THE GAME CHANGER

PVP Ventures Limited

Annual Report 2013-14

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The Game Changer

India's realty sector rooted its feet firmly in the ground as a growth engine and the same needs no greater explanation or emphasis.

Spurring major economic activity, real estate sector is playing a key role in the development of India's infrastructure base. PVP Ventures Ltd set its feet in this realm as a game changer and began its journey in the South Indian marketplace.

Media is another sector we have been focusing on. In the age of media explosion, we desire to leverage the growth opportunities.

Sports is an important part of India's entertainment story. India's entertainment is part of India's consumption story. When sports began wearing the robes of entertainment, legends are ushered into this arena to ensure that the activity flourishes more, perching PVP Ventures Ltd in an advantageous position and an attempt to work towards leadership.

At PVP Ventures Limited

Urban Infrastructure

The company foresees an exponential growth in the coming five years with an objective of emerging the leader in South India in the area of urban infrastructure and property development. The expected cash flows from the Binny Mills Project will enable the implementation of expansion. The sum would be prudently invested in the expansion of property development and urban infrastructure businesses. The company targets to line up projects aggregating to USD One billion in the ensuing five years across South India.

The company foresees exciting opportunities in the current financial year, as the Binny Mills project is going to be fast-tracked, apart from initiatives to launch the development of projects of similar size and scale in the urban infrastructure space in the next one year.

Sports & Entertainment

PVP Ventures Ltd has acquired the Hyderabad franchisee of Indian Badminton League (IBL) and christened it as the "Hyderabad Hot Shots". PVP Ventures has also acquired the Kerala Franchisee of Indian Super League, which is into soccer and christened it has "Kerala Blasters Football Club". The exposure in this sector will build a brand which intend to monetize in our property business and also explore other opportunities in the years to come.

Media

Media, as was explained earlier, has wide-ranging definition Any media company with larger outlook has to adapt itself to the fast-changing technologies and tread the path of success by embedding innovation from time to time.

Television and internet media are surging ahead in the current context. Considering the growth phenomenon available, the key nucleus is content and we are at the epicenter in creation of content.

This will add to the growth in the topline and bottomline of the company.

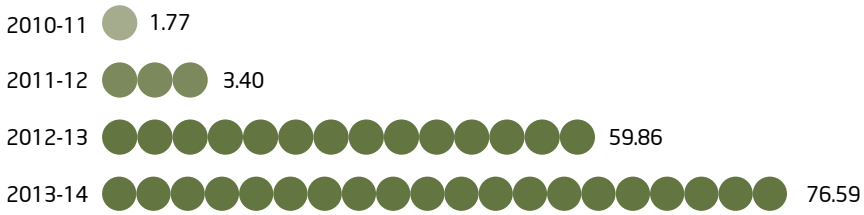
Presence

The company possessed a 70-acre land parcel - popularly known as Binny Mills - in the heart of Chennai. The Company also owns 135 acres of land in Shamshabad, Hyderabad, through its subsidiary and affiliate companies.

Performance Highlights

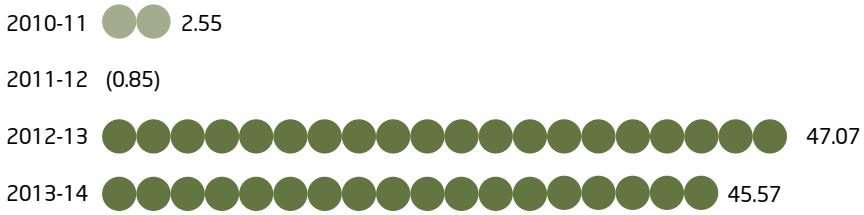
TURNOVER (GROSS) (₹ cr)

Leading to a growing turnover derived from higher apartment sales...



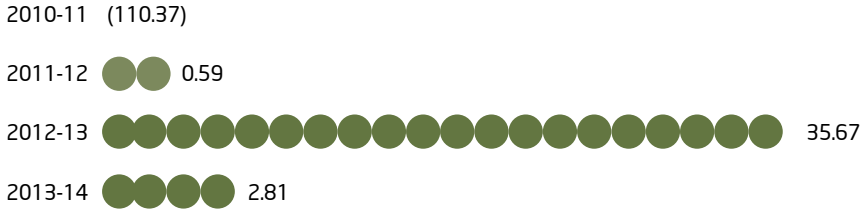
OPERATING PROFIT (₹ cr)

And value-led growth has led to a rising operating profit



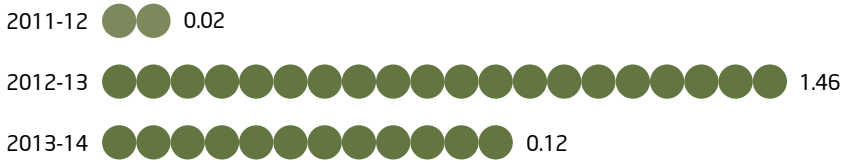
POST-TAX PROFIT (₹ cr)

And rising net profit, especially driven by zero interest outflow



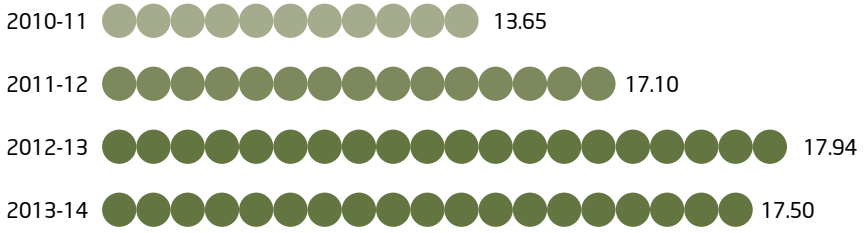
EARNINGS PER SHARE (₹)

Our growing ability to earn and ploughback surpluses has strengthened our earnings...



BOOK VALUE PER SHARE (₹)

And enhancing our valuation potential reflected in an attractively placed per share book value



PVP VENTURES LIMITED IS POSITIONED AS A COMPANY WITH A DIFFERENCE

Dear Shareholder,

There has been an explosion in several sectoral opportunities in India. PVP Ventures Ltd has been created with an express objective of owning and managing multiple businesses with a definite growth potential .

As you are aware, the Consumer is driving India's growth. Though India remained an under-consuming nation across most of the products and commodities for several decades, the wave of reforms and globalization has spurred the personal disposal incomes of the consumers in the last two decades. This naturally triggered an increase in consumer spending.

Message from the Chairman

PVP Ventures has chosen to position itself as a company with interest in businesses that are riding the Indian consumption wave and enjoy specific competitive advantages that liberate it from being 'me-too' syndrome, which are not held hostage by technology obsolescence and are not engaged in areas marked by regulatory control.

PVP Ventures Ltd will keep incrementally adding to its portfolio of various business verticals, by utilizing its cross-Group competencies and optimizing its corporate growth potential.

These companies will be managed through a balance of control; and delegation that makes it possible to reconcile the enunciated strategic direction with operational empowerment.

For PVP Ventures Ltd, the journey in the last five years has been that of learning the challenges in India, and maintaining equanimity especially with an entrepreneur from the West at the helm. A lot of geo-political situations have pushed us into a turbulence due to the persistent agitations over the bifurcation of the State of Andhra Pradesh during the last 5 years.

We just started our enterprise in 2007 and were planning to diversify ourselves by venturing into power sector and other areas in September 2008. But, the Lehmann Brothers crisis in 2009 had hit us very hard.

We went into a turbulent situation of investigations, and remained as a questionable company in the last five years. However, there has been tremendous amount of learning as to how to wade through in times of turbulence in the last five years, while navigating in the complex terrain of Indian environment as an organization.

Post 2011, we changed our growth strategy focusing more on Media (Broadcasting) & Entertainment, Sports Management. We held our horses together. Today, we are one of the few companies with no financial stress and with a comprehensive strategy in place.

The strategy is that PVP Ventures will totally focus on property development and urban infrastructure development leveraging its expertise that it has gained in the last five to seven years, not only as a landlord but as a developer too. As a developer, we built institutional competency and we understand that in urban infrastructure what is also important, apart from institutional competency, is brand and goodwill.

The strategic importance of India's realty sector as an engine of growth cannot be emphasised more. While playing a central role in the development of the country's infrastructure base, the real estate sector is one of the largest generators of economic activity. With multiple cross-linkages across various industries like cement, steel, chemicals, IT/ITeS, manufacturing and retail, the real estate sector is at the core of the construction industry and is a conduit for private sector participation in India's built environment.

So, the goal in the next five years is to grow as a leader in the realm of urban infrastructure and property development and scale up Media & Entertainment business. A steady cash flow from the Binny Mills Project will take care of the investments required for our

expansion plans and will be spent judiciously for expanding in the property development and urban infrastructure.

The goal is also to have a $1 billion worth projects in the pipeline in the next five years across South India including but not limited to Tamil Nadu, Telangana, Andhra Pradesh, Karnataka and Kerala.

The present financial year will be pretty exciting for us. We will fast track the Binny Mills Development as also launch development of another project of similar size and attain scalability in the urban infrastructure space during this financial year.

Our unique initiatives as an institutional investor in the Entertainment industry is one of its kinds in the last 50 years of Indian entertainment and media industry. This year, we are pretty sure that our efforts will add sizable revenue to the bottom line.

Talent and resource mobilization are the two major challenges for PVP Ventures. As a mid-sized company, getting the senior and middle management talent and retaining them will be the next big internal challenge for us. And, we are working on getting the best talent behind us.

The worst is behind us. Now, people are talking to us; people are proactively approaching us to partner with us.

Consumption is the buzz word in the world of business. Consumption is the mantra for the success of all businesses. Consumerism underwent a metamorphosis in the last couple of decades. Like anyone else, we too believe in the oft-repeated saying that consumer is the King. As we go forward, our credibility, goodwill, global standards and non-compromising quality will take us closer and closer to the consumer.

With my warmest regards,

Prasad V. Potluri
Chairman & Managing Director

Our Strategic Blueprint

At PVP Ventures, we are convinced that competitiveness is not determined by the 'what' but by the 'how' underlying operations influence a Company's efficiency.

Urban Infrastructure and property development companies are usually used to missing the deadlines when it comes to deliverance and never cared for compensating for the same correspondingly. What's originally proposed and drawn on the blueprint used to have too much of deviation. Aside from this, business transactions without proper legal and banking insulations, and the terms mostly tilted and convoluted in favour of sellers always confuse the buyer. PVP Ventures Ltd, however, redefined the rules of business in this sector. Its compliance processes endeared the company to the customers, bolstered the strength of collaborators and instilled newer confidence among stakeholders in respect of implementation, deliverance, compliance to deadlines and maintaining the revenue growth.

PVP Ventures Ltd's existing strategy implies a growing divergence between investments and returns; which implies growing revenues without a corresponding increase in recruitment. This naturally means higher margins owing to strengthened processes with focus on growth. At PVP Ventures, profitability is not an uncontrolled and unpredictable variable; it is a well-devised goal even before the commencement of a project; it is a target that must be achieved in the larger interest of sustainability of the enterprise.

At PVP Ventures, the earnings are balanced to suit the projected IRR, keeping the customer aspirations in view.

Conservatism

PVP believes that sustainable growth can be achieved only through predictable revenue/profit growth marked by low debt strategy and targeting higher business returns (as defined by return on employed capital and return on equity) than the industry average.

Sustainable Growth

PVP has built its business around with long-term sustainability. As per the Chennai Metropolitan Authority's estimates, the demand for housing is pegged at over two lakh units for the region, as against total of five lakh for the entire city by 2015. The Company believes that Chennai holds out attractive prospects for sustainable growth in the long-term. The management recognises that it will endure as a business corporation if there is adequate value left on the table for vendors, customers, employees and ourselves. A focus on the long-term vision accelerates our decision-making process, which will reflect on the Company's growing revenues and profitability.

Beyond Urban Infrastructure

PVP's business model is significantly weighted towards urban infrastructure and property development marked by the phased sale of properties. However, going ahead, the Company may diversify its revenue mix towards large scale master planning and may even explore options beyond urban infrastructure and property development. There is growing recognition that the upwardly mobile Indian is no longer content with a functional home but seeks lifestyle-oriented appurtenants at affordable prices. This largely un-served urban

IBL
AN BADMINTON
AGUE
vodafone
IBL
INDIAN BADMINTON LEAGUE - 2013
ABAD
HOTS

segment is burgeoning; it encompasses innumerable first-time home buyers. Marked by an explosion in the growth of young professionals, with rising disposable incomes and aspirations, PVP Ventures is the right fit for the right customer at the right time. The company desires to tailor-make its offerings to meet the needs and aspiration of the urbane customer, when it comes to the residential projects. But in terms of urban infrastructure, the company has a vision beyond the horizons of the current market's thought process.

The company intends to create value for the investment of its customers and it works for safeguarding and enhancing its reputation and thereby profitability to all its stakeholders.

Corporatised

We envisage a bright future for PVP Ventures by making it a household name by providing the best-in-class living infrastructure to the upwardly mobile urbane young customer. Quality standards are never compromised for pecuniary benefits.

The process of corporatization has a fine balance of promoters-owners and professional managers with a long-term business vision. Hands-on business review would accelerate the strategic decision-making process by promoters and owners. This facilitates and complements the day-to-day management of the process-driven business administration in the company across all practices and functions.

Competency

PVP recognises that true competitiveness in the urban infrastructure and property development industry can be derived from efficient project execution, which reconciles knowledge, capability, equipment, processes, standard operating procedures and information technology. These help in delivering projects faster than the industry average. As a first-time entrant, the Company selected to partner with companies possessing deep competencies without requiring PVP to reinvent the wheel.

Niche

PVP chose to grow its presence in a premium affordable segment, chose which is not only growing, but under-served and attractively remunerative.

Balance

PVP maintains a balance between projects that were engaged in completing on the one hand and a pipeline of new launches on the other. This balance makes it possible for us to engage in a reasonable number of urban infrastructure projects without stretching our managerial bandwidth and report an attractive cash flow from new launches.

Opportunity-driven

PVP identified sports consumption as a growing sector considering the sector's visibility and branding opportunity. The company visualizes greater business opportunity in the area of sports as an entertainment and also a tool to business growth.

Media

Media is an interesting space of business for many an entrepreneur. But, a meticulous approach, with reputation of the promoting company becoming the beacon light for the business to thrive, is fundamental to its growth. PVP Ventures is mulling the idea of setting its feet firmly in the realm of media business and may consider multiple routes not only to gain a foothold in this, but to make sure that its larger presence is felt all over.

Internet is already the big thing. Deliverance of information, entertainment, and electronic commerce have already engulfed the world. PVP Ventures proposes to leverage the advantage of its corporate presence to expand the media business through all the available channels.

DAFONE IND
HAMP

DIAN BADMI
PIONS

FIRST. LARGEST.

The two words that best describe our North Town project in Chennai.

