due to factors caused by COIVD-19 situation.

45. Picturehouse Media Private Limited, a Wholly-Owned Subsidiary of the Company, incorporated in Singapore had submitted an application to the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") to strike off from the register of companies. Picturehouse Media Private Limited, Singapore has been officially struck off and dissolved with effect from 5th November, 2018. The Voluntary Strike off of the above dormant subsidiary does not have any material impact on the company.

46. **Micro, Small and Medium Enterprises (MSME):** 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 yearend together with interest paid/payable as required under the said Act have not been given.

47. During the year, the group has accounted interest on Movie finance amounting to Rs. 206.47 lakhs till 30th June, 2019 on accrual basis, whereas in the previous year, the company has accounting for Rs.626.93 lakhs for the period 01st April, 2018 to 31st March, 2019.

48. **Leases**

a) Effective 01st April, 2019, the group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01st April, 2019 using the modified retrospective approach. This has resulted in recognition of "Right to use" Asset of Rs.279.38 lakhs, a corresponding lease liability of Rs.419.94 lakhs, and an increase in cash outflows from financing activities by Rs.103.28 lakhs. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

b) Details of the Right to use of Asset held by the company as follows:

Particulars	Building (Rs. in Lakhs)
Right to use of Asset as on commencement date i.e 01st April, 2019	279.38
Addition	-
Deletion	-
Depreciation	84.76
Balance as at 31st March, 2020	**194.62**

c) Movement in Lease liability

Particulars	Building (Rs. in Lakhs)
Lease Liability recognised as on commencement date i.e 01st April, 2019	419.94
Addition	-
Finance Cost Accured	55.45
Payment of Lease Liability	158.73
Balance as at 31st March, 2020	**316.66**

d) Breakup of Current and non current lease liabilities

Particulars	Building (Rs. in lakhs)
Non Current Liability	247.09
Current Liability	69.57

e) Incremental borrowing rate applied to lease liabilities is 15% p.a (average).

f) The expenses relating to short term leases accounted and leases of low value assets during the year is **NIL**.

49. Contingent Liabilities (Rs. in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
1. **Claims against the company not acknowledged as debts**		
- Income Tax (refer note a)	1,893.13	1,893.13
- Service Tax (refer note b)	1,793.50	1,793.50
- Non Compliance of SEBI Regulations (refer note c)	20.56	33.52
- Others	38.44	-
Total	**3,745.63**	**3,720.15**
Corporate Guarantee (refer note d)		
- PVP Capital Limited	10,000.00	10,000.00
- Safe Trunk Services Limited	35.01	460.00
- Other Entities	-	2,000.00

a) Income Tax Cases

Based on the Issues and circumstances in consideration for the below cases and based on the expert advice the Company is confident of success, hence provision for the disputed amount were not provided in the books

In respect of PVP Ventures Limited:

i) Assessment Year 2008-09: The Assessing officer passed an order after disallowing the investment received from the Holding Company as unexplained investment and the sale of land and others as unexplained receipts. The appeal filed by the company before CIT(A), Chennai was allowed in favour of the company with respect to the Investments received from the Holding Company. On the order of CIT(A),Chennai, the department has filed an appeal before Income Tax Appellate Tribunal and for the balance disallowance the company has filed a separate appeal before Income Tax Appellate Tribunal, Chennai. Honorable Income Tax Appellate Tribunal, Chennai has set aside the order of Assessing officer to redo the assessment with regards to appeal filed by the department.

Aggrieved by the order passed by Income Tax Appellate Tribunal, Chennai, company has filed an appeal before Honorable High Court of Madras and it has admitted the case and stayed the proceeding of the order of Income Tax Appellate Tribunal and the appeal filed by the company has dismissed by Income Tax Appellate Tribunal. Further upon the dismissal made by

ITAT, Chennai, the AO has initiated penalty proceedings and issued demand notice amounting to Rs.1276.58 lakhs, which was disputed before CIT(A), Chennai. During the year, Learned CIT(A) has dismissed the appeal.

