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PVP Ventures Limited

Registered Office: Door No. 2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai-600031

Web: www.pvpglobal.com

Unaudited Financial Results for the Quarter ended June 30, 2019

CIN:L72300TN1991PLC020122

Statement of Standalone unaudited Financial Results for the Quarter ended June 30, 2019 — Rs. In lakhs

	PARTICULARS	Standalone			
		Quarter ended			Year ended
		30.06.2019 Unaudited	31.03.2019 Unaudited	30.06.2018 Unaudited	31.03.2019 Audited
1	Income				
	Revenue from operations	745.75	847.13	631.8	3,045.29
	Other Income	5.89	31.62	-	35.19
	Total Income (1)	751.64	878.75	631.80	3,080.48
2	Expenses				
	(a) Cost of film production expenses	-	-	-	-
	(b) Purchases of Stock-in-Trade	-	-	-	-
	(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	36.76	21.54	34.43	144.18
	(d) Employee benefit expenses	37.56	50.06	46.42	171.62
	(e) Finance Cost	723.92	793.84	643.37	2,486.12
	(f) Depreciation and amortization expenses	21.84	11.73	15.90	55.39
	(g) Others expenses	102.83	412.35	104.12	794.79
	(h) Provision for doubtful debts and advances	-			-
	Total Expenses (2)	922.91	1,289.52	844.24	3,652.10
3	Profit/(Loss) before exceptional items and tax (1-2)	(171.27)	(410.77)	(212.44)	(571.62)
4	Exceptional items	-		-	(725.00)
5	Profit before tax (3-4)	(171.27)	(410.77)	(212.44)	153.38
6	Tax expense				
	a) Current Tax	-	-	-	-
	b) Deferred Tax	-	-	-	-
	c) Income tax for earlier years	-	-	-	-
7	Net Profit for the period/year (5-6)	(171.27)	(410.77)	(212.44)	153.38
8	Other Comprehensive Income				
	a) (i) Items that will not be reclassified subsequently to profit and loss				
	Remeasurement of defined benefit obligation	-	5.84	-	5.84
	Less : Income tax expense				
	Total Other Comprehensive Income (8)	-	5.84	-	5.84
9	Total Comprehensive Income (7+8)	(171.27)	(404.93)	(212.44)	159.22
10	Paid-up equity share capital (Face Value of Re. 10/- each)	24,505.27	24,505.27	24,505.27	24,505.27
11	Other Equity				36,497.56
12	Earnings per share				
	(a) Basic (in Rs.)	(0.07)	(0.17)	(0.09)	0.06
	(b) Diluted (in Rs.)	(0.07)	(0.17)	(0.09)	0.06

BRAHMAYYA & CO. CHARTERED ACCOUNTANTS For Identification Only

PVP VENTURES LIMITED

PVP Ventures Ltd.

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Statement of Consolidated Unaudited Financial Results for the Quarter ended June 30, 2019 | Rs. In lakhs