The largest township within a 10 kms radius of the main city of Chennai with

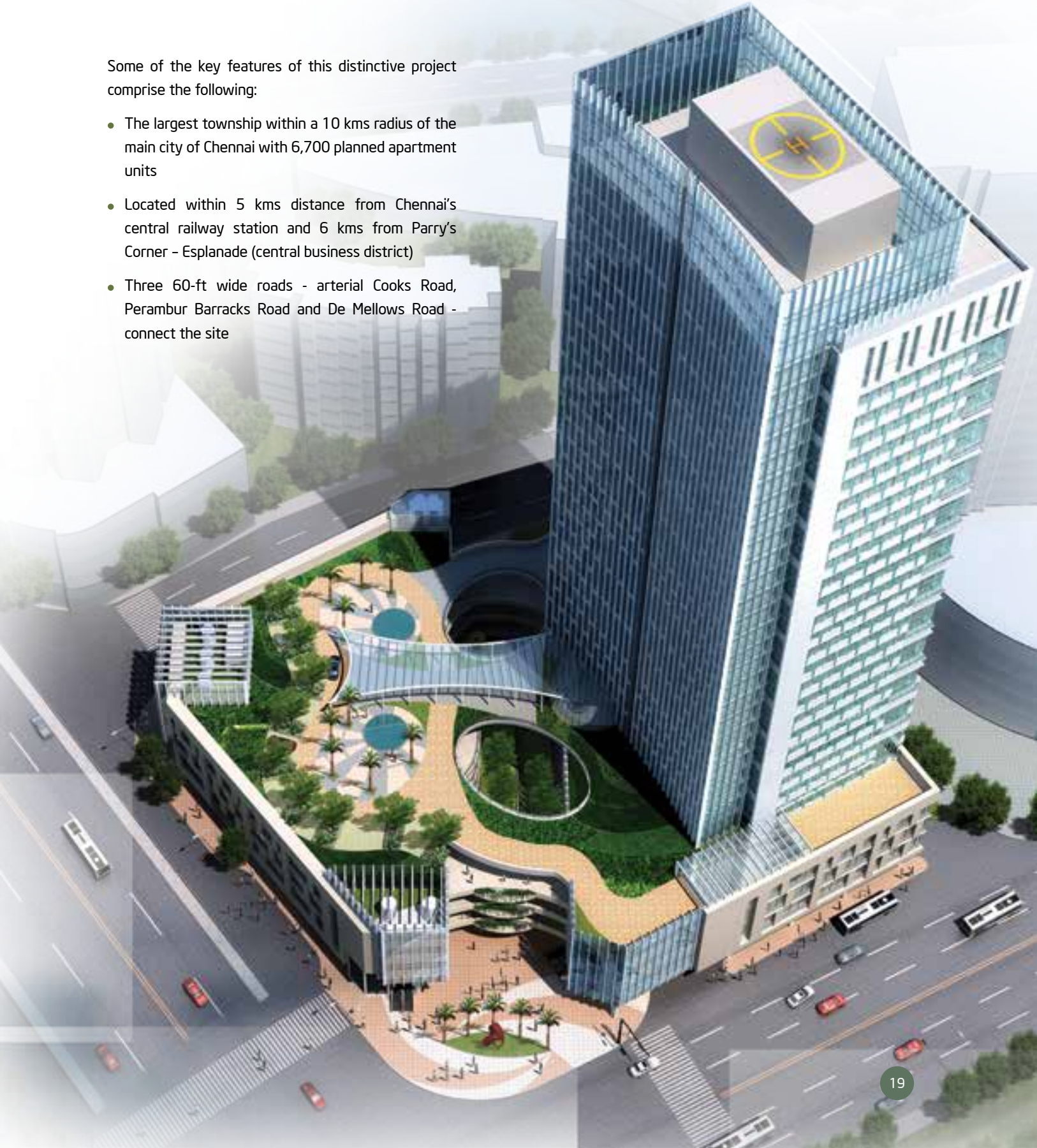
6,700

planned apartments units

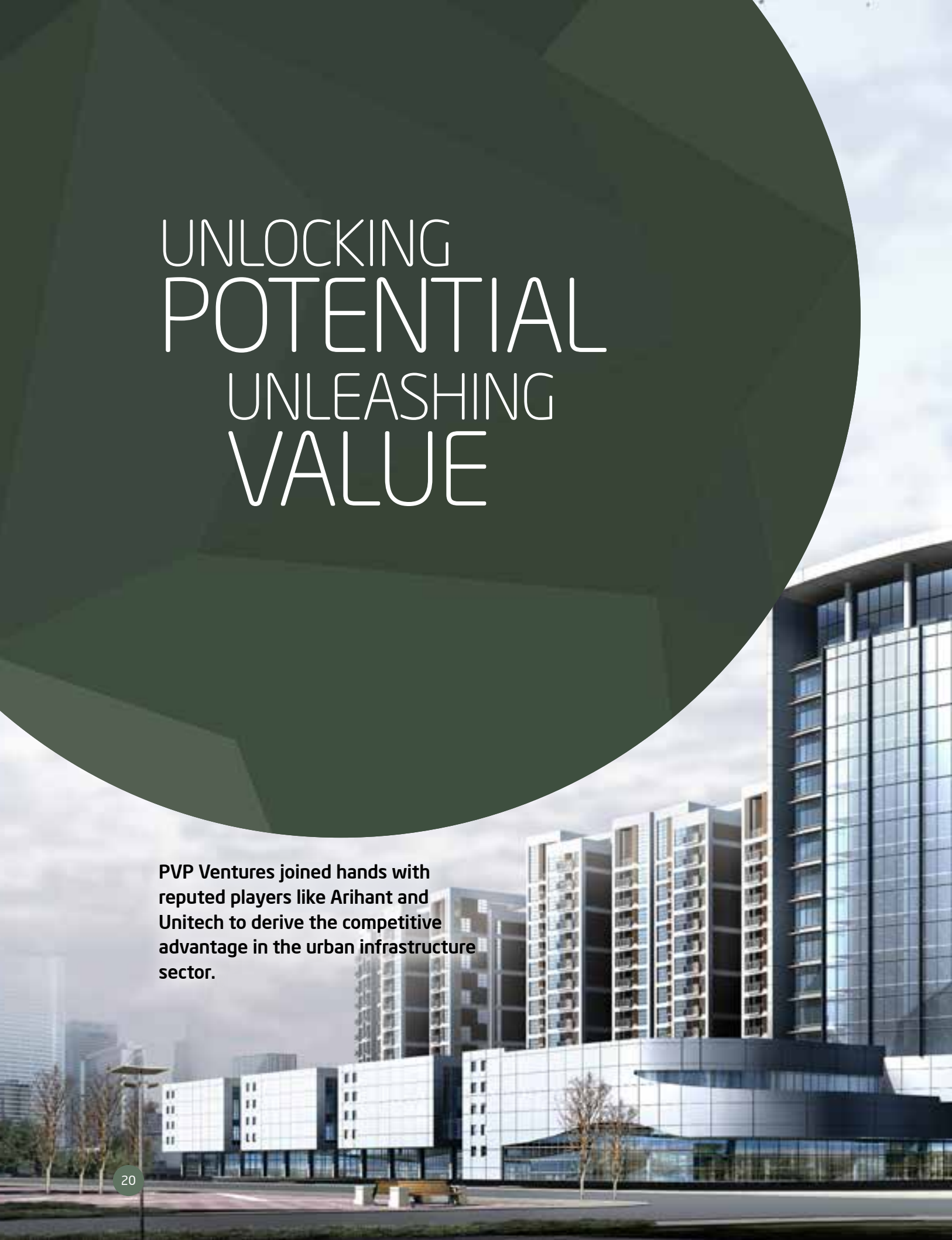
At PVP Ventures, our foresight in acquiring large land assets is bearing fruit through our North Town project, the first project in our portfolio. This project is emerging as the largest residential township in the heart of Chennai.

Some of the key features of this distinctive project comprise the following:

- The largest township within a 10 kms radius of the main city of Chennai with 6,700 planned apartment units
- Located within 5 kms distance from Chennai's central railway station and 6 kms from Parry's Corner – Esplanade (central business district)
- Three 60-ft wide roads - arterial Cooks Road, Perambur Barracks Road and De Mellows Road - connect the site



UNLOCKING POTENTIAL UNLEASHING VALUE



PVP Ventures joined hands with reputed players like Arihant and Unitech to derive the competitive advantage in the urban infrastructure sector.

REAL EFFORTS ARE REFLECTED IN THE REALISATION OF VALUE IN THE REALM OF REAL ESTATE

The company offers value to its stakeholders and customers through its trust-worthy and reputable real estate projects.

Its strategic partnership with Arihant, Unitech in real estate and urban infrastructure areas gives the necessary cutting-edge advantage. Its presence in Indian Badminton League and venturing into the Indian Super League enabled the company not only do different things, but doing the things differently.

India is expected to add 250 million people to its cities by 2030, which will inevitably translate into a increased need for urban residential accommodation. PVP Ventures is competently poised for providing residential realty solutions that straddle through the value chain. The Group expects to race towards its goal of emerging as a billion-dollar company in terms of revenues, sooner than later.

Built on Strong Foundations

Land Bank

The Company owns a substantial land bank spread across Chennai (70 acres) and Hyderabad (135 acres). This land bank is largely contiguous, low-cost and strategically located.

Land Bank Monetisation

Almost 20% of the Company's land bank is under development, representing its ability to progressively monetise assets. The Company is waiting for the opportune time to launch projects across the rest of its land bank.

Pride-enhancing Project

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

Appreciation

The base selling price of the North Town project witnessed a sharp capital appreciation from ₹3,000 psf in 2009 to ₹6,200 psf in 2012, validating robust customer demand leading to attractive project economics.

Zero Debt Status

The Company has zero external debt, a big asset in a cash-intensive business and a cash-starved economy.

Capabilities

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

Controls

The Company invested in an appropriate internal control system for business processes pertaining to the efficiency of operations, financial reporting and statutory compliance. Its internal auditors conducted quarterly audits encompassing processes including statutory compliances, payroll, purchase, fixed assets, among others and in doing so, ensured an adherence with policies and systems while mitigating operational and other risks.

Risk Management

Slowdown Risks

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

Mitigation

The fundamental rationale for the urban infrastructure and property development sector is rooted in the fact that it provides shelter and also enables an individual to own a productive asset. With India already running short of housing by 18-20 million units, the sector holds attractive long-term potential. This is reflected in the fact that the country's realty market is expected to surge from USD 55.6 billion in 2010 to USD 126 billion by 2015 (JLL estimates). Realty demand is expected to grow at a 19 percent CAGR between 2010 and 2014 with Tier-I and Tier-II cities projected to account for about 40 percent of the cumulative demand. This trend will be catalysed by the fact that India's urban population is expected to cross 590 million by 2030.

Perception Risks

The Company has only one project under development.

Mitigation

PVP Ventures is engaged in Central Chennai's largest residential township project spread across 70 acres, comprising 10 phases of about 6,700 apartments and located proximate to most major city landmarks. The sheer size and scale of the project warrants that the Company focuses on a single project at this point of time.

In addition, the Company is also the owner of a 135-acre land parcel in Hyderabad, which it expects to monetise over the coming years. The management is also seriously evaluating other areas like Media & Entertainment.

Joint Development Agreement Risks

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

Mitigation

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

Funding Risks

The real estate business is capital-intensive and the Company might not be able to mobilise adequate funds.

Mitigation

PVP Ventures is protected by the JDA, which governs the other development partners to bear the construction and marketing costs, thereby minimising the need for large-scale funds mobilisation by the Company. Besides, the Company also has zero debt on its books, significantly enhancing its ability to raise institutional finance as and when required. Moreover, free cash flows will be progressively accrued through phase-wise project completion and sales will enable the Company for onward deployment of funds.

Legal Risks

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

Mitigation

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

CORPORATE INFORMATION

Board of Directors:
R Nagarajan
N S Kumar
S. Niranjan Reddy (Ceased to be Director w.e.f April 11, 2014)
Prasad V. Potluri - Chairman & Managing Director

Board Committees

Audit Committee:
R Nagarajan
N S Kumar
S. Niranjan Reddy (Ceased to be Member w.e.f April 11, 2014)
Prasad V. Potluri (With effect from April 11, 2014)

Stakeholders Relationship Committee:
R Nagarajan
N S Kumar
S. Niranjan Reddy (Ceased to be Member w.e.f April 11, 2014)
Prasad V. Potluri (with effect from April 11, 2014)

Nomination & Remuneration Committee:
R Nagarajan
N S Kumar
S. Niranjan Reddy (ceased to be Member w.e.f April 11, 2014)
Prasad V. Potluri (with effect from April 11, 2014)

Key Managerial Personnel:
Prasad V. Potluri – Chairman & Managing Director
S. Kannan – Chief Financial Officer
GSV Ranga – Head – Legal & Company Secretary

Statutory Auditors:
M/s. CNGSN & Associates,
Chartered Accountants, No.2,
Vijayaraghava Road, T Nagar, Chennai – 17.

Registered Office:
KRM Centre, 9th Floor, Door No.2
Harrington Road, Chetpet, Chennai – 600 031.
Telephone: +91-44-30285570, Fax: +91-44-30285571
Email: investorrelations@pvpglobal.com

Stock Exchanges where Company's Securities are listed:
The BSE Limited
The National Stock Exchange of India Ltd.
The London Stock Exchange Ltd. (GDRs)

Principal Bankers:
Kotak Mahindra Bank Limited
HDFC Bank Limited
Indian Overseas Bank

Corporate Office:
4th Floor, Punnaiah Plaza,
Plot No.83 & 84, Road No.2, Banjara Hills, Hyderabad – 34.
Telephone: +91-40-67309999, Fax: +91-40-67309988
Email: investorrelations@pvpglobal.com

Registrar & Transfer Agents:
Karvy Computershare Private Limited
Plot No.17-24, Vittal Rao Nagar
Madhapur, Hyderabad – 500 081. Telangana
Telephone: +91 040 – 44655000,
Fax No. +91 040 – 23420814
Email: einward.ris@karvy.com

STATUTORY SECTION

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the members of PVP Ventures Limited will be held on Friday, the September 26, 2014 at 10.00 A.M. at The Kings Hall, The Pleasant Days Resort, Chennai - Bangalore Highway, Palanjur, Sembarambakkam, Chennai - 600 123, Tamilnadu to transact the following:

Ordinary Business

1. To consider and adopt the Audited Balance Sheet as at March 31, 2014, Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.

2. To reappoint M/s. CNGSN & Associates, Chartered Accountants, Chennai (FRN: 004915S) as the statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration as may be decided by the Board of Directors.

Special Business

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. R. Nagarajan (DIN:00443963), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years effective from September 26, 2014 to September 25, 2019."

   "RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. N S Kumar (DIN:00552519), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years effective from September 26, 2014 to September 25, 2019."

   "RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

   "RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013, and any rules framed there under and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the existing Articles of Association of the Company be altered as set out below:

   i) The existing Article 1.1 (a) shall be replaced with the following Article:

   "The Act" or "The Companies Act, 1956" means the Companies Act, 2013, as may be amended from time to time.

   ii) After the existing Article 1.1 (g), the following Article shall be added:

   Article 1.1 (h): Any reference to the Sections/ provisions that were expressed in the Articles under the erstwhile Companies Act, 1956 be read with reference to the corresponding Sections/provisions of the new Companies Act, 2013 with related Rules, as may be prescribed and amended from time to time.

   iii) The existing Article 49 (2) shall be replaced with the following Article:

   The quorum shall be such number of members as may be prescribed in the Companies Act, 2013 from time to time.

iv) **The existing Article 64 shall be replaced with the following Article:**

The maximum number of Directors shall be such number of Directors as may be permissible under the applicable provisions of the Companies Act, 2013, as may be amended from time to time.

v) **The existing Article 78 shall be replaced with the following Article:**

The Directors shall be liable for retirement by rotation as per the provisions of the Companies Act 2013. Notwithstanding anything to the contrary contained herein, no Managing Director / Whole Time Director, Independent Director, Nominee Director and Small Shareholders Director shall be liable to retire by rotation. No share qualification is required for becoming a Director in the Company

vi) **After the existing Article 78, the following new Article shall be added:**

Article 78A: The Managing Director of the Company can also be appointed or reappointed as Chairman& Managing Director of the Company.

By order and on behalf of the Board
For PVP Ventures Limited

Sd/-
G S V Ranga
Head – Legal & Company Secretary

Date: August 8, 2014
Place: Chennai

Notes:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

2. **A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote only on a poll on his/her/its behalf and the proxy, however, need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before commencement of the Meeting. A Proxy form for the AGM is enclosed to this Annual Report.**

3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf.

4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting. Members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.

5. In case of joint holders, attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 22, 2014 to Friday, September 26, 2014 (both days inclusive) for the purpose of Annual General Meeting.

7. Pursuant to Section 101 of Companies Act, 2013 read with the relevant Rules, the Company is allowed to serve documents like notices, annual reports, etc., in electronic form to its Members. Accordingly, the said documents of the Company for the financial year ended March 31, 2014 will be sent in electronic form to those Members who have registered their e-mail addresses with their DPs. However, in case a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to **investorrelations@pvpglobal.com** for receipt of hard copies.This would enable the Company to update its database by incorporating/updating the designated e-mail addresses in its records. The Members may also note that the said documents will also be uploaded on the website of the Company at **www.pvpglobal.com.**

8. Members are requested to quote their Registered Folio Number, Client ID, Number of shares on all correspondence with the Company/RTA and notify the Company's RTA, or the Depository Participants, the change of registered address, if any.

9. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:

   (i) Change in their Residential status on return to India for permanent settlement.

   (ii) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.

10. The Company has designated an exclusive email ID viz. **investorrelations@pvpglobal.com**, which would enable the investors/shareholders to post their complaints while quoting their Registered Folio Number, Client ID,and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives.

11. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answers may be made readily available at the meeting.

12. The Annual Report of the Company for the year 2013-14 circulated to the Members of the Company is available on the Company's website, viz. **www.pvpglobal.com**

13. The Company pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, is extending e-voting facility for its Members to enable them to cast their vote electronically, instead of participating and voting physically in the Annual General Meeting. In this regard, the Company has appointed Mr. D. Hanumanta Raju, Partner, M/s. D. Hanumanta Raju & Co, Practicing Company Secretaries, Hyderabad, who in the opinion of the Board is a duly qualified person, as a Scrutinizer to collate the electronic voting process in a fair and transparent manner.

14. The e-voting facility will be available at the link **http://evoting.karvy.com** during the voting period.

15. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

16. Members are requested to note that the e-voting will open at 10:30 a.m. on September 18, 2014 and shall remain open for 3 days i.e. upto September 20, 2014 and it shall not be allowed beyond 6 p.m. on September 20, 2014.

17. The procedure and instructions for e-voting are as follows:

    i. Open your web browser during the voting period and navigate to **https://evoting.karvy.com.**

    ii. Enter the login credentials (i.e., user-id & password) provided to you as mentioned at point no. 15 supra.

    iii. In the event of any difficulty, Please contact toll free No. 1-800-34-54-001 for any further clarifications.

    iv. After entering these details appropriately, click on "LOGIN".

    v. Members holding shares in Demat/Physical form will then reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password shall be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this same password can be used by the Demat holders for voting in respect of other companies also, provided that the other Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. Then, System will prompt you to change your password and update any contact details like mobile number, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

    vii. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.

    viii. If you are holding shares in Demat form and had logged on to **https://evoting.karvy.com** and you have already casted your vote in respect of any company, then your exiting login id and password are to be used.

    ix. On the voting page, you will see Resolution Description and against the same, the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'.

    x. After selecting the resolution you have decided to vote on, then click on "SUBMIT". A

confirmation box will be displayed. If you wish to confirm your vote, then click on "OK", and in case, if you wish to modify your vote, then click on "CANCEL "and accordingly modify your vote.

xi. Once you 'CONFIRM' your vote on the resolution, then in such case, you will not be allowed to modify your vote in any manner.

xii. Corporate/Institutional Members (corporate Fls/ Flls/Trust/Mutual Funds/Banks, etc) are required to send scan copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to **evotingpvp@pvpglobal.com** with copy to **evoting@karvy.com.** The file scanned image of the Board Resolution should be in the common naming format titled "Corporate Name_ Event no."

xiii. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

ANNEXURE TO THE NOTICE

STATEMENT AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item Nos. 3 & 4:

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Mr. R. Nagarajan and Mr. N S Kumar as Independent Directors of the Company for a period of 5 years effective from September 26, 2014 to September 25, 2019. As required, the Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from members proposing the appointment of aforesaid Independent Directors. They have held the positions as such for more than 5 (five) years.