Aggrieved, by the order passed by Learned CIT(Appeals), company filed the appeal before Honorable Income Tax Appellate Tribunal, Chennai (ITAT). Since the quantum for the issues is already admitted by the Honorable High Court of Madras, ITAT deemed fit to grant stay of recovery of demand till the disposal of the appeal.

ii) Assessment Year 2009-10: The re-assessment proceeding u/ 148 of Income tax Act 1961 was initiated on the grounds of disallowance of Interest expenditure and Depreciation on Plant and Machinery. Consequently, the order was passed with a demand of Rs.13.24 lakhs. Aggrieved by the order the company has disputed the demand with Income Tax Appellate Tribunal, Chennai. Further the company has filed the rectification petition u/s. 154 with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

iii) Assessment Year 2013-14: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 493.43 lakhs for the AY 2013-14. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai. Further the company has filed the rectification petition u/s. 154 with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

In respect of PVP Corporate Parks Private Limited

i) Assessment Year 2010-11: The Income tax officer has passed assessment order dated 29.03.2013 under section 143(3) for which raised demand of Rs.793.30 Lakhs. The Hon'ble Income Tax Appellate Tribunal (Income Tax Appellate Tribunal), Chennai Bench has dismissed the Appeal and the same is disputed before Hon'ble High Court of Madras. Out of the demand a sum of Rs. 633.42 Lakhs has been recovered by Income tax authorities from the parent company in earlier years, which has been shown under current assets. Further, during the year, Hon'ble Madras High Court has stayed the operation of the Order of Income Tax Appellate Tribunal subject to payment of Rs. 50 Lakhs. The same has been paid during the year.

b) Service tax

In respect of Picturehouse Media Limited: The Principal Commissioner of CGST and Central Excise has passed an order in 2017 for the Financial Years 2011-12 to 2014-15 with regard to the Service Tax on the perpetual sale of various copyrights, demanding a sum of Rs.802.33 lakhs and penalty of Rs.802.43 lakhs. This is a Film Industry's issue and most of the producers have gone for appeal. Aggrieved by the order, the group has disputed the demand with Honourable Customs, Excise and Service Tax Appellate Tribunal (CESTAT) by paying the required Deposit of Rs.60.18 lakhs, which is shown Under Non– Current Assets.

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

In respect of PVP Corporate Parks Private Limited: The additional commissioner of service tax has passed an order dated 04.01.2003 for the period 01.04.2009 to 31.03.2010, demanding a sum of Rs 8.84 Lakhs and penalty Rs.8.84 Lakhs. The Commissioner Appeals has rejected the Appeal and the same is disputed before Customs, Excise, and Service Tax Appellate Tribunal, Chennai. A sum of Rs. 0.88 Lakhs has been paid pending dispute which is shown under Current Assets.

c) Non-Compliance of SEBI Regulations:

The shares of the PVP Ventures Limited are listed in Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Board had a Woman director till March 2017 and subsequent to the resignation, a new Woman Director was appointed on 05th December, 2018. During the previous year, the company received notice for delayed compliance of appointment of Women Director in the Board of Directors as per Regulation 17(1) and Constitution of Nomination and Remuneration Committee as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR") imposing penalty of Rs. 12.97 lakhs by BSE.

The shares of the Picturehouse Media Limited are listed in BSE. The Board had a Woman director till Mar'17 and subsequent to the resignation, a new Woman Director was appointed in Dec'18. SEBI issued a Circular in May'18, that non-appointment will attract fine. So the stock exchange has imposed a penalty under regulation 17 and 19 for the quarter ended 30th Sep'18 amounting to Rs.7.59 lakhs.

Aggrieved by the penalty, the companies filed an application under Regulation 102 of SEBI LODR with SEBI, for granting exemption from penalty for delayed compliance of SEBI LODR. However, SEBI dismissed the application vide letter dated 26th April, 2019. Aggrieved by the aforesaid letter from SEBI dismissing the application, the Companies filed an appeal with the Securities Appellate Tribunal (SAT) and the management believes that it has a good case and accordingly no provision has been made in the consolidated financial statements.

d) Corporate Guarantees

i) The Holding Company has given a corporate guarantee to its step-down subsidiary company, PVP Capital Limited ('PVPCL'), has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs.16,787.91 lakhs (including interest accrued) as per the books of accounts as on 31st March, 2020. The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same.

ii) The Holding Company has given a corporate guarantee and pledged 10,00,000 equity shares of Rs. 10/- each held in Picturehouse Media Limited. With the approval of developer, the holding company has mortgaged 20 flats of Ekanta Tower-1 of North Town Project, Chennai, for availing term loan from the Bank by its subsidiary company i.e Safe trunk Services Private Limited (SSPL). SSPL and UCO Bank has agreed for one time settlement (OTS) of Rs.390 lakhs vide letter dated 08th August, 2019. Accordingly, SSPL has paid Rs. 300 lakhs till 31st December, 2019 and for the balance amount of Rs.90 Lakhs, SSPL has requested to pay the same in two monthly installments i.e January, 2020 and February, 2020 vide letter dated 31st December, 2019. The subsidiary company has paid Rs.55 lakhs within the extension time limits and the for the balance amount as on 31st March, 2020, SSPL has requested the bank to extension time period due to COVID-19 circumstances. Further, the company has requested the UCO Bank to release the mortgaged securities and shares pledged as collateral security.