	PARTICULARS	Consolidated			
		Quarter ended			Year ended
		30.06.2019 Unaudited	31.03.2019 Unaudited	30.06.2018 Unaudited	31.03.2019 Audited
1	Income				
	Revenue from operations	952.03	1,017.38	784.16	3,681.41
	Other Income	5.97	38.29	0.78	49.05
	Total Income (1)	958.00	1,055.67	784.94	3,730.46
2	Expenses				
	(a) Cost of film production expenses		-	2.19	2.41
	(b) Purchases of Stock-in-Trade		-	-	
	(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	36.76	21.54	34.43	144.18
	(d) Employee benefit expenses	58.53	75.54	69.07	265.33
	(e) Finance Cost	1,632.66	1,985.89	1,325.41	5,919.91
	(f) Depreciation and amortization expenses	61.92	35.43	44.15	170.91
	(g) Others expenses	125.03	334.47	154.78	882.21
	(h) Provision for doubtful debts and advances	-	19.93	587.00	606.93
	(i) Provision against Sub-Standard assets	774.87	6,198.93	-	6,198.93
	Total Expenses (2)	2,689.77	8,671.73	2,217.03	14,190.81
3	Profit/(Loss) before exceptional items and tax (1-2)	(1,731.77)	(7,616.06)	(1,432.09)	(10,460.35)
4	Exceptional items	-	645.53	(252.27)	1,168.26
5	Profit before tax (3-4)	(1,731.77)	(8,261.59)	(1,179.82)	(11,628.61)
6	Tax expense				
	a) Current Tax	-	-	-	-
	b) Deferred Tax	-	-	-	-
	c) Income tax for earlier years	-	2.36	-	-
	d) MAT Credit reversal	-	-	-	3.15
7	Net Profit for the period/year (5-6)	(1,731.77)	(8,263.95)	(1,179.82)	(11,631.76)
8	Other Comprehensive Income				
	a) (i) Items that will not be reclassified subsequently to profit and loss				
	Remeasurement of defined benefit obligation	-	13.28	-	13.28
	Less : Income tax expense				
	Total Other Comprehensive Income (8)	-	13.28	-	13.28
9	Total Comprehensive Income (7+8)	(1,731.77)	(8,250.67)	(1,179.82)	(11,618.48)
10	Paid-up equity share capital (Face Value of Re. 10/- each)	24,505.27	24,505.27	24,505.27	24,505.27
11	Other Equity	-			(12,124.32)
12	Earnings per share				
	(a) Basic (in Rs.)	(0.71)	(3.37)	(0.48)	(4.75)
	(b) Diluted (in Rs.)	(0.71)	(3.37)	(0.48)	(4.75)

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Segment wise Revenue and Results (Consolidated) for the Quarter ended 30th June, 2019:

(Rs. in lakhs)

S No	Particulars	Quarter ended			Year ended
		30.06.2019	31.03.2019	30.06.2018	31st March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Segment Revenue**				
	Real Estate	751.64	878.75	631.80	3,080.48
	Media Production & Finance related activities	202.07	175.57	152.49	641.51
	Unallocable Income	4.29	1.35	0.65	8.48
	Total	**958.00**	**1,055.67**	**784.94**	**3,730.46**
2	**Segment profit/(loss) before finance and tax**				
	Real Estate	550.58	377.29	430.30	1,906.64
	Media Production & Finance related activities	(612.73)	(6,139.01)	(492.41)	(6,433.18)
	Unallocable Expenditure	(48.91)	(289.73)	(264.77)	(683.46)
	Segment profit/(loss) before finance and tax	**(111.07)**	**(6,051.45)**	**(326.88)**	(5,210.01)
	Less Finance Cost	(1,632.65)	(1,985.88)	(1,325.42)	(5,919.91)
	Loss before exceptional items, eliminations and tax	**(1,743.71)**	**(8,037.32)**	**(1,652.31)**	**(11,129.92)**
	Exceptional Items	-	645.53	(252.27)	1168.26
	Eliminations	11.94	421.27	220.21	669.57
	Loss before tax	**(1,731.77)**	**(8,261.59)**	**(1,179.82)**	**(11,628.61)**
	Tax Expenses	-	2.36	-	3.15
	Loss after tax	**(1,731.77)**	**(8,263.95)**	**(1,179.82)**	**(11,631.76)**

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Notes:

Notes on the Standalone Financial Results

1 The company alloted 13,289 convertible or redeemable debentures of Rs.1,00,000 each convertible into preference shares and or equity shares as per scheme of amalgamation dated 25th April, 2008, sanctioned by Honorable High Court of Madras between SSI Limited and PVP ventures Private Limited . The Debenture holder, by letter dated 4th December, 2017, has extended the conversion/redemption option, till 31st March, 2029 .
During the previous year, One of the Debentureholder holding 5000 debentures (Rs.1 lakh 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. During the quarter ended 30th June, 2019, the company has accounted finance cost of Rs.179.76 lakhs and the balance fully convertible debentures as on 30th June, 2019 is Rs.5,000 lakhs.