A brief profile along with other details of the Independent Directors are as follows:

Name of Director	Mr. R. Nagarajan
DIN	00443963
Date of birth	July 06, 1938
Date of appointment on the Board	March 19, 2001
Qualifications	B. Com (Hons.), CAIIB
Profile of the Director	Mr. R. Nagarajan is a retired State Bank of India (SBI) official, who during his 50 years of career, held various positions in different part of the Country with SBI. He retired in 1998 as the Chief General Manager of SBI, Chennai Circle.
Directorships held in other public companies	Picturehouse Media Limited Duggar Finance & Investments Limited PVP Capital Limited
List of the Committees of other Companies in which chairmanship/Membership held	Chairman of Audit Committee; Stakeholders Relationship Committee; and Nomination & Remuneration Committee of Picturehouse Media Limited and Chairman of the Audit Committee of PVP Capital Limited.
Chairman/Member of the Committees of the Company	Chairman of Audit Committee; Stakeholders Relationship Committee; and Member of Nomination & Remuneration Committee.
No. of shares held in the Company	NIL
Relationship with other directors of the Company	NIL

Name of Director	Mr. N.S. Kumar
DIN	00552519
Date of birth	January 06, 1947
Date of appointment on the Board	March 19, 2001
Qualifications	MS in Computer Science Operations from Ohio University, USA and BE from Guindy College of Engineering, Chennai.
Profile of the Director	Over 40 years of experience in information technology and project management. He has been actively involved in multiple international assignments and managed several initiatives inproject development and quality assurances.
Directorships held in other public companies	Picturehouse Media Limited Electro Scan India Limited PVP Capital Limited (w.e.f.28/04/2014)
List of the Committees of other Companies in which chairmanship/Membership held	Member of Audit Committee; Stakeholders Relationship Committee; and Nomination & Remuneration Committee of Picturehouse Media Limited and Member of the Audit Committee of PVP Capital Limited.
Chairman/Member of the Committees of the Company	Chairman of Nomination & Remuneration Committee and Member of Audit Committee and Stakeholders Relationship Committee.
No. of shares held in the Company	NIL
Relationship with other directors of the Company	NIL

The Board of Directors believe that the continuation of the aforementioned Independent Directors with the Company shall be of immense help to the furtherance of the growth of the Company and hence, the Board recommends the appointment of Mr. R. Nagarajan and Mr. N S Kumar as Independent Directors as set out in Item Nos. 3 to 4 for the approval of the shareholders at the ensuing Annual General Meeting.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) and such Independent Directors are not connected in any way to the management of the Company, except that of rendering services as professional directors of the Company. Further, all the aforesaid Independent Directors have given a declaration to the Board of Directors to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Other than the above appointees, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolutions as set out in Item Nos. 3 to 4 of this Notice, except to the extent of their shareholding. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

The Board commends the Ordinary Resolutions set out at Item Nos. 3 to 4 of the Notice for approval by the shareholders.

Item No. 5:

The amendments to the Articles of Association of the Company are being proposed to alter the Articles in line with the new provisions of the Companies Act, 2013. Further, the proposed alterations would also enable the Company to appoint a Director as Chairman & Managing Director of the Company, which is otherwise not vested with the Board, unless there exists a provision to this effect in the Articles of Association.

A copy of the Memorandum and Articles of Association of the Company would be available for inspection by the members at the Registered Office of the Company during normal business hours (9:30 am to 6:00 pm) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, either financially or otherwise, in the resolution set out at Item No. 5, except to the extent of their shareholding.

The Board commends the Special Resolution set out at Item No.5 of the Notice for approval by the shareholders.

By order and on behalf of the Board

For PVP Ventures Limited

Sd/-
G S V Ranga
Head – Legal &Company Secretary

Date: August 8, 2014
Place: Chennai

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors (Board) of PVP Ventures Limited (Company) with immense pleasure, present their 23rd report on the business operations of your Company for the financial year 2013-14. This Report is being presented along with the audited financial statements for the year.

Financial Results

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2013-2014	2012-2013	2013-2014	2012-2013
Total Income	6412.12	4869.62	7658.86	5986.07
Operational, Administration and other expenses	3066.80	1238.16	3101.45	1279.03
Profit/(Loss) before Depreciation, Interest and Tax	3345.32	3631.46	4557.41	4707.04
Depreciation	20.52	14.84	20.52	14.84
Interest and Finance Charges	1939.91	44.01	2027.36	44.01
Profit / (Loss) before Tax	1384.89	3572.61	2509.53	4648.19
Exceptional Items	42.86	(967.39)	1687.87	170.62
Provision for taxation	539.82	910.88	540.91	910.91
Profit/ (Loss) after tax	802.21	3629.12	280.75	3566.66

Review of Operations

The financial year 2013-14 was a year of consolidation for your Company. During this year, though there was a moderate increase in the total income, at the bottom line could not witness similar proportion and as a result, the net profit (standalone) has reduced drastically from Rs.36.29 crore during the previous year to Rs.8 crore during the year under review. The decline in the profitability was mainly attributable to writing back off exceptional items, interest payments and increase in general overheads on account of embarking upon diversion plans.

Due to overall slowdown persisting in the real estate industry, the revenues envisaged out of the project development could not witness any remarkable growth and as a result, the cash flows from the Project have come down marginally. However, there appears to be signs of recovery of the overall market in the ensuing quarters, with the result, the realization from our Perambur Project would witness marginal increase during this current financial year.

As informed to the Members in the previous Annual Report, your Board is pleased to share with you that, your Company had bid for India's first Badminton League and won the Hyderabad Franchise and rechristened the team as "Hyderabad Hotshots". This Team has won the inaugural season of the Indian Badminton League (IBL) Trophy that was held in August, 2013. This being the first season of the IBL, it could not support the bottom-line as expected. However, the Management of your Company is very positive about IBLs contribution in the years to come.

Inspired with the success of IBL, the Company entered into football and bid for the Indian Super League (ISL) being promoted by IMG Reliance and Star India (Organizers), under the aegis of All India Football Federation and was successful in winning a Kochi Football Team, which was christined as 'Kerala Blasters Football Club'. To take this event further, your Company has executed a Participation Agreement with Football Sports Development Private Limited (an SPV formed by IMG Reliance; Star India and All India Football Federation) in April, 2014. The selection of players for Kochi Football Team is under process. First season of the Indian Super League (ISL) may commence in the month of September - October, 2014. Though the first season of the ISL may not contribute much, the Management is of the opinion that from the second season onwards, the contribution from ISL to the bottom-line could be significant.

Apart from the above, the Company is exploring various plans to embark upon investing into Electronic Media, and other viable business verticles either by way of acquisitions or through mergers, etc and the details of which would be disseminated to the stakeholders at appropriate time.

Dividend

In order to conserve the resources for future plan of actions and also to reduce the dependence on outside lenders, the Board of Directors could not recommend any dividend for the financial year 2013-14.

Capital Structure

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

Consolidated Financial Statements

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements, the audited Consolidated Financial Statements are provided in the Annual Report.

Subsidiary Companies

With a view to consolidate its business operations, the assets and liabilities of 5 (five) wholly owned subsidiaries viz., Maven Infraprojects Private Limited, PVP Business Ventures Private Limited, AGS Hotels & Resorts Private Limited, Cuboid Real Estates Private Limited and PVP Business Towers Private Limited were assigned to another wholly owned subsidiary i.e., PVP Global Ventures Private Limited and consequently, the Company has closed down those five wholly owned subsidiary companies under Section 560 of the Companies Act, 1956.

In order to explore its proposed areas of operations, during the year under review, your Company through it's subsidiary i.e., PVP Global Ventures Private Limited had invested in the equity of Adobe Realtors Private Limited and also incorporated a wholly owned subsidiary company by name i.e., PVP Media Ventures Private Limited. As a result, PVP Media Ventures Private Limited has become Wholly owned subsidiary of your Company and Adobe Realtors Private Limited has become step-down subsidiary of your Comapny.

During the year under review, your Company has sold its investment (12,500 equity shares) in the equity capital of PVP Star Hotels Private Limited at a consideration of Rs.550 lakhs, thereby earned a profit of Rs.349 lakhs.

As on March 31, 2014, your Company is having three Wholly Owned Subsidiaries, viz, PVP Global Ventures Private Limited; PVP Corporate Parks; and PVP Media

Ventures Private Limited, one Subsidiary Company, viz, New Cyberabad City Projects Private Limited and one step-down subsidiary viz., Adobe Realtors Private Limited.

The Consolidated Financial Statements of your Company for the financial year 2013-14 are prepared in compliance with applicable Accounting Standards and applicable clauses of the Listing Agreement as prescribed by the Securities and Exchange Board of India. The consolidated accounts have been prepared on the basis of audited financial statements received from subsidiaries as approved by their respective Boards.

A separate statement containing the salient features of all subsidiaries of your Company which includes capital, reserves, total assets, total liabilities, details of investment, turnover, etc., forms part of this report in compliance with the General Circular No. 2/ 2011 dated 8th February, 2011 issued by Ministry of Corporate Affairs granting a general exemption from the provisions of Section 212(8) of the Companies Act, 1956. The annual accounts and financial statements of the subsidiary companies and related detailed information shall be made available to members on request and are open for inspection at the Registered Office of your Company.

Consequent to PVP Global Ventures Private Limited's becoming a Material Non Listed Indian Subsidiary of the Company during the year under review, the Company had appointed its Independent Director, Mr. N S Kumar, with effect from August 24, 2013 on the Board of PVP Global Ventures Private Limited, in compliance of Clause 49 of the Listing Agreement.

Public Deposits

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

Insurance

All the properties of your Company have been adequately insured.

Management Discussion and Analysis Report

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

Auditors' report

The Auditors' Report for the financial year 2013-14 is an "Un-qualified" report and the said Report together with the Audited Accounts for the financial year ended March 31, 2014 read with the Notes on Accounts are self-explanatory and therefore do not call for any further comments.

Statutory Auditors

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

The Board of Directors recommends reappointment of M/s. CNGSN & Associates as the statutory auditors of the Company for the year 2014-15. Necessary resolution for their reappointment is incorporated in the Notice calling the AGM.

Directors

As on the date of this Report, the Board of Directors comprises of Mr. Prasad V. Potluri, Mr. R. Nagarajan and Mr. N.S. Kumar. During the year under report, Mr. S. Niranjan Reddy has resigned as Director and therefore ceased to be director with effect from April 11, 2014.

In terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors of your Company and are not liable to retire by rotation and the tenure of the Independent Directors on the date of commencement of the Companies Act, 2013 (ie., 01.04.2014) shall not be counted as term for aforesaid period of 5 years. Accordingly, it is proposed to appoint Mr. R. Nagarajan and Mr. N S Kumar as Independent Directors of your Company for a period of 5 years effective from September 26, 2014 to September 25, 2019.

Appropriate resolutions for the appointment of Directors are being placed before you for your approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice. Your Directors recommend their appointment/reappointment as Directors of your Company.

Stock Exchange Listing

Presently, the Equity Shares of the Company are listed on The BSE Limited (BSE) and the National Stock Exchange of India Limited and the GDRs are listed on London Stock Exchange. The Company confirms that it has paid the Annual Listing Fees due to the Stock Exchanges for the year 2014-15.

Directors' Responsibility Statement

Pursuant to the requirements of Section 217 (2AA) of the Companies Act, 1956, the Directors of the Company, in respect of the financial year ended March 31, 2014, confirm that:

(i) In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;

(ii) They 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 for the financial year ended March 31, 2014 and of the profit of the Company for the year ended on that date;

(iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) They have prepared the annual accounts on a going concern basis.

Corporate Governance

The Company is committed to maintain the prescribed standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the mandatory stipulations prescribed. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from a firm of Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is forming part of the Report on Corporate Governance.

Managing Director and Chief Financial OfficerCertification

As required under the SEBI Guidelines, the Chairman & Managing Director and the Head of the Finance Function Certification is attached to this Report.

Internal Control Systems

The Company has a proper and adequate system of internal controls. This ensures that all the transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. An extensive programme of internal audits and management reviews supplements the process of internal control. The internal control system has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

The Company also has an Audit Committee, comprising 3 (three) professionally qualified Directors, who interact with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference. This Committee mainly deals with accounting matters, financial reporting and internal controls.

Employees

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Company has appointed Mr. S. Kannan, Head – Finance & Accounts as the Chief Financial Officer of the Company with effect from May 28, 2014.

Particulars of employees

The provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company for the year under review.

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

Particulars regarding technology absorption, conservation of energy and foreign exchange earnings and outgo required under section 217 (1)(e) of the Companies Act, 1956 and Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 to the extent applicable are as under:

A.	**CONSERVATION OF ENERGY:** The operations of the Company involve low energy consumption. Adequate measures have, however, been taken to conserve energy.		
B.	**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:** The Company continues to use the latest technologies for improving the quality of its operations.		
C.	**FOREIGN EXCHANGE EARNINGS AND OUTGO:**		
			(₹ in Lakhs)
	Particulars	**Current year**	**Previous year**
	Foreign exchange earnings	NIL	NIL
	Foreign exchange outgo:		
	- Travel related Expenses	1.16	Nil
	- Professional Fees	66.06	Nil
	- London Stock Exchange Fee	11.71	10.69
	- Interest	1926.91	Nil
	Total	**2005.84**	**10.69**

Acknowledgements

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

For and on behalf of the Board of Directors

Sd/-
Prasad V. Potluri
Chairman & Managing Director

Date: August 8, 2014
Place: Chennai

MANAGEMENT'S DISCUSSION & ANALYSIS

Industry Structure & Development

The real estate sector in India assumed greater prominence with the liberalization of the economy, as the consequent increase in business opportunities and labor migration led to rising demand for commercial and housing space. At present, the real estate and construction sectors are playing a crucial role in the overall development of India's core infrastructure. The real estate industry's growth is linked to developments in the retail, hospitality and entertainment (hotels, resorts, cinema theatres, multiplexes) industries, economic services (hospitals, schools) and information technology (IT)& IT enabled services.

The Indian real estate sector has traditionally been dominated by a number of small regional players with relatively low levels of expertise and/or financial resources. Historically, the sector has not benefited from institutional capital; instead, it has traditionally tapped high net-worth individuals and other informal sources of financing, which has led to low levels of transparency. This scenario underwent a change with in line with the sector's growth, and as of today, the real estate industry's dynamics reflect consumers' expectations of higher quality with India's increasing integration with the global economy.

Real Estate sector forms an important place in the Indian economy with a GDP contribution of approximately 5-6%. Favorable demographics, rising household incomes and growth in IT& ITES sector have led the growth in the real estate industry even during the financial meltdown. The sector is also displaying considerable progress to evolve from an unorganized market to an organized industry.

In the recent past, the Indian economy has had to overcome varied challenges in its resolve to sustain its economic success. The major challenges included:unsupportive external environment, domestic structural constraints, growth slowdown and inflationary pressures.The Central Statistics Office (CSO's) estimates indicate a 4.9 percent growth in real GDP in 2013-14, as compared to a growth of 4.5 percent posted in 2012-13, marking a second straight year of below 5 per cent growth. Overall, 2013 remained inactive, with stalled infrastructure projects and subdued corporate investments affecting all the major sectors in real estate. The consumer sentiment was further affected by higher inflation and Rupee depreciation on the other. Interest rates in FY 2013-14 have been extremely volatile, with the Reserve Bank of India's (RBI) initiative to balance growth, stubborn inflation and rupee depreciation. 2013-14 was not a good year for India's residential real estate market. The sluggishness was most pronounced in the metros. Thanks to resurgence in

employment-driven market sentiments and the arrival of a number of right-priced residential projects, the year ended on a comparatively positive note. Further the country witnessed a landmark election verdict and expectations are huge from the newly elected government to revive the economy.

To conclude, a tight monetary policy condition along with stubborn core inflation and sluggish economic growth kept most of the financial intermediaries risk averse. This kept borrowing costs on the higher side.

Foray into Sports

We believe that sport is an integral part of the consumption story in India. During the year we bought the Hyderabad franchisee in the inaugural edition of Indian Badminton League conducted in August 2013. We are very happy to inform that we won the inaugural edition. Since then we entered into football by acquiring the Kochi team in the inaugural edition of the Indian Super League to be conducted during Sep-Nov 2014. We are keen to expand our presence in other sports too, and may acquire a franchisee in various other sport leagues that may be conducted in India and abroad from time to time.

Opportunities & Threats

In spite of the stupendous growth witnessed in the past 10 years, substantial housing shortage is still prevalent in India. According to CRISIL Research, housing shortage in India is estimated at 78.7 million units at the end of the year 2008. The overall housing shortage in India is likely to decline to 75.5 million units by the end of year 2014.

Further, CRISIL Research expects housing shortage to decrease due to the government's thrust on improving rural housing by providing houses to the homeless under various development schemes and by enabling slum redevelopment programmes in urban areas under Jawaharlal Nehru National Urban Renewal Mission (JNNURM). However, housing shortage in urban areas will continue to rise owing to migration towards urban areas and increasing trend of nuclear families. Housing shortage in urban areas is estimated at 19.3 million units at the end of 2008, up from 15.1 million units at the start of 2005. Housing shortage in urban areas is likely to touch a walloping 21.7 million units by the end of 2014.

The real estate market in India is yet in a nascent stage and the scope is simply unlimited, say the experts. It does not resemble a bubble that will burst. An unhindered growth for the next twenty years is almost sure. This is because the outsourcing business in India is going in great guns and this entails a huge demand for commercial buildings and urban housing besides improvement in infrastructure.

Further improvements in macroeconomic scenario, coupled with demographic changes in population such as changing age mix, increasing nuclear families, among others are expected to give an added impetus to the growth of the housing industries in India.The experts are of the opinion that with the promulgation of much awaited "The Real Estate Regulatory Bill", the Indian Real Estate Industry will definitely bounce back and show a good growth in the years to come.

On the other hand, this industry may face threats like Government Policies (Rise in Housing Loan Interest Rates), Political situation, state of global economy, tightening of credit market, and competition from unorganized sector, high rate of inflation, overall industry growth rate, etc.

Financial Performance

A. Capital Structure: There is no change in the capital structure during the period under report.

B. Reserves & Surplus: The decrease in Reserves & Surplus has been contributed by the amortization of goodwill during the year.

C. Borrowings: The increase in Long Term Borrowings is due to increase in borrowings from other body corporate.

D. Non-Current Investments: Investments made in various companies both listed and unlisted considering the business objectives and long term revenue generations from those investments

E. Long term & Short term loans & advances: This indicates various other advances given by the Company in its regular course of business operations.

F. Revenue from Operations: The consolidated revenue increased to Rs.63.47 crore from Rs.47.76 crore during the previous year.

G. Cost of Sales: This indicates to expenditure incurred by the Company towards its sports operations.

H. Employee Benefit Expenses: The increase in employee benefit expenses is due to recruitments of talented executives in the senior cadre of the company and payment of Mangerial remuneration from 1st June 2013.

I. Other Expenditure: The increase in the other expenditure was mainly due to increase in legal, professional and consultancy expenses and this increase is justifiable keeping in view the increase in operations and revenues of the Company.