During th.e financial year 2019-20, The company has reversed interest payable to UCO Bank amounting to Rs.87.44 lakhs based on the One Time Settlement (OTS).

50. Other Commitments

PVP Global Ventures Private Limited (PVP Global), Mr. Prasad V. Potluri and PVP Ventures Limited (PVP) received Orders from Adjudicating Officer dated 27th March, 2015 for non-compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and SEBI (Prohibition of Insider Trading) Regulations, 1992. PVP Global, Mr. Prasad V. Potluri and PVP filed appeals before the Securities Appellate Tribunal (SAT) vide Appeal No. 356 and 357 of 2015 challenging the orders of Adjudicating Officer.

SAT vide order dated 20th June, 2018 reduced the penalty of Rs. 1,530 lakhs on Mr. Prasad V. Potluri to Rs. 515 Lakhs, upheld the penalties of Rs. 1,500 lakhs imposed on PVP Global and Rs.15 Lakhs on PVP. Hence, miscellaneous Applications No.180 and 181 dt. 2nd July, 2018 were filed before the Honourable SAT for staying its order for which the SAT granted 6 weeks' time to appeal with Honourable Supreme Court. Also on 6th July 2018, as Security, the appellants deposited Original Title deeds of Land valuing more than Rs.3000 lakhs, held by its subsidiaries for realization and payment of the aforesaid demand. Civil appeal No.9092 dated 16th August 2018,was filed before the Honourable Supreme Court, which was dismissed on 14th September, 2018, and the SAT Orders were upheld. A demand was raised by the Recovery Officer, SEBI, Vide No.1770, 1771 and 1772 dated 26th October, 2018 with Interest from, 27th March, 2015, the date of order from Adjudicating Officer. The appellants filed review petitions before the Honorable SEBI/SAT, Mumbai on 10th November 2018 and 21st November, 2018, stating technical and legal reasons, that the final SAT order was dated 20th June 2018, whereas the Interest was calculated since 2015 and the orders dated 27th March, 2015 and 28th June,2018 are silent on levy of interest.

SEBI initiated attachment proceedings on 19th November, 2018 of the Demat Accounts and Bank accounts of the three appellants. The holding company, PVP Ventures Limited paid Rs.15 lakhs and disputed interest of Rs. 6.46 lakhs on 07th December, 2018 and the freezing of accounts was lifted for PVP Ventures Limited. SAT, dismissed the company's appeal on interest in April, 2019. The Company has appealed with the Honorable Supreme Court and received Stay Order dated 12th July, 2019 for payment of Interest. The appellants have written to SEBI, requesting to keep the order on record and to keep the recovery proceedings in abeyance.

Further, Arete Real Estate Developers Private Limited and Expressions Real Estate Private Limited subsidiaries of PVP Global Ventures Private Limited, has provided land parcel as security deposit towards principal amount against the SEBI`s penalty order for Insider Trading. PVP Global has not remitted the pending dues till date.

PVP Global Ventures Private Limited has made provisions, for the principal amount of Rs. 1500 lakhs and disputed interest of Rs. 645.53 lakhs and the same has been grouped under exceptional items in the Consolidated Financial statements for the year ended 31st March, 2019.

51. Earnings per Share (EPS)

Particulars	Refer	Year ended 31st March, 2020	Year ended 31st March, 2019
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	24,39,62,466	24,39,62,466
Profit/(Loss) after Taxes After Exceptional items (Rs. in Lakhs)	C	(9,335.48)	(11,631.76)
Earnings Per Share – Basic and diluted	C*100000/B	**(3.83)**	**(4.77)**

52. Deferred Tax

Deferred tax asset has not been recognised in respect of the following items: (Rs. in Lakhs)

Particulars	31st March 2020		31st March 2019	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Deductible temporary differences	27,847.67	8,109.24	17,917.90	4,658.65
Unabsorbed Business loss	2,882.25	839.31	3,907.63	1,015.99
Effect of expenses not allowed for tax purpose in the previous year	71.43	20.80	14.95	3.89
Total	**30,801.35**	**8,969.35**	**21,840.48**	**5,678.53**

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31st March, 2020.