2 The Company is 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 which consits of Tranche A 386 Debentures aggregating to Rs.3,860 lakhs and Tranche B of 829 Debentures aggregating to Rs.8,290 lakhs as per the debenture trust deed dated 16th June, 2017.
The company is overdue in repayment of Tranche A Debenture holders aggregating to Rs.1,170.93 lakhs (out of which principal amounting to Rs. 953.25 lakhs and Interest amounting to Rs.217.68 lakhs) and for Tranche B Debenture Holders aggregating to Rs.1626.24 lakhs (out of which principal amounting to Rs. 518.12 lakhs and Interest amounting to Rs.1,108.11 lakhs) as at 30th June, 2019.

3 Effective 1 April 2019, the Company has adopted ind AS 116, 'Leases' using the modified retrospective approach, as a result of which the comparative information is not required to be restated. The cummulative effect of initial application of the standard amounting to Rs. 28.86 Lakhs has been recognised as an adjustment to opening balance of retained earnings as at April 1, 2019. The company has recognised Rs. 68.27 Lakhs as right to use assets and lease liability of Rs.97.12 Lakhs as on the date of transition i.e April 1, 2019. Accordingly, during the quarter ended June 30, 2019, Rs. 3.77 Lakhs has been accounted as Finance Cost and Rs. 9.44 Lakhs as Depreciation against the payment of Rs. 16.60 Lakhs.

4 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. 32,694.40 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. Auditors have drawn qualified conclusion on this matter.

5 The company has mortgaged a portion of perambur land as a security to loans availed by third parties with current outstanding of Rs.2,880.18 Lakhs. The parties have not repaid the loan amounts on due dates and the lenders continue to hold the symbolic possession on the assets of the company. The management is pursuing the matter with third party borrowers and is confident that the borrowers will meet their loan obligations and accordingly the value of assets mortgaged by the company does not require any adjustment to the carrying value.Auditors have drawn qualified conclusion on this matter.

6 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.14,890.40 lakhs (includes interest accrued) as per latest sale notice dated 03rd July, 2019.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.Auditors have drawn qualified conclusion on this matter.

7 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). The outstanding loan with bank by SSPL as on 30th June, 2019 is Rs. 491.05 lakhs.
During the previous year, UCO Bank Limited has invoked the aforesaid pledged shares. SSPL has requested One Time Settlement of Dues ("OTS") and Closure of Accounts with UCO Bank. SSPL and UCO Bank are taking reconciliatory efforts on the final settlement amount. Auditors have drawn qualified conclusion on this matter.

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8 Appeals have been filed and are pending adjudication in regard to various income tax disputes, demands aggregating to Rs.1,783.25 Lakhs. The company has been advised that it has a good case to support its stand hence does not warrant any provision in this regad. Auditors have drawn emphasis of matter in this regard.

9 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 NSE and 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 is contemplating to file 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.Auditors have drawn emphasis of matter in this regard.

10 The company was inspected under section 206 of the Companies Act 2013 in January 2016 and the company received the letter dated 22nd July 2017, from the Inspecting officer asking the company to explain the non-compliance under the Companies Act 1956 and under the Companies Act 2013. The company replied on 03rd October, 2017 and furnished all the required details and explanations.
Subsequently on 22nd March 2019, the company received Show Cause notices and adjudication for Section 118, 134(4) (of 2013 Act) and 193(1) (of 1956 Act), the company has replied with details in April 2019. Assistant Registrar of Companies (AROC) issued letter dated 29th April 2019 for filing compounding application.The company has filed the compounding applications before Regional Director,Southern Region, Ministry of Coporate Affairs (MCA) and the same has been acknowledged by MCA. Auditors have drawn emphasis of matter in this regard.

11 The company operates in Real estate and allied activities and hence segment reporting is not applicable.

Notes to the Consolidated Financial Results

12 Appeals have been filed and are pending adjudication in regard to various income tax disputes, demands aggregating to Rs.1,893.13 lakhs. The company has been advised that it has a good case to support its stand hence does not warrant any provision in this regad. Auditors have drawn emphasis of matter in this regard.