J. Exceptional Items: The increase in exceptional iteams was due to provision for diminution in value of investment.

K. Net Profit: The consolidated net profit for the year was Rs.2.81 crores as against a net profit of Rs.35.68 crores during the previous year.

Outlook

Due to the following factors, the outlook for Indian Real Estate Industry seems to be bright and very positive in the years to come and particularly in the year 2014-15.

Residential real estate remains the focal point of Indian real estate, regardless of the market conditions. Considering the massive demand for homes in the country, this is hardly surprising.

However, the demand does not ensure equal absorption in a price-sensitive country like India, where the greatest requirement for residential properties stems from the Economically Weaker Sections (EWS) and middle income groups. The high dependence on home loans by the salaried class underscores the price sensitivity factor even further.

The reasons for the slowdown in most Indian cities are not hard to guess – inflation led to decreased purchasing power and financial confidence, while the RBI went through the ceiling with its spate of hikes in interest rates. This obviously led to a steep rise in the EMIs that home loan borrowers had to bear. Property prices remained high in most cities, largely because developers were hit hard by the vastly increased cost of construction and debt.At the same time, the potential for most salaried people in the country to switch to more lucrative jobs took a nosedive because of the fallout of the economic crisis in the developed countries. All this combined to bring about a sort of stalemate between developers and property buyers in cities where inventory as well as property rates remained high.

The housing industry is bound to receive the attention of the new Union Government because it is a major sector of the Indian economy. Housing is the largest component of the construction sector and is pivotal to economic growth, with a related and strong impact on employment and poverty reduction. It has implications on the healthy growth of households, their optimism and investment opportunities and it creates an environment conducive to a positive outlook in society. Housing provides a stable platform for the development of a democratic society. Globally, there is a strong correlation between economic development, housing and housing quality. It is said that alleviating the urban housing shortage could potentially raise the rate of growth of GDP and have a decisive effect on improving the basic quality of life.

Risks & Concerns

Banks have been very cautious in lending because of the delays in execution of Projects by the developers and also due to tightening of lending norms by the Reserve Bank of India (RBI). With RBI restricting use of bank debt for land acquisition, equity and mezzanine capital has become the favored option for such use. Hence, availability of finance is a major concern for this Industry.

Further, as per the Industry sources, lot of finished stock lying unsold and due to this reason, the capital invested by the developers on those projects got blocked and to that extent, the existing developers may show some sort of reluctance to venture into new projects.

The other major risks & concerns include inflation, status of global economy, growth rate, etc. Experts are of the opinion that the proposed Real Estate (Regulation and Development Bill) works both ways. On one hand, it aims to hold the developers accountable; on the other hand, it also looks to ensure that the allottees do not default in making payments. Mandatory registration of projects, mandatory deposit of certain per cent of project revenues in separate bank account, etc are also there in the proposed Bill. Industry experts are of the view that the perception of the various stake holders towards this Bill would have a major bearing on the performance of Real Estate Industry in near future.

Internal Control System and their adequacy

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

Human Resources & Industrial Relations

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

Cautionary Statements

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

REPORT ON CORPORATE GOVERNANCE

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

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

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

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

The Board of Directors (The Board):

The Board consists of four Directors comprising one Executive Director and three Non-Executive and Independent Directors, as on March 31, 2014. The composition of the Board represents the finest blend of professionals from various backgrounds which enables the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

(a) Composition and Category of Directors

The details of each Member of the Board along with number of Directorship(s)/Committee Membership(s) held by Directors in companies other than PVP Ventures Limited, along with age of the Director, date of appointment on the Board of PVP Ventures Limited and Director Identification Number (DIN) are provided below for the period ended March 31, 2014:

Name of the Director	Age (Years)	Designation/ Position	Date of Appointment	DIN	Directorships in other Indian Public Companies	Position on Committees of the Board of Indian Companies	
						As Chairman	As Member
Mr. N S Kumar	67	Non Executive & Independent Director	19/03/2001	00552519	3	Nil	4
Mr. R. Nagarajan	76	Non Executive & Independent Director	19/03/2001	00443963	3	5	Nil
Mr. S. Niranjan Reddy	45	Non Executive & Independent Director	18/03/2013	00337600	Nil	Nil	2
Mr. Prasad V. Potluri	43	Promoter & Chairman & Managing Director	04/12/2007	00179175	1	Nil	2

Notes:

1. Mr. S. Niranjan Reddy resigned and ceased to be a Director with effect from April 11, 2014.
2. None of the Directors are related to each other;
3. Number of Directorship held in other companies includes all public limited companies, whether listed or unlisted and excludes private limited companies, foreign companies, companies established under Section 25 of the Companies Act, 1956 and alternate Directorships, Membership of Managing Committees of Chambers of Commerce / Professional Bodies;
4. Membership/Chairmanship in Committees include only Audit Committee and Stakeholders' Relationship Committee; and
5. The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors is a Member of more than 10 Committees or Chairman of more than 5 Committees across all Indian public limited companies in which he is a Director. Number of Chairmanships/ Memberships of Committees covers Chairmanships/ Memberships of Audit Committee and Stakeholders' Relationship Committee.

(b) Attendance of the Directors at the Board Meetings and the Twenty Second AGM

The calendar of Board Meetings is decided in consultation with the Board and the schedule of such meetings is communicated to all Directors well in advance. Generally, the Board Meetings are held in Chennai where the Registered Office of your Company is situated. The agenda for the Board Meeting includes applicable matters as per Annexure IA of Clause 49 of the Listing Agreement and is generally circulated few days prior to the date of the Meeting and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions on behalf of the esteemed Shareholders.

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

Your Board met four times during the financial year 2013 -14 on May 27, 2013, August 09, 2013, November 13, 2013 and February 07, 2014.

The necessary quorum was present for all the Board Meetings and at the 22nd Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of four months. After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board and Committees of the Board.

All the Directors have attended all the four Board Meetings and also the 22nd Annual General Meeting held on September 26, 2013, except Mr. S. Niranjan Reddy who could not attend any Board Meeting during the year and also the 22nd Annual General Meeting.

None of your Directors holds any shares in the Company.

A Code of Conduct as applicable to the Directors and the designated Senior Management of the Company had been approved by the Board and adhered by them. A declaration to this effect from the Chairman & Managing Directors of the Company forms part of this Annual Report.

Committees of the Board:

(A) Audit Committee

The Audit Committee was constituted in accordance with the requirements of the Listing Agreement and Companies Act.

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

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommending to the Board, the appointment, re-appointment, replacement or removal of the Statutory Auditor and the fixation of audit fees.

c. Recommending payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

d. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report as required under the Companies Act, 1956 and / or the Companies Act, 2013;

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

   iii. Major accounting entries involving estimates based on the exercise of judgment by Management;

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

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

   vi. Disclosure of any related party transactions and review and approval of any transactions with related parties;

   vii. Dealing with qualifications in the draft audit report;

   viii. Review of any concerns raised by the Employees of the Company or others about possible improprieties in financial reporting, including Management override of internal controls and financial irregularities involving Management team members;

   ix. Review of Management Discussion and Analysis of financial condition and results of operations; and

   x. Review of Management letters / letters of internal control weaknesses issued by the Statutory Auditors.

e. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.

f. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.

g. 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.

h. Discussion with Internal Auditors on any significant findings and follow up there on.

i. Reviewing the findings of any internal investigations by the Internal Auditors in 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.

j. 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.

k. Looking 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.

l. Review of the functioning of the Whistle Blower Mechanism, in case the same is existing.

m. 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.

n. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee has three Directors, as per the details given in the table below. All Members are financially literate and have the required accounting and financial management expertise.

The Chairman of the Audit Committee, Mr. R. Nagarajan, is an Independent Director and he was present at the last Annual General Meeting to answer the Shareholders' queries. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

The Audit Committee met four times during the financial year 2013-14 on May 27, 2013, August 09, 2013, November 13, 2013 and February 07, 2014 and not more than four months had elapsed between two Audit Committee Meetings. The necessary quorum was present for all the Audit Committee Meetings.

Details of Composition and Attendance of the Audit Committee Meetings:

Name of the Director	Category	Position	Number of Audit Committee Meeting	
			Held	Attended
Mr. R. Nagarajan	Non-Executive& Independent Director	Chairman	4	4
Mr. N S Kumar	Non-Executive& Independent Director	Member	4	4
Mr. S. Niranjan Reddy (1)	Non-Executive& Independent Director	Member	4	Nil
Mr. Prasad V. Potluri (2)	Chairman &Managing Director	Member	4	Not Applicable

(1) Ceased to be the Member with effect from April 11, 2014

(2) Appointed as a Member with effect from April 11, 2014

(B) Stakeholders' Relationship Committee

The Board of Directors at their meeting held on May 28, 2014 has rechristined the name of the committee as Stakeholders' Relationship Committee pursuant to the Companies Act, 2013. The Stakeholders' Relationship Committee is responsible for:

- Redressal of Shareholders' grievances in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet, for approval of the share transfers, transmissions and transpositions, etc.; &
- Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

Mr. G S V Ranga, Head-Legal & Company Secretary acts as Secretary to the Stakeholders' Relationship Committee.

The Compliance Officer monitors the share transfer process and reports to the Company's Board in each meeting and the Compliance Officer also directly liaises with the authorities such as SEBI, Stock Exchanges, Registrar of Companies etc., and investors with respect to implementation of various Clauses, rules, regulations and other directives of such authorities and investor service and complaints related matters. There is no share transfer pending for more than 15 days.

Your Company has a designated e-mail ID, **investorrelations@pvpglobal.com** for the redressal of any Shareholders' related grievances exclusively for the purpose of registering complaints by Members/ Shareholders. Your Company has also displayed the said email ID under the investors section at its website, **www.pvpglobal.com** and other relevant details prominently for creating investor awareness.

Your Company maintains a functional website containing necessary information about the Company e.g. details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, details of agreements entered into with the media companies and/or their associates, etc., at www.pvpglobal.com and the contents of the said website are updated regularly as per Clause 54 of the Listing Agreement.

The Stakeholders' Relationship Committee met three times on August 09, 2013, November 13, 2013 and February 07, 2014 during the financial year 2013-14.

Details of Composition and Attendance of the Stakeholders' Relationship Committee:

Name of the Director	Category	Position	Number of Audit Committee Meeting	
			Held	Attended
Mr. N S Kumar	Non-Executive& Independent Director	Chairman	3	3
Mr. R. Nagarajan	Non-Executive& Independent Director	Member	3	3
Mr. S. Niranjan Reddy (1)	Non-Executive& Independent Director	Member	3	Nil
Mr. Prasad V. Potluri (2)	Chairman &Managing Director	Member	3	Not Applicable

(1) Ceased to be the Member with effect from April 11, 2014

(2) Appointed as a Member with effect from April 11, 2014

Investor Grievance Redressal

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

Type of Complaints	No. of Complaints
Non-receipt of Annual Reports	Nil
Non-receipt of shares after transfer	01

There were no outstanding complaints as on March 31, 2014

(C) Remuneration Committee

Though it is not mandatory to constitute the Remuneration Committee as per the Listing Agreement, the Company has voluntarily constituted this Remuneration Committee. The brief description of terms of reference to the remuneration committee is, inter alia, to recommend compensation terms for Executive Directors. As on March 31, 2014, this Committee comprised of Mr. R. Nagarajan (Chairman), Mr. N. S. Kumar and Mr. S. Niranjan Reddy. The Company Secretary of the Company acts as the Secretary to this Committee. During the year, 1 meeting of the Remuneration Committee was held on May 27, 2013. Consequent to the resignation of Mr. S. Niranjan Reddy, he ceased to be a Member of the Remuneration Committee with effect from April 11, 2014 and the Board has appointed Mr. Prasad V. Potluri as the Member with effect from April 11, 2014.

Remuneration paid to the Directors during the year 2013-14

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

Details of sitting fees paid to the Directors during the financial year 2013-14:

Name of the Director	Amount (Rs.)
Mr. Prasad V. Potluri	NIL
Mr. R. Nagarajan	Rs. 170,506
Mr. N. S. Kumar	Rs. 170,506

Details of equity shares of the Company held by Directors as on March 31, 2014

Name of the Director	No. of shares @ Rs. 10 each
Mr. Prasad V. Potluri	NIL
Mr. R. Nagarajan	NIL
Mr. N.S. Kumar	NIL

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
2010 -11	Rani Seethai Hall, No. 603, Anna Salai, Chennai–600 006	September 28, 2011 10:00 A.M	NIL
2011-12	Kamaraj Arangam, No.492, (Old No.574-A), Anna Salai, Teynampet, Chennai–600006	September 26, 2012 10.00 A.M.	NIL
2012-13	Kamaraj Arangam, No.492, (Old No.574-A), Anna Salai, Teynampet, Chennai–600006	September 26, 2013 10.00 A.M.	(i) Commencement of New Business covered under Other Objects Clause of Memorandum of Association & (ii) Variation in terms of appointment of Mr. Prasad V. Potluri as Chairman & Managing Director of the company

B. Extraordinary General Meetings

No Extraordinary General Meeting held during the year.

C. Postal Ballot

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

(1) Amendment to the Main Objects clause of Memorandum of Association; and

(2) Amendment to the Other Objects clause of Memorandum of Association.

The Board had appointed Mr. D. Hanumanta Raju, Partner of D. Hanumanta Raju & Co., Practicing Company Secretaries, Hyderabad, as the scrutinizer to conduct the Postal Ballot process. The results of the postal ballot were declared on 10th May, 2013. Details of the voting pattern were as under:

Particulars	Resolution No.1			Resolution No.2		
	Total valid votes received	No. of votes received		Total valid votes received	No. of votes received	
		For	Against		For	Against
	149369623	149329273	40350	149344002	149305372	38630
Resolution passed with %	99.97% of the total valid votes received			99.97% of the total valid votes received		

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

Disclosures

(i) There were no materially 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. The Company's related party transactions are generally with its subsidiaries and associate companies. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, legal requirements and capital requirements of these subsidiaries and associate companies. All related party transactions are intended to further the business interests of the Company.

(ii) There were no instances of non-compliance by the Company, no penalties were imposed or strictures passed against the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years, except as stated below:

During August, 2010, the Company had filed a Consent Application with Securities & Exchange Board of India (SEBI) for voluntary settlement of delayed compliance of Clause 41 of the Listing Agreement with regard to (1) delay in filing of Limited Review Report for the quarter ended December 31, 2009; and (2) delay in filing of Audited Financial Results for the financial year ended March 31, 2010.

SEBI, vide its Order dated March 10, 2014 has accepted the Company's Voluntary Settlement Proposal against payment of Rs.1,00,000 and the Company has paid the said amount to SEBI.

(iii) During the year under review your company has received a Notice from the Office of Joint Director, Enforcement Directorate, Hyderabad Zonal Office ('ED') addressed to Mr. Prasad V. Potluri, Chairman & Managing Director of the Company directing him to furnish necessary details of investments made in Navabharat Power Private Limited ('NPPL') and in Mahalaxmi Energy Ventures Private Limited ('MEVPL'). Mr. Prasad V. Potluri, Chairman & Managing Director appeared before ED on different occassions and furnished the details sought by them. This notice has been issued by ED in connection with allocation of Coal Blocks to NPPL. NPPL and MEVPL were named as accused not only in the FIR but also in the Chargesheet filed by CBI before the CBI Court, New Delhi in connection with the alleged Coalgate scam. However, neither the Chairman & Managing Director of PVP Ventures Limited nor PVP Ventures Limited or any of its subsidiaries and affiliates were named as accused either in the FIR or in the Chargesheet filed by the CBI in the alleged coal blocks allotment.

The issue has cropped up when one of the PVP Group affiliate companies has earlier invested in MEVPL as a part of its diversification plans into power sector. However, PVP Group later opted out of the power business venture with MEVPL due to personal reasons and received back the full money it has invested in MEVPL. However, the ED has disputed the money paid by MEVPL to PVP Group and issued provisional attachment order against its step-down subsidiary i.e., M/s. Adobe Realtors Private Limited.

The Company is presently pursuing the provisional attachment order and initiating necessary steps to challenge it before adjudicating authority and Appellate Tribunal situated at New Delhi.

(iv) The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. The Company has also fulfilled the following non mandatory requirements as prescribed in Clause 49 of the Listing Agreement:

a. The Company has set up a Remuneration Committee, details of which have been given earlier in this Report.

b. The Statutory financial statements of the Company are unqualified.

c. **Whistle Blower Policy:** The Board had at its meeting held on May 28, 2014, adopted a Whistle Blower Policy to enable reporting of actual or suspected fraud or violation of the Company's code of conduct or ethics policy, to the management. The Whistle Blower Policy also provided adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases.

(v) The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.

(vi) At every Board Meeting, a statement of compliance with all laws and regulations as certified by the Chairman & Managing Director is placed before the Board for its review. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

(vii) In terms of Clause 49(V) of the Listing Agreement, the Chairman & Managing Director and the Head – Finance & Accounts submitted a certificate to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board.

(viii) The Company has adopted an Insider Trading Code as per the model code prescribed under the SEBI (Insider Trading) Regulations as amended upto date. All Directors/designated employees are required to disclose related information periodically as defined in the Code. The Company Secretary has been designated as the Compliance Officer under the Code. The code is available on the Company's website: **www.pvpglobal.com.**

(viii) The Board regularly discusses the significant business risks identified by the Management and the mitigation process being taken up.

(ix) The Company did not raise any funds during the year under preferential issue mode/rights issue/public issue.

Means of Communication

The Company announced the quarterly/half-yearly/annual results within the prescribed period and published the same in Business Standared (in English) and in Makkal Kural (in Tamil).

Annual Report containing inter-alia, Audited Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, Management Discussion & Analysis Report and Corporate Governance Report including information for the Shareholders and other important information is circulated to the members and others entitled thereto.