53. Income tax Expenses

Income tax expense in the statement of profit and loss comprises: (Rs. in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Tax	269.88	-
Adjustments of current year tax of prior years	0.57	3.15
MAT Credit	-	-
Net Tax	**270.45**	**3.15**
MAT Credit reversals / (for earlier years)	-	-
Deferred Tax	-	-
Total Income tax expenses	**270.45**	**3.15**

Particulars	31st March 2020	31st March 2019
Profit/(Loss) from the operation before income tax expenditure	**(9,065.03)**	**(11,628.61)**
Adjustment on account of Ind AS 115	601.59	675.24
Less: Profit /(loss) from the operation of foreign subsidiary	-	(1.27)
Add: Intercompany eliminations	44.30	921.92
Net Profit/(Loss) from the operation before income tax expenditure	**(9,710.92)**	**(13,224.50)**
Applicable Income tax rate	29.12%	26.00%
Tax effect at statutory income tax rate	(2,827.82)	(3,438.37)
Effect of expenses not allowed for tax purpose	499.03	888.08
Effect of unrecognised deferred tax	3,290.71	2550.29
Income tax related to earlier years	0.57	3.15
Differences in tax expenses on account of different tax rates when compared to previous year	(692.03)	-
MAT Credit reversals / (for earlier years)	-	-
Income tax expenses charged to the statement of profit and loss	**270.45**	**3.15**

54. Disclosure in Accordance with Ind AS -24 Related Party Transactions

a) List of Related parties where control exists:

Name of the person/ group	Nature of Relationship
Platex Limited (PL)	Holding Company
Mr. Prasad V.Potluri, Chairman and Managing Director	Key Managerial Persons
Mrs. Sai Padma Potluri, Executive Director (Appointed with effect from 14.08.2019 and Resigned with effect from 01.06.2020)	
Mr.N S Kumar, Independent Director	
Mr.R Nagarajan, Independent Director (Resigned with effect from 31.03.2019)	
Mr.Sohrab Chinoy Kersasp, Independent Director (Appointed with effect from 22.03.2019)	
Mrs. P.J Bhavani, Non-Executive Director * (Appointed with effect from 05.12.2018 and Resigned with effect from 14.08.2019)	
Mr.Nandakumar Subburaman (Appointed with effect from 07.11.2019)	
Mrs. Jhansi Sureddi	Relatives to Key Managerial Persons
Bruma Properties Private Limited (BPPL)	Enterprises where KMP exercise significant influence
PV Potluri Ventures LLP	

b) Summary of transactions with the related parties during the year ended 31st March, 2020 (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Expenses		
PV Potluri Ventures LLP	2.90	-
Loans and advances given/(received)		
PV Potluri Ventures LLP	(175.00)	-
Provision for advances		
Bruma Properties Private Limited (BPPL)	35.00	-
Sitting Fees paid to Directors		
Mr. N S Kumar	2.15	3.35
Mr. R Nagarajan	-	3.35
Mr.SohrabChinoy	2.45	-
Mr. Nanda Kumar	0.40	-
Mrs. P.J Bhavani	0.20	0.20

c) Summary of Outstanding balances with the related parties as on 31st March, 2020 (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Loans and Advances payable to Others		
PV Potluri Ventures LLP	175.00	-
Interest payable to Others		
PV Potluri Ventures LLP	2.90	-
Loans and Advances		
Bruma Properties Private Limited	35.00	35.00
Corporate Guarantees given/(received)		
PVP Capital Limited	10,000.00	10,000.00

Compensation of Key Managerial Personnel of the Group

(Rs. in Lakhs)

Particulars	31st March, 2020	31st March, 2019 *
(a) Short – term employee benefits	-	12.00
(b) Post employee Benefits	-	-
(c) Other Long term Benefits	-	-
(d) Termination benefits	-	-
(e) Share - Based Payment	-	-

* During the previous year, The group is overdue in repayment of dues to non-convertible debenture (NCD) holders, hence the remuneration is paid only for 3 months i.e April 2018 to June, 2018 in accordance with provisions of section 197 of the Companies Act, 2013.

55. Gratuity and other post-employment benefit plans

Defined Benefit Plan - Gratuity

(Rs. in Lakhs)

Gratuity	31-Mar-20	31-Mar-19
Gratuity Plan:		
Defined benefit obligation (DBO)	(30.12)	(31.15)
Fair value of plan assets (FVA)	-	-
Net defined benefit (asset)/liability	**(30.12)**	**(31.15)**

The following table summaries the components of net benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2020

Particulars	2019-20	2018-19
Current Service Cost	3.94	7.77
Net Interest Cost	2.38	2.63
	6.32	**10.40**

Amount recognised in Other Comprehensive Income for the year ended 31st March, 2020

Particulars	2019-20	2018-19
Actuarial (gain)/ loss on obligations	(7.36)	(13.28)

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2020 are as follows:

Particulars	2019-20	2018-19
Opening defined obligation	31.15	34.03
Current service cost	3.94	7.77
Interest cost	2.38	2.63
Actuarial (gain)/ loss - experience	-	-
Actuarial (gain)/ loss - demographic & Financial assumptions	(7.36)	(13.28)
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	-	-
Defined benefit obligation	**30.12**	**31.15**

The principal assumptions used in determining gratuity obligation for the Group's plans are shown below:

Particulars	Gratuity	
	31-Mar-20	31-Mar-19
Discount rate (in %)	6.80%	7.65%
Salary Escalation (in %)	7.50%	7.50%

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below: (Rs. in Lakhs)

Particulars	31-Mar-20		31-Mar-19	
Defined Benefit Obligation (Base)	**30.12**		**31.15**	
(% change compared to base due to sensitivity)	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (- / + 1%)	33.11	27.58	33.68	28.96
Salary Growth Rate (- / + 1%)	24.70	34.63	25.91	37.57
Attrition Rate (- / + 1%)	28.12	31.90	28.84	33.23
Mortality Rate (- / + 1%)	30.07	30.16	31.10	31.20

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31st March, 2020	31st March, 2019
Within the next 12 months (next annual reporting period)	5.10	10.87

Compensated Absences

The employees of the Group are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The group records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Group measures the expected cost of compensated absence as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on the Actuarial certificate.

Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The group recognised Rs. 2.05 lakhs (previous year 2.12 lakhs) for provident fund contribution in the statement of profit or loss account.

56. Disclosure of interest in Material Subsidiaries

Name of the Company	Principal place of business	Principal activities of Business
Picturehouse Media Limited	India	Movie production and related activities
PVP Capital Limited	India	Movie financing activities
New Cyberabad City Projects Private Limited	India	Real Estate Activities

In respect of Picturehouse Media Limited and PVP Capital Limited:

Particulars	As at 31st March 2020	As at 31st March 2019
Ownership interest held by the Group	49.55%	49.55%
Non-Controlling interest	50.45%	50.45%

During the previous year, UCO Bank Ltd invoked the 10 lakhs pledged shares of Picturehouse Media Ltd held by PVP Ventures Ltd. Consequently, the total investments of 51.46% in Picturehouse Media Ltd held by PVP Ventures Ltd along with its subsidiaries has reduced to 49.55%.

PVP Ventures Ltd along with its subsidiaries has less than a majority of voting rights (49.55%) on Picturehouse Media Ltd but still holds control over the management. Hence the Financial statements of Picturehouse Media Ltd along with its subsidiaries are consolidated while preparing the Consolidated Financial Statements as on 31st March, 2020 in compliance with Sec. 2(87) of the Companies Act, 2013.

In respect of New Cyberabad City Projects Private Limited:

Particulars	As at 31st March 2020	As at 31st March 2019
Ownership interest held by the Group	80.99%	80.99%
Non-Controlling interest	19.01%	19.01%

The summarised separate financial information of subsidiary is as below: (Rs. in Lakhs.)

Balance Sheet	Picturehouse Media Limited		PVP Capital Limited		New Cyberabad City Projects Limited	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Non-Current Assets	3,065.19	3,051.39	104.98	0.03	0.61	0.71
Current Assets	8,893.33	9,693.73	4,773.26	7,960.70	25317.55	25316.70
Total Assets	**11,958.52**	**12,745.12**	**4,878.24**	**7,960.73**	**25318.16**	**25317.41**
Non-Current Liabilities	7,093.58	7,877.92	1.22	0.57	-	-
Current Liabilities	3,672.17	3,013.33	19,292.87	16325.04	7.70	7.24
Total Liabilities	**10,765.75**	**10,891.25**	**19294.09**	**16,325.61**	**7.70**	**7.24**
Total Equity	**1,192.77**	**1,853.87**	**(14,415.86)**	**(8,364.88)**	**25310.46**	**25310.17**

Profit & Loss account: (Rs. in Lakhs)

Particulars	Picturehouse Media Limited		PVP Capital Limited		New Cyberabad City Projects Limited	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Total Income	1,501.38	637.38	-	177.55	-	-
Profit /(Loss) for the year	(652.59)	(1,067.49)	(6,050.47)	(8,711.16)	(5.84)	(6.97)
Other comprehensive income	5.64	6.22	0.52	1.22	-	-
Total comprehensive Income	(646.95)	(1,067.27)	(6,050.98)	(8,709.94)	(5.84)	(6.97)

Summarised Cash flow: (Rs. in Lakhs)