Notes relating to M/s. Picturehouse Media Limited(PHML):

13 The current assets of the company includes loans and advances amounting to Rs.4,192.88 lakhs and 'expenditure on films under production' amounting to Rs. 4,835.06 lakhs. As regards the loans and advances, the management is confident of realising the value at which they are carried not withstanding the period of out standing. As regards '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. Accordingly the company is confident of realising the entire value of 'expenditure on films under production'. The management does not forsee any erosion in carrying value. Auditors have drawn qualified conclusion on this matter.

14 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 company 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.

Aggrieved by the orders, the company has disputed all the demands with Learned Commissioner of CGST and Central Excise. The management believes that it is a good case and accordingly no provision has been made in the books of accounts.

15 The shares of the company are listed in BSE . The Board had a Woman director till March17 and subsequent to the resignation, a new Woman Director was appointed in December,2018. SEBI issued a Circular in May 2018, that non-appointment will attract fine. So the stock exchange has imposed a penalty under regulation 17 and 19 for the quarter ended 30th September,2018 amounting to Rs.7.59 lakhs. The company is in the process of filing appeal with Securities Apellate Tribunal (SAT) for the same. Auditors have drawn emphasis of matter in this regard.

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In the case of PVP Capital Limited (Wholly owned Subsidairy of PHML)

16 a. As already referred in point 6, The Company has defaulted on repayment of interest and loans aggregating Rs. 14,890.40 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. Auditors have drawn qualified conclusion in this regard.

b. Parallelly, the Company has a loan book of Rs. 15,497.33 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.10,073.27 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. Auditors have drawn qualified conclusion on this matter.

In the case of Safetrunk Services Private Limited

17 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. 1,095.75 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 results 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. Auditors have drawn qualified conclusion on this matter.

In the case of PVP Global Ventures Private Limited

18 PVP Global Ventures Private Limited has advanced a sum of Rs. 13,755.48 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 company may demand payment of the advance and shall not be obliged to acquire the land parcel from these parties. Auditors have drawn emphasis of matter in this regard.

19 The Enforcement Directorate had provisionally attached the land measuring 28 Acres and 8 Guntas of the company in connection with the redemption of the investments in Mahalakshmi Energy Ventures Private Limited by the company. 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

Other Notes for Consolidated Financial Results

20 With reference and in continuation to the Point No. 7, 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 Limited held by PVP Ventures Limited along with its subsidiaries has reduced to 49.55%.

PVP Ventures Limited along with its subsidiaries has less than a majority of voting rights (49.55%) on Picturehouse Media Limited but still holds control over the management. Hence the Financial results of Picturehouse Media Limited along with its subsidiaries are consolidated while preparing the Consolidated Financial results for the periods ending 31st March, 2019 and 30th June, 2019 in compliance with Section 2(87) of the Companies Act, 2013.

21 During the previous year, PVP Global Ventures Private Limited has acquired the 100% shares of 2 Companies i.e, Arete Real Estate Developers Private Limited and Expressions Real Estate Development Private Limited to expand the real estate business vertical. The aforesaid companies have become the Wholly Owned Subsidiary of PVP Global Ventures Private Limited with effect from 2nd June, 2018.

22 The consolidated financial results for the quarter ended 30th June, 2018 and 31st March, 2019 were not subjected to limited review by the statutory auditors of the company and are prepared by the management.

(Rs. in Lakhs)

23 Exceptional Items	For the quarter ended 30th June, 2019	For the quarter ended 31st March,2019	For the quarter ended 30th June, 2018	For the year ended 31st March,2019
a) Liabilities written back -Interest	-	-	-	(725.00)
b) Penalty levied by SEBI	-	-	-	1,500.00
c) Interest on Penalty levied by SEBI	-	645.53	-	645.53
d) Goodwill Impairment on	-	-	117.73	117.73
e) Reversal of provision on advances	-	-	(370.00)	(370.00)
Total	-	645.53	(252.27)	1,168.26

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24 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.

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 results.