General Shareholders Information

i)	**Annual General Meeting** will be held on Friday, September 26, 2014 at 10.00 A.M. at **The Kings Hall, The Pleasant Days Resort, Chennai – Bangalore Highway, Palanjur, Sembarambakkam, Chennai-600 123, Tamilnadu**
ii)	**Financial Year** of the Company is 1st April to 31st March.
iii)	**Financial Reporting** for the quarter ending 30th September, 2014, 31st December, 2014, 31st March, 2015 and 30th June, 2015 will be within forty five days from the closure of the quarter.
iv)	**Dates of Book Closure** will be from September 22, 2014 to September 26, 2014 (both days inclusive).
v)	**Company's shares are listed** on the the BSE Limited & the National Stock Exchange of India Limited and the GDRs are listed on the London Stock Exchange
vi)	**Stock Code** of the Company's scrip is 517556
vii)	**ISIN Code** is INE362A01016
viii)	**High & Low Market Price** during each month in the accounting year was as follows:

	BSE		NSE	
Month	**High Price**	**Low Price**	**High Price**	**Low Price**
Apr-13	6.45	5.06	4.98	4.66
May-13	7.23	5.25	5.01	4.59
Jun-13	6.45	4.42	6.06	5.66
Jul-13	5.71	3.81	6.06	5.51
Aug-13	5.15	3.36	6.01	5.45
Sep-13	5.45	3.60	4.52	4.22
Oct-13	5.48	3.70	4.63	4.17
Nov-13	7.04	4.45	4.59	4.04
Dec-13	6.50	4.85	5.14	4.72
Jan-14	6.55	4.92	5.26	4.85
Feb-14	5.48	4.15	6.51	5.84
Mar-14	5.59	4.48	5.98	5.45

ix)	**Registrar & Share Transfer Agent**s of the Company is Karvy Computershare Private Limited, Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, Telangana; Telephone: +91 040 – 44655000; Fax No. +91 040 – 23420814 Email: einward.ris@karvy.com
x)	**Share Transfer System:** The Registrar and Share Transfer Agents, Karvy Computershare Private Limited, handle share transfers under the overall supervision of the Stakeholders Relationship Committee.
xi)	**Distribution of Shareholding as of 31st March, 2014** was as follows:

Category	No. of shares	% to share capital
Promoters	14,09,90,766	57.53
FIIs &Financial Institutions/Banks	30,69,131	1.25
Private Corporate Bodies	1,26,82,433	5.17
Indian Public	5,93,32,639	24.22
NRIs / HUFs/Clearing Members/Others	2,88,85,514	11.79
Custodians of GDRs	92,218	0.04
Grand Total	**24,50,52,701**	**100.00**

xii)	**Dematerialization of Shares & 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). Shares of the Company are actively traded on the Bombay Stock Exchange Limited. As on 31st March, 2014, 99.88% shares were held in dematerialized form.
xiii)	**Compliance Officer:** Mr. G S V Ranga, Head - Legal & Company Secretary; Phone: +91-44-30285570, Fax:+91-44-30285571
xiv)	**Address for correspondence:** PVP Ventures Limited, 4th Floor, Punnaiah Plaza, Plot No.83 & 84, Road No.2, Banjara Hills, Hyderabad – 34.Telephone: +91-40-67309999; Fax: +91-40-67309988.
xv)	**Investor Relations:** The Company generally replies to all the queries of the investors within a week of its receipt.
xvi)	**Nomination Facility:** Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to contact the Company's Share Transfer Agents,Karvy Computershare Private Limited, Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, Telangana; Telephone: +91 040 – 44655000; Fax No. +91 040 – 23420814

Distribution of Shareholding as on March 31, 2014

Sl.no	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 5000	28722	95.21	15106791	6.16
2	5001 - 10000	694	2.30	5451474	2.22
3	10001 - 20000	343	1.14	4932942	2.01
4	20001 - 30000	135	0.45	3376678	1.38
5	30001 - 40000	49	0.16	1712209	0.70
6	40001 - 50000	38	0.13	1747714	0.71
7	50001 - 100000	93	0.31	6563405	2.68
8	100001 and above	91	0.30	206161488	84.13
	TOTAL:	**30165**	**100.00**	**245052701**	**100.00**

Corporate Governance Certificate

A Certificate obtained from a firm of Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to the Directors' Report.

Reconciliation of Share Capital Audit Report

The Audit Report, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis. A copy of the Share Capital Audit Report is submitted to the Bombay Stock Exchange and National Stock Exchange every quarter.

CERTIFICATION IN TERMS OF CLAUSE 49(V) OF THE LISTING AGREEMENT

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

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief, we state that:

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

   (ii) these statements give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls and for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit Committee.

(d) During the year under reference -

   (i) there were no significant changes in the internal controls or overall financial reporting;

   (ii) no significant changes in accounting policies were made that require disclosure in the notes to the financial statements; 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.

	Sd/-	Sd/-
Date: May 28, 2014	Prasad V. Potluri	S. Kannan
Place: Hyderabad	Chairman &Managing Director	Head - Finance & Accounts

CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT

As the Chairman & Managing Director of PVP Ventures Limited and as required by Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2013-14.

Sd/-

Date: August 8, 2014
Place: Chennai

Prasad V. Potluri
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of M/s. PVP Ventures Limited

We have examined the compliance of conditions of corporate governance by PVP Ventures Limited ("the Company") for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

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

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

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

Date: August 8, 2014
Place: Hyderabad

Sd/-
Datla Hanumanta Raju
CP.1709

Partner
D. Hanumanta Raju & Co
Company Secretaries

GREEN INITIATIVE

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Goverance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. ***This notice in electronic form has been sent to those Members who have registered their mail addresses with the Depository Participants (DPs) and Registrar and Share Transfer Agents (RTA)***. To support this green initiative of the Government in full measure, members who have not registred their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with M/s. Karvy Computershare Private Limited.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR THE FINANCIAL YEAR 2013-14

(Amount in ₹)

S. No.	Particulars	Name of the Subsidiary Company			
		PVP Corporate Parks Pvt. Ltd	PVP Global Ventures Pvt. Ltd	New cyberabad City Projects Pvt Ltd	PVP Media Ventures Pvt ltd
1	The financial year for the subsidiary company ended on	31.03.2014	31.03.2014	31.03.2014	31.03.2014
2	Shares of the subsidiary company held by holding company as on the above date				
	(i) Number	500,000	5,602,869	1,010,000	12,000.00
	(ii) Extent of holding	100%	100%	81%	100%
3	Date from which it became a subsidiary				
4	The net aggregate amount of Profits / (Losses) of the Subsidiary so far as they concern the member of the Holding Company.				
	a) Dealt within the Holding Company's accounts				
	i) for the financial year of the subsidiary	(164,914,983)	112,857,447	(61,235)	(21,267.00)
	ii) for the previous financial years of the subsidiary since it became the Holding Company's subsidiary	(287,254)	(4,819,034)	(980,674)	NA
	b) Not dealt within the Holding Company's accounts				
	i) for the financial year of the subsidiary	N A	N A	N A	N A
	ii) for the previous financial years of the subsidiary since it became the Holding Company's subsidiary	N A	N A	N A	N A
5	Issued, Subscribed & Paid-up Capital	5,000,000	56,028,690	12,470,000	120,000
6	Reserves & Surplus	167,743,173	(669,020,969)	49,795,832	(21,266)
7	Liabilities	1,883,079	4,367,248,585	2,483,312,360	15,000
8	**Total Liabilities**	174,626,252	3,754,256,306	2,545,578,192	113,734
9	**Total Assets**	174,626,252	3,754,256,306	2,545,578,192	113,734
10	Investments	Nil	1,650,257,033	Nil	Nil
11	Turnover	Nil	124,673,161	Nil	Nil
12	Profit before Tax	(164,914,983)	112,966,023	(61,235)	(21,267)
13	Provision for Taxation	Nil	108,576	Nil	Nil
14	Profit after Tax	(164,914,983)	112,857,447	(61,235)	(21,267)
15	Proposed Dividend	Nil	Nil	Nil	Nil

STANDALONE FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To

The Members
PVP Ventures Limited
Chennai

Report on the Financial Statements

We have audited the accompanying financial statements of PVP Ventures (the Company), which comprises the Balance Sheet as at March, 31 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (the Act). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the Balance Sheet, of the State of Affairs of the Company as at March, 31, 2014;

b) In the case of Statement of Profit and Loss, of the PROFIT for the year ended on that date; and

c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date

Emphasis of Matter

Attention is drawn to the (a) Note 12 in notes to the financial statements with regard to the investment in equity shares of subsidiary companies at cost Rs.54357.20 lakhs with provision for diminution in carrying value provided for Rs.30000.00 lakhs, (b) investment in Redeemable Nonconvertible Debentures of subsidiary company of Rs.24832.00 lakhs, and (c) Note 13 in notes to the financial statements with regard to Unsecured Loans to subsidiary companies of net of provision Rs.3650.09 lakhs. The management is of the view that considering the market value of the assets, present value of investments and expected cash flows from the business of these subsidiary companies and the expected development of projects, the provision already made are adequate (Note 24.9) which describes the uncertainty related to the outcome of future events. Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order), as amended, issued by the Central Government of India, in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow statement comply with the accounting standards referred to sub-section (3C) of Section 211 of the Act;

   e. On the basis of written representation received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director, in terms of clause (g) of sub-section (1) of section 274 of the Act &

   f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act, nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

for M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 004915S

Date : May 28, 2014
Place : Hyderabad

Sd/-
R.THIRUMALMARUGAN
Partner
Membership No: 200102

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

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

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

   b. As per the information and explanations provided to us, the Company has physically verified the fixed assets during this year and there is no material discrepancies noticed on such verification.

   c. As per the information and explanation provided to us, substantial part of fixed assets have not been disposed off during the year, which affects the going concern.

2. a. According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals.

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

   c. According to the information and explanation given to us the company is maintaining proper records of inventory and there are no material discrepancies were noticed on physical verification.

3. a. According to the information and explanations given to us, the Company has granted, unsecured loans to two subsidiary companies, the parties covered in the register maintained under section 301 of the Companies Act, 1956. The total amount of outstanding as on the balance sheet date is Rs.41730.25 lakhs, out which a sum of Rs.5160.16 lakhs has already been provided for. It is also informed to us that these advances are interest free and recoverable on demand and therefor the other clause related to terms and conditions of loans, receipt of principal and overdue amounts are not applicable.

   b. According to the information and explanations given to us, the Company has taken unsecured interest free loans from two subsidiary companies, the parties covered in the register maintained under section 301 of the Act. It is informed that these loans are repayable on demand and total outstanding as on the balance sheet date is Rs. 4085.61 lakhs. Therefore the rate of interest, terms and conditions, repayment are not applicable.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls systems.

5. a. According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register maintained under that section.

   b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from public during this year. Therefore the provisions of section 58A, 58AA of the Act and any contravention of these provisions for the year under audit are not applicable.

7. The Company has an internal audit system commensurate with its size and nature of its business.

8. As per the information and explanations given to us, we are of the opinion that the Company has made and maintained the cost records pursuant to the Rules made by the Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.

9. a. According to the information and explanation given to us, the Company is depositing undisputed statutory dues with appropriate authorities, like Provident Fund, Investor Education and Protection Fund, Employee's State insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Customs Duty, Excise Duty, Cess, wherever applicable, except few delays in depositing Income Tax TDS and Service Tax remittances on reverse charge. There are no undisputed Statutory outstanding dues as at 31st March 2014 for a period of more than six months from the date they become payable.

   b. According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess which have not been deposited on account of any dispute, except the Income Tax demands disputed before the ITAT, Chennai for the Asst year 2008-09 Rs.1480.00 lakhs.

10. In our opinion and according to the information and explanation given to us, the accumulated loss the Company as at the end of the financial year is more than 50% of its networth. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions or banks or debenture holders.

12. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause 4 (xiii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.

14. In our opinion and according to the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.

15. In our opinion and according to the information and explanation given to us, the Company has given corporate guarantee for loans taken by group companies from banks and the terms and conditions whereof are not prejudicial to the interest of the company.

16. In our opinion and according to the information and explanation given to us, the Company has not obtained any term loans during the year.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.

18. According to the information and explanation given to us, the Company has not made allotment of shares during the year.

19. According to the information and explanation given to us, the Company has not issued any debentures during the year and hence creation of security for issue of debenture does not arise.

20. According to the information and explanation given to us, the Company has not raised money by public issue during the year and disclosure of end use of public issue does not arise.

21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

for M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 004915S

Date : May 28, 2014
Place : Hyderabad

Sd/-
R.THIRUMALMARUGAN
Partner
Membership No: 200102

BALANCE SHEET AS AT MARCH 31, 2014

(₹ in Lakhs)

		Note No.	As at 31-03-2014		As at 31-03-2013	
I.	**EQUITY AND LIABILITIES**					
(1)	**Shareholders' Funds:**					
	(a) Share Capital	2	24,505.27		24,505.27	
	(b) Reserves and Surplus	3	41,622.85		42,338.56	
	(c) Money Received against Share warrants		-	66,128.12	-	66,843.83
(2)	**Share application money pending allotment**			-		-
(3)	**Non-current liabilities:**					
	(a) Long-term borrowings	4	18,512.69		18,135.14	
	(b) Deferred tax liabilities (Net)		-		-	
	(c) Other Long-term liabilities	5	8,311.55		8,621.40	
	(d) Long-term provisions	6	46.37	26,870.61	24.81	26,781.35
(4)	**Current liabilities:**					
	(a) Short-term borrowings		-		-	
	(b) Trade payables	7	658.59		539.92	
	(c) Other current liabilities	8	8,805.97		11,418.81	
	(d) Short-term provisions	9	540.37	10,004.93	911.24	12,869.97
	Total			**103,003.66**		**106,495.15**
II.	**ASSETS:**					
(1)	**Non-current assets**					
	(a) Fixed Assets					
	(i) Tangible assets	10	285.58		142.13	
	(ii) Intangible assets	11	6,072.43		7,590.35	
	(iii) Capital work-in-progress		-		-	
	(iv) Intangible assets under developemnt		-		-	
	(b) Non-current investments	12	49,720.30		49,924.10	
	(c) Deferred tax assets (Net)		-		-	
	(d) Long-term loans and advances	13	38,085.32		39,263.29	
	(e) Other non-current assets	14	7,588.41	101,752.04	8,411.02	105,330.89
(2)	**Current assets**					
	(a) Current investments		-		-	
	(b) Inventories		-		-	
	(c) Trade receivables	15	250.37		177.51	
	(d) Cash and cash equivalents	16	175.32		94.44	
	(e) Short-term loans and advances	17	169.60		151.11	
	(f) Other current assets	18	656.33	1,251.62	741.20	1,164.26
	Total			**103,003.66**		**106,495.15**
	See accompanying notes to the financial statements					

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Sd/-
N.S. KUMAR
Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 , 2014

(₹ in Lakhs)

		Note No	For the year ended 31-03-2014	For the year ended 31-03-2013
I	Revenue from operations	19a	6,347.24	4,776.70
II	Other income	19b	64.88	92.92
III	**Total Revenue (I + II)**		**6,412.12**	**4,869.62**
IV	Expenses:			
	(a) Cost of Sales & Services		628.32	-
	(b) Purchases of Stock-in-Trade			
	(c) Changes in inventories of finished			
	goods work-in-progress and Stock-in-Trade	20	822.61	534.49
	(d) Employee benefit expenses	21	447.20	267.30
	(e) Finance costs		1,939.91	44.01
	(f) Depreciation	10	20.52	14.84
	(g) Other expenses	22	1,168.67	436.37
	Total expenses		**5,027.23**	**1,297.01**
V	Profit/(Loss) before exceptional and			
	extraordinary items and tax (III - IV)		1,384.89	3,572.61
VI	Exceptional items	23	42.86	(967.39)
VII	Profit/(Loss) before extraordinary items and			
	tax (V - VI)		1,342.03	4,540.00
VIII	Extraordinary items		-	-
IX	Profit/(Loss) before tax (VII - VIII)		1,342.03	4,540.00
X	Tax expenses			
	(1) Current tax		539.82	910.88
	(2) Deferred tax		-	-
	(3) of Earlier Year		-	-
XI	Profit / (Loss) for the year from			
	continuing operations (IX -X)		802.21	3,629.12
XII	Profit / (Loss) from discontinuing operations		-	-
XIII	Tax expenses of discontinuing operations		-	-
XIV	Profit / (Loss) from discontinuing operations			
	(after tax) (XII - XIII)		-	-
XV	Profit / (Loss) for the year (XI + XIV)		802.21	3,629.12
XVI	Earnings per share after extraordinary items:			
	Basic & Diluted		0.33	1.48
See accompanying notes to the financial statements				

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Sd/-
N.S. KUMAR
Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lakhs)

	31st March 2014	31st March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1,342.03	4,540.00
Adjustments for:		
Depreciation	20.52	14.84
Profit on sale of fixed assets	-	(579.74)
Interest paid	1,939.91	44.01
Provision for employee benefits	21.75	5.43
Advances Written off	-	11.86
Interest received	(31.35)	(92.92)
Profit on sale of investment	(343.83)	-
Dividend Income	(5.53)	-
Excess Provision Written Back	-	-
Operating Profit Before Working Capital changes	2,943.51	3,943.48
Adjustments for:		
Increase/(Decrease) in Other Long Term Liabilities	(309.85)	(3,541.84)
Increase/(Decrease) in Long/Short Term Provisions	-	(7.31)
Increase/(Decrease) in Trade Payables	118.67	516.32
Increase/(Decrease) in Other Current Liabilities	(2,612.84)	3,831.33
(Increase)/Decrease in Long Term Advances	1,177.97	(3,811.26)
(Increase)/Decrease in Non Current Assets	822.62	19.56
(Increase)/Decrease in Trade Receivables	(72.86)	(177.50)
(Increase)/Decrease in Short Term Loans and Advances	(18.49)	(144.98)
(Increase)/Decrease in Other Current Assets	84.87	(668.61)
Cash Generated from Operations	2,133.60	(40.81)
Direct Taxes paid	(910.88)	-
Net Cash from Operating Activities	1,222.72	(40.81)
B. CASH FROM INVESTING ACTIVITIES		
Purchase/addition to Fixed Assets	(163.97)	(37.37)
Proceeds on sale of Investments	547.61	2,098.83
Dividend Received	5.53	-
Interest received	31.35	92.92
Net Cash used in Investing Activities	420.52	2,154.38
C. CASH FROM FINANCING ACTIVITIES		
Interest paid	(1,939.91)	(44.01)
Proceeds from long term borrowings (Net)	377.55	(2,084.88)
Net Cash from Financing Activities	(1,562.36)	(2,128.89)
Net increase in cash and cash equivalents	80.88	(15.32)
Cash and Cash Equivalents at the beginning of the year	94.44	109.76
Cash and Cash Equivalents at the end of the year	175.32	94.44

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Sd/-
N.S. KUMAR
Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

NOTES TO THE ACCOUNTS AS AT MARCH 31, 2014

Note 2: Share capital

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
Authorised Share Capital		
300000000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00
Issued, Subscribed and Paid Up		
245,052,701 equity shares of Rs. 10 each	24,505.27	24,505.27
	24,505.27	24,505.27
(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
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) Shareholding in the company held by holding company Platex Limited	132,612,766	132,612,766

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

Name of shareholder	No of shares at year end 31.03.14	% as at year end 31.03.14	No of shares at year end 31.03.13	% as at year end 31.03.13
Platex Limited	132,612,766	54.12	132,612,766	54.12
Black Kite Investments Limited	24,505,270	10.00	24,505,270	10.00

a) 13,409,314 equity shares of ₹10 each fully paid-up in cash has been issued to Platex Ltd upon conversion of 27,355 FCDs of ₹100,000 each at conversion price of ₹ 204 per share in terms of the Scheme of Amalgamation during 2010-11.