Particulars	Picturehouse Media Limited		PVP Capital Limited		New Cyberabad City Projects Limited	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Cash flows from Operating activities	496.87	(1,630.85)	(37.12)	1,666.25	(6.13)	(4.94)
Cash flows from Investing activities	765.42	326.25	19.00	-	-	-
Cash flows from Financing activities	(1,265.36)	1,256.84	18.24	(1.667.46)	6.13	4.70
Net Increase in Cash and Cash Equivalents	(3.07)	(47.76)	12,014	(1.21)	-	(0.24)

57. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

Financial assets and liabilities

The carrying value of financial instruments by categories is as follows: (Rs. in Lakhs)

Particulars	Amount as on 31st March, 2020	Amount as on 31stMarch, 2019
Financial assets:		
Fair value through Profit or Loss		
Investments	535.48	930.39
Amortised Cost		
Investments carried at cost	2,368.97	2,368.97
Cash and cash equivalents	0.20	6.96
Bank balance other than cash and cash equivalents	34.17	173.70
Trade Receivables	150.31	162.89
Loans	5,638.19	9,502.83
Other Financial Assets	1,603.16	1,748.76
Financial liabilities:		
Fair value through Profit or Loss		
Borrowings	145.26	126.87
Amortised Cost		
Borrowings	29,274.11	34,799.50
Trade Payables	213.79	182.63
Other Financial Liabilities	20,176.94	9,506.38

The carrying amounts of all financial assets and liabilities appearing in the financial statements are reasonable approximation of fair values.

58. Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets comprise investments, cash and bank balance, trade and other receivables.

The Group is exposed to various financial risks such as market risk, credit risk and liquidity risk. The group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The financial instruments affected by market risk includes investment, has been discussed below.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's Long Term borrowings of the company bearing floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The group`s exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An Increase / Decrease of 100 basis points in interest rate at the end of the reporting period of the variable financial instruments would (Decrease) / Increase profit after taxation for the year by the amounts shown below. This analysis assumes all other remain constant.

Profit / (Loss) After taxation

(Rs. in Lakhs)

Particulars	31st March 2020	31st March 2019
Financial liabilities – Borrowings		
+1% (100 basis points)	74.00	74.92
-1% (100 basis points)	74.00	(74.92)

There are no hedging instruments to mitigate this risk.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group does not undertake transactions denominated in foreign currencies, consequently group activities does not expose to exchange rate fluctuations arise.

c) Equity price risk

The group's listed and non-listed equity securities are not susceptible to market price risk arising from uncertainties about future values of the investment securities. Hence the group does not bear significant exposure to Equity price risk in investment in subsidiaries.

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily for trade receivables, loans and other financial assets).

Credit risk related to financial services business:

The following table sets out information about credit quality of loan assets measured at amortised cost based on the months past due information. The amount represents gross carrying amount.

(Rs. in Lakhs)

Particulars	FY 2019-20	FY 2018-19
Gross carrying value of loan assets		
Neither Past due nor impaired	-	-
Past Due but not impaired	-	-
1 month past due	-	-
2-3 months past due	15,381.04	15,497.33
Impaired (above 3 months)	(12,397.87)	(9,298.40)
Total Gross carrying value as at reporting date	**2,983.18**	**6,198.93**

Credit risk related to Financial Loans:

Financial services business has a comprehensive framework for monitoring credit quality of its film production based on the status of the film production. Repayment by film producers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

The Group applies the simplified approach for providing expected credit losses prescribed by Ind AS 109, which permits the use of lifetime expected loss provision for all loans & advances. The group has computed expected credit losses based on the current information of the borrowers and status of the film production.

The Group has adopted a policy of only dealing with creditworthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

The nature of collateral security is in the form of personal guarantee of the borrowers. Further this personal guarantees backed up with the list of immovable properties held by the borrower with the original title deeds.

The maximum exposure to credit risk of loans and advances is their carrying amount. The maximum exposure is before considering both the effect of mitigation through collateral security.

Trade Receivables

The group's credit risk with regard to trade receivables has a high degree of risk diversification, due to large number of projects of varying sizes and types with numerous different customer categories.

Customer credit risk is managed by requiring customers to pay advances through progress billings done by developer before transfer of ownership, therefore substantially eliminating the group's credit risk in respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit provision is required and also the group does not have any significant concentration of credit risk.