25 Effective 1 April 2019, the group has adopted ind AS 116, 'Leases' using the modified retrospective approach, as a result of which the comparative information is not required to be restated. The cummulative effect of initial application of the standard amounting to Rs. 140.56 Lakhs has been recognised as an adjustment to opening balance of retained earnings as at April 1, 2019. The company has recognised Rs. 279.37 Lakhs as right to use assets and lease liability of Rs.419.94 Lakhs as on the date of transition i.e April 1, 2019. Accordingly, during the quarter ended June 30, 2019, Rs. 15.34 Lakhs has been accounted as Finance Cost and Rs. 21.19 Lakhs as Depreciation against the payment of Rs. 39.68 Lakhs

26 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.

General Notes

27 The above unaudited financial results of the company have been prepared in accordance with (Indian Accounting Standards) ("Ind AS") as prescribed under section 133 of the companies act, 2013 read with relevant rules thereunder and in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

28 The above unaudited financial results were reviewed and recommended by the audit committee and approved by the of the Board of Directors at its meeting held on 14th August, 2019.The above results have been subjected to limited review by the statutory auditors of the company and have issued a Qualified Review Report thereon in Standalone and Consolidated Financial Results.

29 The figures for the Quarter ended 31st March, 2019 with respect to standalone and consolidated financial results are the balancing figures between audited figures in respect of full previous financial year and published year to date figures upto the end of third quarter of the respective finanical year.

30 Previous period figures have been regrouped wherever necessary to confirm to current period classification.

31 These results are also available at the website of the company: wwwpvpglobal.com; and wwwbseindia.com and www.nseindia.com

For and on behalf of the Board of Directors

BRAHMAYYA & CO. CHARTERED ACCOUNTANTS
For Identification Only

PVP VENTURES LIMITED

N.S KUMAR
DIRECTOR

Place: Chennai
Date: August 14, 2019

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

Limited Review Report on Unaudited Quarterly Standalone Financial Results of "PVP Ventures Limited" pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
PVP Ventures Limited
Chennai.

1. We have reviewed the accompanying statement of the unaudited standalone financial results of **PVP Ventures Limited** ("the Company"), for the quarter ended 30thJune 2019 (the statement), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. This Statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. *Attention is invited to Note no. 4 to the financial results, 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.32,694.40 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 quarter is understated to that extent.*

BRAHMAYYA & CO CHENNAI INDIA CHARTERED ACCOUNTANTS

4. *Attention is invited to Note No.5,6 and 7 to the financial results,*

   (a) Company mortgaged its land situated at perambur as a security and also given corporate guarantee to lenders for the borrowings made by the third parties amounting to Rs.2,000 Lakhs. The outstanding loan amount as per the latest sale notice is Rs.2,880.18 Lakhs.

   (b) Company 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.14,890.40 lakhs as per latest sale notice dated 03rd July, 2019.

   (c) Company mortgaged 20 Flats of Ekanta Phase situated at perambur and 10 Lakh shares held in the Subsidiary company as a security and also given corporate guarantee to a bank for the borrowings made by Safe Trunk Services Private Limited (i.e. wholly owned subsidiary company) amounting to Rs.400 Lakhs. During the previous year, bank has invoked 10 Lakh shares pledged as security to bank. The outstanding amount as on 30th June, 2019 as per the books (including interest) is Rs.491.05 Lakhs.

   The above mentioned parties to whom the company provided its assets as security and provided guarantees, have not adhered to repayment schedule of principal and interest dues to lenders/Bankers, consequent to which bankers/lenders have filed a case for recovery of dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further the bankers/lenders has taken symbolic possession of immovable property and issued sale notice for E-Auction of the property mortgaged with the lenders/bankers and we were informed that e-auction was not successful. We were explained that management of respective borrowing companies are in negotiation with the bankers/lenders 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 third parties/group companies 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 loans by the borrowing companies, in regard to which we have no material/information to ascertain the status. Further, all the companies stated above who availed loans on the strength of the mortgage of the company's assets and its guarantees are stated to be in litigation with their respective lenders which are also currently pending. 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 loans have already been defaulted and similarly whether the company is justified in not taking in cognizance 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 for provision. Accordingly, the loss for the quarter is understated to this extent.

5. Without qualifying our audit conclusion, attention is invited to

   (i) As explained in Note no.8 to the financial results, 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

BRAHMAYYA & CO. CHENNAI INDIA CHARTERED ACCOUNTANTS