Note 3: Reserves and Surplus

(₹ in Lakhs)

	As at 31/03/2013	Additions during the year	Deductions during the year	As at 31/03/2014
Securities Premium Reserve	77,511.10	-	-	77,511.10
Surplus (P&L a/c) as under:	(35,172.54)	(715.71)	-	(35,888.25)
	42,338.56	(715.71)	-	41,622.85
Opening Balance	(37,283.74)			(35,172.54)
Profit / (Loss) for the year - From P & L	3,629.12	802.21	-	802.21
Less: Proposed dividends	-	-	-	-
Tax on distributed profits	-	-	-	-
Less: Amortization of Goodwill	1,517.92	1,517.92		1,517.92
Balance of Profit / (Loss)	(35,172.54)	(715.71)	-	(35,888.25)

Consequent upon merger of erstwhile PVP Ventures Private Limited with the Company, goodwill of ₹ 15,179.21lakhs was created which represented the excess of liabilities over assets taken over on merger. In terms of the Scheme of Amalgamation and the decision of the Board, it is being written off in a phased manner over a period of 10 years beginning April 01, 2008. Accordingly, during the year, the Company has amortized goodwill of ₹ 1,517.92 lakhs.

Note 4: Long-Term Borrowings

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
UNSECURED LOANS		
From Banks - Vehicle Loans	44.05	17.82
Debentures		
13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of ₹100,000 each from Platex Ltd, Holding Company	13,289.00	13,289.00
Other loans and advances		
- From Subsidiary Companies	4,085.61	4,753.32
- From Other Body Corporate	1,094.03	75.00
	18,512.69	18,135.14

- Platex Limited has extended the conversion/redemption option of the outstanding FCDs to March 31, 2016.
- Vehicle Loans are as per Hydpothication Agreement .

Note 5: Other Long Term Liabilities

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Security Deposit from Developer - Unsecured	8,311.55	8,621.40
	8,311.55	8,621.40

Note 6: Long Term Provisions

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Employee Benefits (Refer Note No. 24.8)	46.37	24.81
	46.37	24.81

Note 7: Trade Payable

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Sundry Creditors for services	658.59	539.92
	658.59	539.92

Note 8: Other Current Liabilities

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Advance received for sale of UDS	8,560.76	11,228.17
Due to Developer	229.69	172.39
Statutory Liabilities payable	15.52	18.25
	8,805.97	11,418.81

Note 9: Short Term Provisions

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Provision for income tax	539.82	910.88
Provision for Employee Benefits (Refer Note No. 24.8)	0.55	0.36
	540.37	911.24

Note-10: Fixed Assets - Tangible

(₹ in Lakhs)

Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1, 2013	Addition	Deletion	As at Mar 31, 2014	As at April 1, 2013	Addition	Deletion	As at Mar 31, 2014	As at Mar 31, 2014	As at Mar 31, 2013
Plant & Equipment	5.28	1.57		6.85	2.85	0.21		3.06	3.79	2.43
Furniture & Fixtures	99.89	0.58		100.47	10.17	6.34		16.51	83.96	89.72
Vehicles	44.43	41.87		86.30	12.24	7.05		19.29	67.01	32.19
Computers and Related Assets	39.64	9.10		48.74	30.77	2.73		33.50	15.24	8.87
Office Equipments	16.05	110.85		126.90	7.13	4.19		11.32	115.58	8.92
	205.29	163.97	-	369.26	63.16	20.52	-	83.67	285.58	142.13

Note-11: Fixed Assets - Intangible

(₹ in Lakhs)

Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1, 2013	Addition	Deletion	As at Mar 31, 2014	As at April 1, 2013	Addition	Deletion	As at Mar 31, 2014	As at Mar 31, 2014	As at Mar 31, 2013
Goodwill	15,179.21	-	-	15,179.21	7,588.86	1,517.92		9,106.78	6,072.43	7,590.35
	15,179.21	-	-	15,179.21	7,588.86	1,517.92		9,106.78	6,072.43	7,590.35

Note-12: Non Current Investments

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
(A) Investment in equity instruments		
(I) LONG TERM - AT COST - TRADE		
(i) Quoted		
Picturehouse Media Limited 3,353,114 equity shares of ₹ 10 each		
[Market value as at March 31, 2014: ₹ 1267.48 Lakhs (2013: ₹ 1331.18 Lakhs)]	531.05	531.05
(A)	531.05	531.05
(ii) Unquoted		
PVP Corporate Parks Private Limited 500,000 equity shares of ₹10 each	50.00	50.00
PVP Global Ventures Private Limited		
5,602,869 equity shares of ₹10 each fully paid up	54,205.00	54,205.00
New Cyberabad City Projects Private Limited 1,010,000 equity shares of Rs.10 each fully paid up	101.00	101.00
PVP Media Ventures Private Limited 12,000 equity shares of ₹10 each fully paid up	1.20	-
AGS Hotels and Resorts Private Limited 3,581,000 equity shares of ₹10 each	-	358.10
Maven Infraprojects Private Limited 10,000 equity shares of ₹10 each fully paid up	-	1.00
PVP Business Ventures Private Limited 10,000 equity shares of ₹10 each fully paid up	-	1.00
PVP Business Towers Private Limited 10,000 equity shares of ₹10 each fully paid up	-	1.00
Cuboid Real Estate Private Limited 10,000 equity shares of ₹10 each fully paid up	-	1.00
	54,357.20	54,718.10
Less: Provision for diminution in value of investment	30,000.00	30,358.10
	24,357.20	24,360.00
II. Other than Trade in Non Subsidiaries		
(i) Quoted		

Aptech Limited 100 equity shares of ₹ 10 each paid up		
[Market value as at March 31, 2014 - ₹ 0.04Lakhs (2013: ₹ 0.04 Lakhs)]	0.05	0.05
(ii) Unquoted	0.05	0.05
(B) PVP Star Hotels Private Limited 12,500 Equity Shares of ₹ 10 each fully paid up	-	201.00
	-	201.00
Investment in preference shares		
(i) Quoted		
CFL Capital Financial Services Limited		
2,000 13% cumulative preference share of ₹ 10 each paid up	2.00	2.00
[Market value as at March 31, 2014 - ₹ 0.06 laks (2013: ₹ 0.06 laks)]		
Less: Provision for diminution in value of investment	2.00	2.00
	-	-
(C) Investment in debentures		
New Cyberabad City Projects Private Limited		
24,832 22% Redeemable Non Convertible Debentures (NCDs) of ₹ 100,000 each	24,832.00	24,832.00
Aggregrate amount of quoted investments	533.10	533.10
Aggregrate amount of unquoted investments	54,357.20	54,919.10
Aggregrate amount of debentures	24,832.00	24,832.00
	79,722.30	80,284.20
Less: Aggregrate provision made for dimunition in value	30,002.00	30,360.10
	49,720.30	49,924.10

- The NCDs are redeemable at par at any time on or before March 31, 2015.
- The Company has waived interest income receivable on NCDs and accordingly it has not recognised the interest income for the year amounting to ₹ 5,463.04 lakhs (2013: ₹ 5,463.04 lakhs).
- Considering the provisions already made for the diminution in the value of investments and considering the fact that the market value of the assets and expected cash flows from the business of these subsidiaries, the management is of the opinion that the provisions already made are adequate.

Note-13: Long Term Loans and Advances

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Unsecured and considered good	-	-
Security Deposits	177.83	162.38
Advance to Subsidiaries	36,570.09	38,500.59
Advance to Others	1,337.40	600.32
Considered doubtful - advance to subsidiaries	5,160.16	5,160.16
Considered doubtful - advance to others	3,051.88	3,051.88
	46,297.36	47,475.33
Less: Provision for doubtful advances	8,212.04	8,212.04
	38,085.32	39,263.29

- Considering the provisions already made for the doubtful advances and considering the fact that the market value of the assets and expected cash flows from the business of the subsidiaries, the management is of the opinion that the provisions already made are adequate.

Note-14: Other Non Current Assets

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Others - Inventory of land	7,588.41	8,411.02
- (Valued at cost or net realised value which ever is less and as certified by the Management.)		
	7,588.41	8,411.02

Note-15: Trade Receivable

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
- Considered Good		
Trade receivables outstanding for less than six months		
from the date they became due for payment	250.37	177.51
	250.37	177.51

Note-16: Cash and Cash Equivalents

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Balance with banks	158.30	70.86
Cash on hand	0.27	0.13
Bank Deposits with more than 12 months maturity	16.75	23.45
	175.32	94.44

Note-17: Short Term Loans and Advances

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Unsecured - Considered good		
Staff Advances	169.60	151.11
	169.60	151.11

Note-18: Other Current Assets

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Interest accrued and due on investments	1.53	1.45
Advance Income Tax	647.96	621.35
Prepaid Expenses	6.84	118.40
	656.33	741.20

- Advance Income Tax includes a sum of ₹150 laks paid under protest for A.Y. 2007-08. ₹ 400 laks has been paid as a representative assesse of Platex Ltd., the appeal has been decided in favour of the company. The refund due has been adjusted for company's due for A.Y.2008-09. The appeal of the company was allowed by CIT(A) and giving effect order and refund of money are pending, and hence shown as recoverable advances.

NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

Note-19a: Revenue from Operations

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Income from Real Estate	6,002.24	4,776.70
Income from Sports - IBL	345.00	-
	6,347.24	4,776.70

Note-19b: Other Income

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Interest income	31.35	92.92
Dividend Income	5.53	-
Miscellaneous Income	28.01	-
	64.88	92.92

Note-20: Changes in Inventory

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Opening Stock of Land	8,411.02	8,430.59
Add: Current year Expenses	-	514.92
	8,411.02	8,945.51
Less: Closing Stcok of Land	7,588.41	8,411.02
	822.61	534.49

Note-21: Employee Benefit Expenses

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Salaries and wages	432.02	255.59
Contribution to PF and other funds	3.25	2.44
Staff welfare expenes	7.02	3.84
Retirement Benefits	4.91	5.43
	447.20	267.30

Note-22: Other Expenses

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Rent	56.39	26.06
Power & Fuel	49.91	4.66
Communication Expenses	9.24	7.90
Legal, Professional and consultancy	605.49	165.97
Books & Periodicals	0.49	0.20
Insurance	3.86	1.50
Printing & Stationery	15.11	8.84
Postage & Telegrams	9.88	2.41
Listing Fees & Others Expenses	24.27	25.61
Security Charges	7.11	6.57
Office Expenses	219.01	28.26

Business Development Expenses	7.86	31.38
Directors Sitting Fees	3.41	3.73
Repairs & Maintenance		
- For Others	8.16	5.77
Rates and taxes	11.71	10.80
Payment to statutory auditors		
- for statutory audit	16.29	14.05
- for tax audit	2.25	2.25
- for certification	2.53	2.53
Bank Charges & Commission	3.68	0.18
TDS Written Off	66.26	11.86
Travelling Expenses and Conveyance	45.18	47.54
Loss on sale of Investments	-	-
Miscellaneous expenses	0.58	28.30
	1,168.67	436.37

Note-23: Exceptional Items

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Income from Liabilities Written off	-	(355.45)
Income from Compromise Settlement of Legal dispute	-	(32.20)
Profit on Sale of Fixed Assets	-	(579.74)
Profit on Sale of Investments	(343.83)	-
Advances & Investments written off	386.69	
	42.86	(967.39)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 1. Significant Accounting Policies

1.1 Basis of Accounting

(a) The financial statements of the Company have been prepared under the historical cost convention in accordance with the Accounting standards specified by Companies (Accounting Standards) Rules, 2006 issued by the Central Government and the relevant provisions of the Companies Act, 1956 as amended upto the date and the Rules and Regulations made thereunder.

(b) All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates.

1.2 Use of Estimates

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

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

1.3 Revenue Recognition

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

1.4 Fixed Assets

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

1.5 Depreciation

Depreciation is provided on straight-line method at the rates prescribed under Schedule XIV of the Companies Act, 1956 or based on the remaining estimated economic useful lives determined by the management whichever is higher. Individual assets costing less than or equal to Rs. 5,000 are depreciated in full in the year of acquisition.

1.6 Impairment

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

1.7 Investments

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

1.8 Inventories

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

1.9 Employee Benefits

Gratuity

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

Leave Encashment

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

Other Benefit Plans

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

1.10 Taxes on Income

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

(ii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

1.11 Earnings Per Share

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

1.12 Borrowing Cost

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

1.13 Foreign Currency Transactions

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

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

1.14 Leases

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

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

1.15 Cash Flow Statement

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

1.16 Provisions, Contingent Liabilities and Contingent Assets

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

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

Note 24. Other Items

24.1 (a) Joint Development Agreement(JDA) for Perambur Project

During the previous year first few phases of the Perambur Project were launched received good response from the market. It continued in the current year and has progressed considerably. As per the JDA, the Company received Rs. 3404.67 lakhs (PY: Rs.5200.81 lakhs) as its share of collections from the Project. As per the policy of the revenue recognition, the company has recognized revenue for the year Rs.6002.24 lakhs(PY 4576.70 lakhs) and the balance are shown as Advance received for sale of UDS.

(b) Sporting Activities

During the year 2013-14 the company has won the title for Indian Badminton League and gross revenue of Rs.345 lakhs have been recognized and shown under Revenue from Operations

24.2 The Company is engaged in the development of urban infrastructure, which in the context of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is considered the only segment. Other segments do not constitute minimum requirement for reportable segment.

24.3 Lease Rentals

The Company has entered into operating leases agreements for office premises and an amount of Rs. 56.39 lakhs (2013: Rs. 26.06 lakhs) paid under such agreement have been charged to statement of Profit & Loss.The details with regard to finance lease obligations are as under.

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Due within 1 year from the Balance Sheet date	8.80	16.48
Due between 1 and 5 years	11.39	40.28
Due after 5 years	Nil	Nil

Details of assets under Hire purchase

(₹ in Lakhs)

Particulars	Gross Block (Rs.in lakh)	Depreciation (Rs.in lakh)	Net block (Rs.in lakh)
Vehicles	64.75	6.65	58.10

24.4 Earnings per Share (EPS)

Particulars		As at 31-03-2013	As at 31-03-2014
Nominal Value of Equity Shares (₹ per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	245,052,701	245,052,701
Profit/(Loss) after Taxes After Exceptional items (₹ in Lakhs)	C	3629.12	802.21
Earnings Per Share – Basic and diluted (After Extraordinary items) (in ₹)	C*100000/B	1.48	0.33

Since, the potential equity shares arising out of FCDs outstanding as at March 31, 2014 would be anti-dilutive in nature, the same has not been considered for the above EPS calculation.

24.5 Related Party Disclosures

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

Names of the Related party	Relationship
Platex Limited (PL)	Holding Company
PVP Global Ventures Private Limited (PGPL)	
New Cyberabad City Projects Private Limited (NCCPPL)	
PVP Corporate Parks Private Limited (PCPL)	
PVP Media Ventures Private Limited (PMPL)	
AGS Hotels and Resorts Private Limited (AGR)	
Maven Infraprojects Private Limited (MIL)	
PVP Business Towers Private Limited (PBT)	
PVP Business Ventures Private Limited (PBV)	
Cuboid Real Estates Private Limited (CRE)	Subsidiary Companies
Mr. Prasad V. Potluri, Chairman and Managing Director (PV)	Key Managerial Personnel (KMP)
Bruma Properties Private Limited (BPPL)	
Picturehouse Media Ltd(PHML)	
PVP Capital Ltd(PCL)	Enterprises where KMP exercise significant influence

Summary of transactions with the related parties, during the year and balances as at the March 31, 2014

(₹ in Lakhs)

Nature of transactions		Transactions for the year ended	
		March 31, 2013	March 31, 2014
a. Advances/Loans given			
Subsidiary Company	– PGPL	3127.57	14964.44
	– CRE	0.25	Nil
	– MIL	1.00	Nil
	– NCCPL	4.50	2.00
	– PCPL	Nil	629.07
	– PMPL	Nil	0.05
	– PBT	Nil	106.37
b. Recovery of Loans			
a)Holding company	– PL	21.18	Nil
b) Subsidiary Company	– PBT	5.00	Nil
	– AGR	0.75	Nil
	– CRE	Nil	3499.44
	– PBT	Nil	7547.78
	– PBV	Nil	5499.27
c. Interest payment			
a)Holding company	– PL	Nil	1926.91

d. Written off/ Written back (Advances & Investments)		
a) Subsidiary Company		
– CRE	Nil	2.08
– MIL	Nil	415.78
– PBT	Nil	1.00
– PBV	Nil	3.68
– AGR	Nil	(35.85)
e. Salary & Perquisites to Chairman & Managing Director **		100.19
f. Corporate Gurantee given		
– PHML	Nil	2275.00
– PCL	Nil	10000.00

** Based on the resolution passed in 22nd AGM dt 26th Sept 2013 an amount of Rs.100.19 lakhs was paid during the year, upon finalization of accounts , the excess paid of Rs. 25.94 lakhs, since been recovered.