Credit risk on cash and cash equivalents is considered to be minimal as the counterparties are all substantial banks with high credit ratings.

iii) Liquidity risk

Liquidity risk is the risk that the group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The group's management is responsible for liquidity, funding as well as settlement management. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of Financial Liabilities:

(Rs. in Lakhs)

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at 31st March 2020					
Borrowings	898.71	16,627.52	18,340.39	-	**35,866.62**
Trade payables	-	213.79	-	-	**213.79**
Interest accrued	-	13,121.82	-	-	**13,121.82**
Other Financial Liabilities	-	462.61	-	-	**462.61**
Total	**898.71**	**30,425.74**	**18,340.39**	**-**	**49,664.84**

(Rs. in Lakhs)

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at 31st March 2019					
Borrowings	290.75	12,342.13	24,120.77	-	**36,753.65**
Trade payables	-	182.63	-	-	**182.63**
Interest accrued	-	7476.18	-	-	**7,476.18**
Other Financial Liabilities	-	76.05	-	-	**76.05**
Total	**290.75**	**20,076.99**	**24,120.77**	**-**	**44,488.51**

59. Disclosure as required by DOR (NBFC).CC.PD.No.109/22.10.106/2019-20

(Rs. in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	**(2)**	**(3)**	**(4)**	**(5)=(3)-(4)**	**(6)**	**(7) = (4)-(6)**
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
Subtotal		-	-	-	-	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-

(Rs. in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	15,381.04	12,397.87	2,983.18	6,152.42	6,245.45
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		15,381.04	12,397.87	2,983.18	6,152.42	6,245.45
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		15,381.04	12,397.87	2,983.18	6,152.42	6,245.45
Total	**Stage 1**	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	15,381.04	12,397.87	2,983.18	6,152.42	6,245.45
	Total	**15,381.04**	**12,397.87**	**2,983.18**	**6,152.42**	**6,245.45**

60. Capital Management

For the purpose of the group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the group. The group strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize cost of capital.

The Group monitors capital using the debt-equity ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, Bank balance other than cash and cash equivalents.

(Rs. in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Borrowings	35,866.62	36,753.65
Cash and Cash Equivalents	(0.20)	(6.96)
Bank Balances other than Cash and Cash Equivalents	(34.17)	(173.70)
Net Debt	**35,832.25**	**36,572.99**
Total Equity	**(393.03)**	**9,075.36**
Debt Equity Ratio	**(91.17)**	**4.03**

61. Acquisition of Arete Real Estate Developers Private Limited and Expression Real Estate Developers Private Limited

a) During the previous year, PVP Global Ventures Private Limited (WOS of PVP Ventures Limited) acquired 100% shareholding interest in Arete Real Estate Developers Private Limited (hereinafter referred as Arete) and Expression Real Estate Developers Private Limited (hereinafter referred as Expression).

Arete Real Estate Developers Private Limited and Expression Real Estate Developers Private Limited are into real estate sector and have its place of business in Hyderabad, India.

The acquisition is expected to provide greater expansion to the group creating synergies in real estate sector which offers many advantages.

b) Details of Purchase Consideration

(Rs. in Lakhs)

Particulars	Arete	Expression
Cash	1.00	1.00
Total Purchase Consideration	**1.00**	**1.00**

c) The fair value of assets and liabilities recognised as a result of the acquisition are as follows: (Rs. in Lakhs)

Particulars	Arete	Expression
Assets		
Other Non Current Assets	1,794.00	1,770.00
Loans – Financial Assets	97.26	61.42
Cash and Cash Equivalents	0.09	0.70
Total Assets	**1,891.35**	**1,832.12**
Liabilities		
Short Term Borrowings	24.74	216.01
Trade Payables	0.58	0.58
Equity Component of Group Entities – Other Equity	1,959.73	1,637.57
Total Liabilities	**1,985.05**	**1,854.16**
Net Identifiable assets acquired	(93.68)	(22.04)

d) Calculation of Goodwill (Rs. in Lakhs)

Particulars	Arete	Expression
Fair Value of Consideration	1.00	1.00
Less: Net identifiable assets acquired	(93.68)	(22.04)
Goodwill	94.68	23.04

The above goodwill generated on account of acquisition is written off in the books of accounts in the year of acquisition.

e) Acquired Loan Receivables

As on the date of acquisition, gross contractual amount of loans were Rs.97.26 Lakhs (for Arete) and Rs.61.42 Lakhs (for Expression) against which no provision has been considered since fair value of the acquired receivables are equal to carrying value as on the date of acquisition.

f) Acquisition related costs:

Acquisition costs of Rs.Nil were charged to Consolidated Statement of Profit and Loss under the head - Other Expenses.

62. Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group is engaged in Real Estate/Urban Infrastructure, Media Production and Movie Financing related activities. These are reportable segments for the year. Entire Operations of the Group is only in domestic hence reportable geographical segment does not arise except for one step down subsidiary of PHML Singapore which does not warrant geographical segment reporting. 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 Group as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue/expenses/assets/liabilities”.

Ind AS 108 establishes standards for the way that public business enterprise report information about operating segments and related disclosures.