The outstanding balances as at the March 31, 2014

(₹ in Lakhs)

Particulars		Outstanding balance as at	
		March 31, 2013	March 31, 2014
a) Advances Receivable			
Subsidiary Company	– PGPL	26,765.78	41730.21
	– PBV	5,501.94	Nil
	– CRE	3,500.52	Nil
	– MIL	451.10	Nil
	– PBT	7,441.41	Nil
	– PMPL	Nil	0.05
Enterprises where significant influence exists	– BPPL	35.00	35.00
b) Unsecured Loans payable			
Subsidiary Company	– NCCPL	3,018.22	3016.22
	– PCPL	1,698.47	1069.40
	– AGR	36.63	Nil
(c) Debentures issued			
Holding Company	– PL	13,289.00	13289.00
(d) Debentures subscribed			
Subsidiary Company	– NCCPPL	24,832.00	24832.00
(e) Corporate Guarantee			
	– PHML	Nil	2275.00
	– PCL	Nil	10000.00

24.6 Contingent Liabilities

1. AO passed order demanding Rs.16497 lakhs for AY 2008-09 towards Income tax and CIT (A) has deleted the addition relating to Rs.15017 lakhs for the balance demand of Rs.1480 lakhs, the company has filed appeals before ITAT. Against the demand a sum of Rs.647 lakhs has been paid under protest. Since income tax demands, are disputed by the company before the appellate authorities and based on the expert advice the Company is confident of success, no amount has been provided for in the books.

2. Company has given a corporate guarantee of Rs.2275 lakhs for its group company ie Picturehouse Media Limited as security for availing term loan from the bank for production of films. The company has outstanding loan with bank Rs. 350 lakhs as on 31st March 2014.

3. Company has given a corporate guarantee of Rs.10000 lakhs for its group company ie PVP Capital Limited as security for availing working capital limits from the Bank. The company has outstanding loan with bank Rs. 6167 lakhs as on 31st March 2014.

24.7 Employee Benefits

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

Principal Actuarial assumptions used

	As at 31-03-2013	As at 31-03-2014
Discount rates	8.20%	9.10%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	22 years	22 years

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

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present Value of Obligation at the beginning of the period	7.67	6.14
Current service cost	2.06	3.20
Interest cost	0.66	0.50
Actuarial loss/(gain)	(4.25)	1.21
Benefits paid	**Nill**	**Nil**
Present Value of obligation at the end of the period	**6.14**	**11.05**

Actuarial gain/loss recognised

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Actuarial (gain)/loss for the year		
Obligations	4.25	(1.21)
Assets	Nil	Nil
Total (gain)/loss for the year	(4.25)	1.21

Amounts recognized in the balance sheet

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present value of funded obligation	6.14	11.05
Less: Fair value of assets*	Nil	Nil
Net Liability / (Asset)	6.14	11.05

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

Expenses recognised in the profit & loss statement

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Current service cost	2.06	3.20
Interest cost	0.66	0.50
Actuarial (gain)/loss	(4.25)	1.21
Cost recognized	(1.53)	4.91

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

Principal Actuarial assumptions used

	As at 31-03-2013	As at 31-03-2014
Discount rates	8.20%	9.10%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	22 years	22 years

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

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present Value of Obligation at the beginning of the year	19.38	19.03
Current service cost	(0.35)	16.83
Interest cost	1.68	1.56
Actuarial loss/(gain)	3.28	(1.11)
Benefits paid	(4.96)	(0.45)
Projected benefit obligation at the end of the period	**19.03**	**35.86**

Actuarial gain/loss recognised

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Actuarial (gain)/loss for the year		
Obligations	(3.28)	(1.11)
Assets	Nil	Nil
Total (gain)/loss for the year	(3.28)	(1.11)

Amounts recognized in the balance sheet (₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present value of funded obligation	19.03	35.86
Less: Fair value of assets	-	-
Net Liability / (Asset)	19.03	35.86

Expenses recognised in the profit & loss statement (₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Current service cost	(0.35)	16.83
Interest cost	1.68	1.56
Actuarial (gain)/loss	3.28	(1.11)
Cost recognized	4.61	17.28

Defined contribution plans

In respect of the defined contribution plans, an amount of Rs. 3.25 lakhs(2013: Rs. 2.44 lakhs) has been recognized in the Statement of Profit and Loss during the year.

24.8 Particulars relating to expenditure in foreign currency (on payment basis) (₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Travel related Expenses	Nil	1.16
Professional fees	Nil	66.06
London Stock exchange fee	10.69	11.71
Interest	Nil	1926.91
Total	10.69	2005.84

24.9 During the year as part of reorganizing the business activities and to synergize the various business verticals the following activities are carried out.

1. Subsidiary companies where no possible business activity existed have been struck off the registrar of companies under section 560 of Companies Act 1956. Some of the Investments with the struck off companies which were assigned for the loans given by the company were transferred to other subsidiary along with the corresponding loans to the same subsidiary. The resultant loss on investment and loans and advances were written off and shown as exceptional item in Statement of Profit and Loss.

2. Non-convertible debentures (NCD) subscribed in the subsidiary company ie NCCPL, which was utilized for acquiring land, company has initiated the process of converting NCD as secured interest free loan, which will facilitate the company in getting the land securitization and generating revenues by utilizing the land in development with taking necessary approvals. Pending conversion of the same the company has extended the redemption period of NCDs till 31st March 2015. The Company has received expression of Interest from developer indicating the potential to generate revenues seeking permission to survey and come out with a plan for development of the said land.

3. With regard to the Investments made through various subsidiary companies the same has been consolidated in one of the subsidiaries and the valuation based on the business potential provided by the companies, generation of revenues and recoverability of the securities the provisions already made have been reviewed and accordingly provision made is adequate and do not foresee any additional provision required for the year 2013-14.

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

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

24.12 The Company has accumulated business losses and depreciation of earlier years. Considering the principles of prudence, the deferred tax asset has not been recognised as at 31.03.2014.

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

24.14 The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated February 08, 2011 and February 21, 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Sd/-
N.S. KUMAR
Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

Date : May 28, 2014
Place : Hyderabad

CONSOLIDATED FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of PVP Ventures Limited (the Company), and its subsidiaries, which comprises the Balance Sheet as at March, 31 2014 and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide audit opinion.

Opinion

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 reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the consolidated Balance Sheet, of the State of Affairs of PVP Ventures Limited and its subsidiaries as on March 31, 2014;

b) In the case of consolidated Statement of Profit and Loss, of the PROFIT for the year ended on that date; and

c) In the case of consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date

Emphasis of Matter

Attention is drawn to the notes to the financial statements with regard to (a) Note 11 and Note 24.3 in the investment in unquoted equity shares of Rs.13096.99 lakhs and (b) Note 14 and Note 24.2 with regard to the Lands held as inventore with carrying cost of Rs.22435 lakhs, the management is of the view that considering the market value of the assets, present value of investments and expected cash flows from the business and the expected development of projects, the provision already made are adequate which describes the uncertainty related to the outcome of future events. Our opinion is not qualified in respect of these matters.

Other Matter

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets (net) of Rs.24118.85 lakhs as at March 31, 2014, total revenues of Rs.1246.73 lakhs and net cash inflows amounting to Rs.(-)82.92 for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

for M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 004915S

Date : May 28, 2014
Place : Hyderabad

Sd/-
R.THIRUMALMARUGAN
Partner
Membership No: 200102

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

(₹ in Lakhs)

		Note No.	As at 31-03-2014		As at 31-03-2013	
I.	**EQUITY AND LIABILITIES**					
(1)	**Shareholders' Funds:**					
	(a) Share Capital	2	24,396.25		24,396.25	
	(b) Reserves and Surplus	3	18,144.00	-	19,381.30	
	(c) Money Received against Share warrants		-	42,540.25	-	43,777.55
	(d) Minority Interest		-	117.78	-	117.90
(2)	**Share application money pending allotment**			-		-
(3)	**Non-current liabilities:**					
	(a) Long-term borrowings	4	16,462.32		14,159.91	
	(b) Deferred tax liabilities (Net)		-		-	
	(c) Other Long-term liabilities	5	8,329.46		8,639.31	
	(d) Long-term provisions	6	46.37	24,838.15	24.81	22,824.03
(4)	**Current liabilities:**					
	(a) Short-term borrowings		-		-	
	(b) Trade payables	7	676.36		545.73	
	(c) Other current liabilities	8	8,816.18		11,419.34	
	(d) Short-term provisions	9	660.66	10,153.20	930.15	12,895.22
	Total			**77,649.38**		**79,614.70**
II.	**ASSETS:**					
(1)	**Non-current assets**					
	(a) Fixed Assets					
	(i) Tangible assets	10	285.58		142.13	
	(ii) Intangible assets	11	8,057.86		9,750.71	
	(iii) Capital work-in-progress		-		-	
	(iv) Intangible assets under developemnt		-		-	
	(b) Non-current investments	12	14,763.28		16,736.21	
	(c) Deferred tax assets (Net)		-		-	
	(d) Long-term loans and advances	13	22,462.82		20,212.48	
	(e) Other non-current assets	14	29,778.69	75,348.23	30,846.85	77,688.38
	Good will on Consolidation			-		
(2)	**Current assets**					
	(a) Current investments		-		-	
	(b) Inventories		-		-	
	(c) Trade receivables	15	250.39		177.50	
	(d) Cash and cash equivalents	16	200.71		202.75	
	(e) Short-term loans and advances	17	169.61		634.06	
	(f) Other current assets	18	1,680.44	2,301.15	912.01	1,926.32
	Total			**77,649.38**		**79,614.70**
	See accompanying notes to the financial statements					

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Sd/-
N.S. KUMAR
Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 , 2014

(₹ in Lakhs)

		Note No	For the year ended 31-03-2014	For the year ended 31-03-2013
I	Revenue from operations	19a	6,347.24	4,776.70
II	Other income	19b	1,311.62	1,209.37
III	**Total Revenue (I + II)**		**7,658.86**	**5,986.07**
IV	Expenses:			
	a Cost of Sales & Services		628.32	-
	b Purchases of Stock-in-Trade		-	-
	c Changes in inventories of finished		-	-
	goods work-in-progress and Stock-in-Trade	20	822.61	534.49
	d Employee benefit expenses	21	447.20	267.30
	e Finance costs		2,027.36	44.01
	f Depreciation and amortization expenses	10	20.52	14.84
	g Other expenses	22	1,203.32	477.24
	h Contingent Provision on Standard Assets		-	-
	Total expenses		**5,149.33**	**1,337.88**
V	Profit/(Loss) before exceptional and			
	extraordinary items and tax (III - IV)		2,509.53	4,648.19
VI	Exceptional items	23	1,687.87	170.62
VII	Profit/(Loss) before extraordinary items and			
	tax (V - VI)		821.66	4,477.57
VIII	Extraordinary items		-	-
IX	Profit/(Loss) before tax (VII - VIII)		821.66	4,477.57
X	Tax expenses			
	(1) Current tax		765.84	910.88
	(2) Deferred tax		-	-
	(3) of Earlier Year		1.09	0.03
	(4) MAT Credit Entitlement		(226.02)	
XI	Profit / (Loss) for the year (before adjustment for			
	Minority Interest) (IX - X)		280.75	3,566.66
XII	Add: Share of Loss tranferred to Minority Interest		(0.12)	1.86
XV	Profit / (Loss) from discontinuing operations (XI + XII)		280.63	3,568.52
XVI	Earnings per share after extraordinary items:			
	Basic & Diluted		0.12	1.46
See accompanying notes to the financial statements				

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
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Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lakhs)

	31st March 2014	31st March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	821.66	4,477.57
Adjustments for:		
Depreciation	20.52	14.84
Profit on sale of fixed assets	-	(579.74)
Profit on sale of Investments	(343.83)	-
Interest paid	2,027.36	44.01
Interest received	(1,278.08)	(1,209.20)
Dividend Income	(5.53)	-
Provision for employee benefits	21.75	5.43
Bad debts written off	66.26	12.39
Provision for diminution in value of investment	1,648.00	-
Loans & Advances Written off	386.69	1,138.01
Operating Profit Before Working Capital changes	3,364.80	3,903.31
Adjustments for:		
Increase/(Decrease) in Other Long Term Liabilities	(309.85)	(3,541.84)
Increase/(Decrease) in Long/Short Term Provisions	-	(7.31)
Increase/(Decrease) in Trade Payables	130.63	516.56
Increase/(Decrease) in Other Current Liabilities	(2,603.16)	3,831.00
(Increase)/Decrease in Long Term Advances	(2,528.62)	(4,095.48)
(Increase)/Decrease in Non Current Assets	1,068.16	10.60
(Increase)/Decrease in Trade Receivables	(72.89)	(177.50)
(Increase)/Decrease in Short Term Loans and Advances	464.45	(627.91)
(Increase)/Decrease in Other Current Assets	(542.41)	(778.43)
Cash Generated from Operations	(1,028.87)	(967.01)
Direct Taxes paid including TDS	(1,036.61)	(0.03)
Net Cash from Operating Activities	(2,065.48)	(967.04)
B. CASH FROM INVESTING ACTIVITIES		
Purchase/addition to Fixed Assets	(163.97)	(37.37)
Purchase of Investments		(116.74)
Proceeds from Sale of Fixed Assets	-	2,098.83
Proceeds from Sale of Investments	668.76	-
Dividend Received	5.53	-
Interest received	1,278.08	1,209.20
Net Cash used in Investing Activities	1,788.40	3,153.92
C. CASH FROM FINANCING ACTIVITIES		
Interest paid	(2,027.36)	(44.01)
Repayment of long term borrowings	-	(2,087.63)
Proceeds from Long Term Borrowings	2,302.42	-
Net Cash from Financing Activities	275.04	(2,131.64)
Net increase in cash and cash equivalents	(2.04)	55.25
Cash and cash equivalents at the beginning of the year	202.75	147.50
Cash and Cash Equivalents at the end of the year	200.71	202.75

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Sd/-
N.S. KUMAR
Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

NOTES TO THE CONSOLIDATED ACCOUNTS AS AT MARCH 31, 2014

Note 2: Share capital

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
Authorised Share Capital		
300,000,000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00
Issued, Subscribed and Paid Up		
245,052,701 equity shares of Rs. 10 each	24,505.27	24,505.27
Less: 10,90,235 equity shares held by PVP Global Ventures Private Limited, Subsidiary Company.	(109.02)	(109.02)
	24,396.25	24,396.25
(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		245,052,701
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	(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) Shareholding in the company of the holding company Platex Limited	132,612,766	132,612,766

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

Name of shareholder	No of shares at year end 2014	% as at year end	No of shares at year end 2013	% as at year end
Platex Limited	132,612,766	54.36	132,612,766	54.36
Black Kite Investments Limited	24,505,270	10.04	24,505,270	10.04

a) 13,409,314 equity shares of ₹10 each fully paid-up in cash has been issued to Platex Ltd upon conversion of 27,355 FCDs of ₹100,000 each at conversion price of ₹ 204 per share in terms of the Scheme of Amalgamation during 2010-11.

b) PVP Global Ventures Private Limited (PVPGVPL) holds 10,90,235 equity shares of PVP Ventures Ltd, as these shares were acquired before the Company became its subsidiary. However, in terms of the provisions of section 42(3) of the Act, PVPGVPL does not have any rights to vote at meetings of PVP Ventures Ltd or any class of members thereof over these shares.

Note 3: Reserves and Surplus

(₹ in Lakhs)

	As at 31/03/2013	As at 31/03/2014
Securities Premium Reserve	85,591.90	85,591.90
Capital Reserve	2,914.27	2,914.27
Surplus (P&L a/c) as under:	(69,124.87)	(70,362.17)
	19,381.30	18,144.00
Opening Balance	(71,175.47)	(69,124.87)
Profit / (Loss) for the period - From P & L	3,568.52	280.63
Tax on distributed profits	-	-
Less: Amortization of Goodwill	(1,517.92)	(1,517.92)
Balance of Profit / (Loss)	(69,124.87)	(70,362.17)

- Consequent upon merger of erstwhile PVP Ventures Private Limited with the Company, goodwill of ₹ 15,179.21 lakhs was created which represented the excess of liabilities over assets taken over on merger. In terms of the Scheme of Amalgamation and the decision of the Board, it is being written off in a phased manner over a period of 10 years beginning April 01, 2008. Accordingly, during the year, the Company has amortized goodwill of ₹ 1,517.92 lakhs.

Note 4: Long-Term Borrowings

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
UNSECURED LOANS		
From Banks - Vehicle Loans	44.05	17.82
Debentures		
13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of ₹100,000 held by Platex Ltd, Holding Company	13,289.00	13,289.00
707 Compulsorily Convertible Debentures (CCDs) of ₹1,00,000/- each held by Platex Limited the Holding Company.	707.00	707.00
Debenture Application Money	0.59	0.59
Other loans and advances		
- From Other Body Corporate	2,421.68	145.50
	16,462.32	14,159.91

- Platex Limited has extended the conversion/redemption option of the outstanding FCDs to March 31, 2016.
- PVPGVPL had issued 707, Zero Percent CCDs of ₹100000/- each, which are mandatorily convertible into equity shares of the Company either upon occurrence of a trigger event (which is defined to include public offering, takeover or merger etc. of the Company) or in case of non-occurrence of a Trigger Event, at any time during the period between Five (5) years to Ten (10) years from the date of issuance of the CCDs i.e. between June 16, 2014 and June 16, 2019. During the year, no such trigger event has taken place.