The segment revenue, segment expenses, segment assets and segment liabilities include respective amounts identifiable to each of the segment and also amounts allocated on a reasonable basis

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2020 and 31st March 2019.

(Rs. in Lakhs)

	Particulars	31st March 2020	31st March 2019
1	**Segment Revenue**		
	Real Estate	2,933.88	3,085.19
	Media Related Activities	1,501.38	816.67
	Locker Services	23.81	8.48
	Unallocable Income	-	-
	Total	**4,459.07**	**3,910.34**
	Less: Intersegment revenue	6.88	182.58
	Net sales/Income from Operations	**4,452.19**	**3,727.76**
2	**Segment profit/(loss) before finance and tax**		
	Real Estate	1,979.26	2,195.85
	Movie Related Activities	(2,773.74)	(6,432.92)
	Locker Services	(154.85)	(194.84)
	Unallocable Expenditure	(1,291.08)	(108.54)
	Segment profit/(loss) before finance and tax	(2,240.40)	(4,540.46)
	Less Finance Cost	6,912.06	5,919.85
	Total Loss before exceptional items	**(9,152.47)**	**(10,460.31)**
	Exceptional Items	(87.44)	1,168.25
	Total Loss before tax	**(9,065.03)**	**(11,628.56)**
3	**Segment Assets**		
	Real Estate	34,129.73	34,783.51
	Movie Related Activities	12,525.26	16,424.06
	Locker Services	1,060.18	1,054.03
	Unallocable Assets	13,394.90	14,683.10
	Total	**61,110.07**	**66,944.70**
4	**Segment Liabilities**		
	Real Estate	30,285.46	29,371.35
	Movie Related Activities	28,277.69	25,462.23
	Locker Services	482.60	600.37
	Unallocable Assets	2,457.34	2,435.38
	Total	**61,503.10**	**57,869.34**

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2020

63. Financial information pursuant to Schedule III of Companies Act, 2013:

(Rs. in Lakhs)

Name of the Entity	Net Assets(Total assets less total liabilities)		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	As at 31st March 2020		Year ended 31st March 2020		Year ended 31st March 2020		Year ended 31st March 2020	
Holding Company								
PVP Ventures Limited	-284.72%	(19,238.30)	19.32%	(1174.74)	46.04%	2.24	19.30%	(1172.50)
Indian Subsidiaries								
PVP Media Ventures Private limited	-0.93%	(62.74)	3.24%	(196.72)	0.00%	-	3.24%	(196.72)
Safetrunk Services Private Limited	8.55%	577.58	19.79%	(1,203.22)	0.00%	-	19.81%	(1203.22)
PVP Corporate Parks Private Limited	10.11%	683.06	0.01%	(0.82)	0.00%	-	0.01%	(0.82)
New Cyberabad City Projects Private Limited	270.89%	18303.98	0.10%	(5.84)	0.00%	-	0.10%	(5.84)
PVP Global Ventures Private Limited	162.80%	11000.29	0.35%	(21.48)	0.00%	-	0.35%	(21.48)
Adobe Realtors Private Limited	10.34%	698.42	0.00%	(0.26)	0.00%	-	0.00%	(0.26)
Arete Real Estate Developers Pvt Ltd	27.26%	1842.10	0.40%	(24.54)	0.00%	-	0.40%	(24.54)
Expression Real Estate Pvt Ltd	23.01%	1555.01	0.04%	(2.63)	0.00%	-	0.04%	(2.63)
Picturehouse Media Limited	6.82%	460.98	10.76%	(653.95)	76.55%	5.63	10.67%	(648.32)
PVP Capital Limited	-239.84%	(16205.80)	99.52%	(6050.47)	-10.59%	(0.52)	99.61%	(6050.98)
PVP Cinema Private Limited	-0.11%	(7.61)	0.01%	(0.80)	0.00%	-	0.01%	(0.80)
Non Controlling Interest	105.82%	7150.02	-53.55%	3255.81	-51.18%	(2.49)	-53.55%	3253.32
Total	**100.00%**	**6756.99**	**100.00%**	**(6,079.67)**	**100.00%**	**4.87**	**100.00%**	**(6074.80)**

64. Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous Year – Rs.Nil).

As per our report of even date.

For Brahmayya & Co
Chartered Accountants
Firm Reg No. 000511S
Sd/-
K. JITENDRA KUMAR
Partner
Membership No.201825

Place : Chennai
Date : 31st July, 2020

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
N.S. KUMAR
Director

Sd/-
T.N. MADAN
Chief Financial Officer

Sd/-
K. RAMYANKA
Company Secretary

Place : Chennai
Date : 31st July, 2020

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