Note 5: Other Long Term Liabilities

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Security Deposit from Developer - Unsecured	8,311.55	8,621.40
Others		
- Security Deposit Payable	17.91	17.91
	8,329.46	8,639.31

Note 6: Long Term Provisions

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Employee Benefits (Refer Note No. 24.10)	46.37	24.81
	46.37	24.81

Note 7: Trade Payable

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Sundry Creditors for services	676.36	545.73
	676.36	545.73

Note 8: Other Current Liabilities

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Advance received for sale of UDS	8,560.77	11,228.16
Due to Developer	229.69	172.39
Statutory Liabilities payable	25.72	18.79
	8,816.18	11,419.34

Note 9: Short Term Provisions

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Provision for income tax	660.11	929.79
Provision for Employee Benefits (Refer Note No. 24.10)	0.55	0.36
	660.66	930.15

Note 10: Fixed Assets - Tangible

(₹ in Lakhs)

Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at Mar 31, 2013	Addition	Deletion	As at Mar 31, 2014	As at Mar 31, 2013	Addition	Deletion	As at Mar 31, 2014	As at Mar 31, 2014	As at Mar 31, 2013
Plant & Equipment	5.28	1.57		6.85	2.85	0.21		3.06	3.79	2.43
Furniture & Fixtures	99.89	0.58		100.47	10.17	6.34		16.51	83.96	89.72
Vehicles	44.43	41.87		86.30	12.24	7.05		19.29	67.01	32.19
Computers and Related Assets	39.64	9.10		48.74	30.77	2.73		33.50	15.24	8.87
Office Equipments	16.05	110.85		126.90	7.13	4.19		11.32	115.58	8.92
	205.29	163.97	-	369.26	63.16	20.52	-	83.68	285.58	142.13

Note 11: Fixed Assets - Intangible

(₹ in Lakhs)

Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at Mar 1, 2013	Addition	Deletion	As at Mar 31, 2014	As at Mar 1, 2013	Addition	Deletion	As at Mar 31, 2014	As at Mar 31, 2014	As at Mar 31, 2013
Goodwill	15,179.21	-	-	15,179.21	7,588.86	1,517.92	-	9,106.78	6,072.43	7,590.35
Goodwill on Consolidation	2,160.36	-	174.93	1985.43			-		1,985.43	2,160.36
	17,339.57	-	174.93	17,164.64	7,588.86	1,517.92	-	9,106.78	8,057.86	9,750.71

Note 12: Non Current Investments

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Investment in equity instruments		
LONG TERM - AT COST - TRADE		
I. In Subsidiary Companies		
(i) Quoted		
Picturehouse Media Limited 64,89,683 (P.Y42,45,718) equity shares of ₹10 each		
[Market value as at March 31, 2014 - 1871.27 Lakhs (2013: ₹1510.62 Lakhs)]	1,666.24	790.16
(A)	1,666.24	790.16
II. Other than Trade in Non Subsidiaries		
(i) Quoted		
Aptech Limited 100 equity shares of ₹10 each paid up		
[Market value as at March 31, 2014 - ₹0.04 Lakhs (2013: ₹0.04 Lakhs)]	0.05	0.05
(B)	0.05	0.05
(ii) Unquoted		
PVP Star Hotels Private Limited 12,500 Equity Shares of ₹10 each fully paid up	-	201.00
Investment in preference shares		
Jagati Publications Private Limited (JPL)		
36,38,053 equity shares of ₹10/- each fully paid up at a premium of ₹ 350/- per equity share.	13,096.99	13,097.00
Mimosa Enterprises Private Limited (MEL)		
3,33,333 equity shares of ₹ 10/- each fully paid up at a premium of ₹ 290/- per equity share.	-	1,000.00
(C)	13,096.99	14,298.00

(i) Quoted		
CFL Capital Financial Services Limited		
2,000 13% cumulative preference share of ₹ 10 each paid up	2.00	2.00
[Market value as at March 31, 2014 - ₹ 0.06 laks (2013: ₹ 0.06 Laks)]		
Less: Provision for diminution in value of investment	2.00	2.00
(D)	-	-
Investment in debentures		
Crust Realtors Private Limited		
3280 - 0% Optionally Convertible Debentures of ₹ 10,000/- each	328.00	328.00
Mantel realtors Private Limited		
5000 - 0% Optionally Convertible Debentures of ₹ 10,000/- each	500.00	500.00
P'n'V Real Estates & Developers Private Limited		
4500 - 0% Optionally Convertible Debentures of ₹ 10,000/- each	450.00	450.00
Stone Valley Real Estates Private Limited		
3500 - 0% Optionally Convertible Debentures of ₹ 10,000/- each	350.00	350.00
Herrcules Real Estates & Projects Private Limited		
200 - 0% Optionally Convertible Debentures of ₹ 10,000/- each	20.00	20.00
5970 - 0% Optionally Convertible Debentures of ₹ 10,000/- each	597.00	597.00
	2,245.00	2,245.00
Less: Provision for diminution in value of investment	2,245.00	597.00
(E)	-	1,648.00
Aggregrate amount of quoted investments	1,668.29	792.21
Aggregrate amount of unquoted investments	13,096.99	14,298.00
Aggregrate amount of debentures	2,245.00	2,245.00
	17,010.28	17,335.21
Less: Aggregrate provision made for dimunition in value	2,247.00	599.00
	14,763.28	16,736.21

- PCPPL had invested a sum of Rs. 1,648.00 lakhs in 0% Optionally Convertible Debentures (OCDs) of certain companies, which are engaged in developing real estate projects. These OCDs are convertible at any time with in 10 years into fully paid equity shares of Rs.10/- each at price to be determined by Board of Directors of PCPPL at the time of conversion. The Management has provided for the entire investment value as on 31.03.2014.
- The management is of the opinion that the investments in JPL are fully represented by the value of the assets and business potential of the investee companies and hence no provision towards diminution in the value of such investments has been made in the books of account of the respective companies.

Note-13: Long Term Loans and Advances

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Security Deposits - Unsecured and considered good	177.83	162.38
Loans and advances		
Unsecured and considered good		
- Advance to Others	22,284.99	20,050.10
Considered doubtful - advance to others	5,405.38	5,856.38
	27,868.20	26,068.86
Less: Provision for doubtful advances	5,405.38	5,856.38
	22,462.82	20,212.48

- PVPGVPL has advanced as sum of Rs. 16,999.78 lakhs (PY: Rs. 16,999.78 lakhs) towards acquisition of land and other rights for its proposed power project's. In terms of the arrangements, these parties are required to facilitate acquisition of certain areas of land parcels within 24 months against which these advances are paid off, failing the completion of the land parcel, PVPGVPL may demand repayment of the advance and shall not be obliged to acquire the land parcel from these parties.

Note-14: Other Non Current Assets

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Land	-	-
Work in Progress of Inventory	29,778.69	30,846.85
	29,778.69	30,846.85

Note-15: Trade Receiveable

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
- Unsecured considered good.		
Trade receivables outstanding for less than six months		
from the date they became due for payment	250.39	177.50
	250.39	177.50

Note-16: Cash and Cash Equivalents

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Balance with banks	176.19	175.86
Cash on hand	7.77	3.44
Bank Deposits with more than 12 months maturity	16.75	23.45
	200.71	202.75

Note-17: Short Term Loans and Advances

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Unsecured - Considered Good		
Advances for Others	-	482.93
Advances for Staff	169.61	151.13
	169.61	634.06

Note-18: Other Current Assets

(₹ in Lakhs)

	As at 31-03-2014	As at 31-03-2013
Interest accrued and due on investments	1.53	1.44
Advance Income Tax	1,446.05	792.12
MAT Credit	226.02	
Prepaid Expenses	6.84	118.45
	1,680.44	912.01

- Advance Income Tax includes a sum of Rs.150 laks paid under protest for A.Y.2007-08. Rs. 400 laks has been paid as a representative assesse of Platex Ltd., the appeal has been decided in favour of the company. The refund due has been adjusted for company's due for A.Y.2008-09. The appeal of the company was allowed by CIT(A) and giving effect order and refund of money are pending, and hence shown as recoverable advances.

NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

Note-19a: Revenue from Operations

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Income from Real Estate	6,002.24	4,776.70
Income from Sports - IBL	345.00	-
	6,347.24	4,776.70

Note-19b: Other Income

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Interest income	1,278.08	1,209.20
Dividend Income	5.53	-
Miscellaneous Income	28.00	-
	1,311.61	1,209.37

Note-20: Cost of Sales

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Opening Stock of Land	8,411.02	8,430.59
Add: Current year Expenses	-	514.92
	8,411.02	8,945.51
Less: Closing Stcok of Land	7,588.41	8,411.02
	822.61	534.49

Note-21: Employee Benefit Expenses

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Salaries and wages	432.02	255.59
Contribution to PF and other funds	3.25	2.44
Staff welfare expenes	7.02	3.84
Retirement Benefits	4.91	5.43
	447.20	267.30

Note-22: Other Expenses

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Rent	56.39	26.06
Power & Fuel	49.91	4.66
Communication Expenses	9.24	7.90
Legal, Professional and consultancy	610.41	177.50
Books & Periodicals	0.49	0.20
Insurance	3.86	1.50
Printing & Stationery	15.11	8.84
Postage & Telegrams	9.88	2.41
Listing Fees & Others Expenses	24.27	25.61
Security Charges	7.11	6.57
Office Expenses	219.03	28.31

Business Development Expenses	7.93	31.38
Directors Sitting Fees	3.41	3.73
Repairs & Maintenance		
- For Others	8.16	5.77
Rates and taxes	12.67	13.75
Payment to statutory auditors		
- for statutory audit	20.42	16.51
- for tax audit	2.92	2.25
- for certification	2.53	2.53
- for taxation matters	0.31	0.25
Bank Charges & Commission	3.89	0.93
Bad debts/TDS Written Off	66.26	12.39
Travelling Expenses and Conveyance	45.18	68.75
Miscellaneous expenses	23.94	29.44
	1,203.32	477.24

Note-23: Exceptional Items

(₹ in Lakhs)

	Year ended 31-03-2014	Year ended 31-03-2013
Income from Laibilities Written off	-	(355.45)
Provision No Longer Required written back	(2.99)	-
Profit on Sale of Asset	-	(579.74)
Profit on Sale of Investments	(343.83)	-
Loans & Advances Written Off	386.69	1,138.01
Income from Compromise Settlement of Legal dispute	-	(32.20)
Provision for diminution in value of Investment	1,648.00	-
	1,687.87	170.62

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

(i) The financial statements of the Group have been prepared under the historical cost convention in accordance with the Accounting standards specified by Companies (Accounting Standards) Rules, 2006 issued by the Central Government and the relevant provisions of the Companies Act, 1956, to the extent applicable.

(ii) All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The actual results could differ from those estimates. Examples of such estimates include future obligations under employee retirement benefit plans and the useful life of the fixed assets.

1.2 Principles of Consolidation

PVP Ventures Limited ("PVP") is the holding company of the Group. In preparation of these Consolidated Financial Statements, investments in subsidiaries and associates have been accounted for in accordance with Accounting for Consolidated Financial Statements (AS-21) under section 211(3C) of the Act. The Consolidated Financial Statements have been prepared on the following basis:

(i) Subsidiary companies are those in which PVP, directly or indirectly, have an interest of more than one half of the voting power or otherwise have power to exercise control over the operations.

(ii) All intercompany transactions, balances and unrealized surpluses and deficits on transactions between Group companies are eliminated. Consistency in adoption of accounting polices among all group companies is ensured to the extent practicable.

(iii) The difference between the costs of investment in the holding company over the net assets at the time of acquisition of shares in the holding company (before merger) is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

(iv) Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

(v) Minority Interest's share of net assets of consolidated subsidiary for the year is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

(vi) The Financial Statements of all the subsidiaries are drawn upto March 31, 2014.

(vii) List of Subsidiaries of PVP as at March 31, 2014 considered for consolidation are as follows:

Name of subsidiary company	Country of incorporation	% age holding of PVP	
		2012-2013	2013-2014
New Cyberabad City Projects Pvt. Ltd.(NCCPPL)	India	81	81
PVP Global Ventures Private Ltd (Formerly PVP Energy Private Limited) (PVGPL)	India	100	100
Maven Infraprojects Private Limited (MIPL)*	India	100	-
PVP Business Ventures Private Limited (PBVPL)*	India	100	-
PVP Business Towers Private Limited (PBTPL)*	India	100	-
PVP Corporate Parks Private Limited (PCPPL)	India	100	100
AGS Hotels & Resorts Private Limited (AHRL)*	India	100	-
Cuboid Real Estates Private Limited (CRE) *	India	100	-
PVP Media Ventures Private Limited (PMVPL)	India	-	100
Adobe Realtors Private Limited	India	-	100

*These subsidiary companies have been struck off from the Registrar of Companies under section 560 of Companies Act 1956.

@ 100% shares held by PVPGPL

1.3 Revenue Recognition

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

1.4 Fixed Assets

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

1.5 Depreciation

Depreciation is provided on straight-line method at the rates prescribed under Schedule XIV of the Companies Act, 1956 or based on the remaining estimated economic useful lives determined by the management whichever is higher. Individual assets costing less than or equal to Rs. 5,000 are depreciated in full in the year of acquisition.

1.6 Impairments

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

1.7 Investments

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

1.8 Inventories

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

1.9 Employee Benefits:

Gratuity

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

Leave Encashment

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

Other Benefit Plans

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

1.10 Borrowing Cost

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

1.11 Foreign Currency Transactions

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

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

1.12 Leases

The assets purchased under hire purchase agreements are included in the Fixed Assets block. The value of the asset purchased is capitalized in the books. A liability for the same amount is created at the time of entering into the agreement.

The payments are made to the HP vendors as per the EMI's given in the hire purchase agreements. The finance charges are debited to the profit & loss statement and the principal amount is adjusted against the liability created for the vendor.

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

1.13 Taxes on Income

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

1.14 Earnings Per Share

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

1.15 Cash Flow Statement

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

1.16 Provisions, Contingent Liabilities and Contingent Assets

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

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

NOTE 24: NOTES ON ACCOUNTS

24.1 (a) Joint Development Agreement(JDA) for Perambur Project

During the previous year first few phases of the Perambur Project were launched received good response from the market. It continued in the current year and has progressed considerably. As per the JDA, the Company received Rs. 3404.67 lakhs (PY: Rs.5200.81 lakhs) as its share of collections from the Project. As per the policy of the revenue recognition, the company has recognized revenue for the year Rs.6002.24 lakhs(PY 4576.70 lakhs) and the balance are shown as Advance received for sale of UDS.

(b) Sporting Activities

During the year 2013-14 the company has won the title for Indian Badminton League and gross revenue of Rs.345 lakhs have been recognized and shown under Revenue from Operations

24.2 The Group owns land admeasuring 50 acres and 5 guntas and development rights over another 679 acres and 28 guntas at Nadergul at Shamshabad. As per the independent valuation done in May 2014, which has considered the present market and political conditions in Hyderabad and other factors, the fair market value of the above land and land development rights of 729 Acres and 33 Guntas is assessed to be Rs. 36466 lakhs, which is higher than their carrying cost of Rs. 22435 lakhs (PY: Rs. 22426 lakhs). The Company has received expression of Interest from developer indicating the potential to generate revenues seeking permission to survey and come out with a plan for development of the said land

24.3 The Group holds investments aggregating to Rs. 13097 lakhs (2013: Rs. 13097 lakhs) in the equity shares of Jagati Publications Limited. The

valuation based on the business potential provided by the companies, generation of revenues and recoverability of the securities the provisions have been reviewed and accordingly provision made is adequate and do not foresee any additional provision required for the year 2013-14.

24.4 The Group had invested during 2009-10 a sum of Rs. 1648.00 lakhs in 0% Optionally Convertible Debentures (OCDs) of Companies, which are engaged in developing real estate projects. These OCDs are convertible with in 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 provision for the entire value has been made in the current year as a matter of prudence.

24.5 Contingent Liabilities

1. The following income tax and service tax demands are disputed before the appellate authorities and based on the expert advice, the Group is confident of success. Hence, no amount has been provided for in the books.

AY to which demand relates	Amount (in Rs. Lakhs)	Pending before
Income tax		
2008-09	1480.00	ITAT (Appeals), Chennai**
2010-11	793.30	CIT(Appeals),Chennai
Service tax		
2010-11	17.67	CIT – Service tax ,Chennai

** AO passed order demanding Rs.16497 lakhs for AY 2008-09 towards Income tax and CIT (A) has deleted the addition relating to Rs.15017 lakhs for the balance demand of Rs.1480 lakhs , the company has filed appeals before ITAT. Against the demand a sum of Rs.647 lakhs has been paid under protest.

2. Company has given a corporate guarantee of Rs.2275 lakhs for its group company ie Picturehouse Media Limited as security for availing term loan from the bank for production of films. The company has outstanding loan with bank Rs. 350 lakhs as on 31st March 2014.

3. Company has given a corporate guarantee of Rs.10000 lakhs for its group company ie PVP Capital Limited as security for availing working capital limits from the Bank. The company has outstanding loan with bank Rs. 6167 lakhs as on 31st March 2014.

24.6 Subsidiary companies where no possible business activity existed have been struck off the registrar of companies under section 560 of Companies Act 1956. Some of the Investments with the struck off companies which were assigned for the loans given by the company were transferred to other subsidiary along with the corresponding loans to the same subsidiary. The resultant loss on investment and loans and advances were written off and shown as exceptional item in Statement of Profit and Loss.

24.7 Segment Reporting

The Holding Company PVP Ventures ltd along with Subsidiaries is engaged in the development of urban infrastructure, which in the context of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is considered the only segment. Other segments do not constitute minimum requirement for reportable segment.

24.8 As per prudent accounting policy the net deferred tax assets has not been recognized as at 31st March 2014.

24.9 Employee Benefits

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

Principal Actuarial assumptions used

	As at 31-03-2013	As at 31-03-2014
Discount rates	8.20%	9.10%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	22 years	22 years

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

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present Value of Obligation at the beginning of the period	7.67	6.14
Current service cost	2.06	3.20
Interest cost	0.66	0.50
Actuarial loss/(gain)	(4.25)	1.21
Benefits paid	Nil	Nil
Present Value of obligation at the end of the period	**6.14**	**11.05**

Actuarial gain/loss recognised

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Actuarial (gain)/loss for the year		
Obligations	4.25	(1.21)
Assets	Nil	Nil
Total (gain)/loss for the year	(4.25)	1.21

Amounts recognized in the balance sheet

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present value of funded obligation	6.14	11.05
Less: Fair value of assets*	Nil	Nil
Net Liability / (Asset)	6.14	11.05

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

Expenses recognised in the profit & loss statement

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Current service cost	2.06	3.20
Interest cost	0.66	0.50
Actuarial (gain)/loss	(4.25)	1.21
Cost recognized	(1.53)	4.91

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

Principal Actuarial assumptions used

	As at 31-03-2013	As at 31-03-2014
Discount rates	8.20%	9.10%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	22 years	22 years

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

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present Value of Obligation at the beginning of the year	19.38	19.03
Current service cost	(0.35)	16.83
Interest cost	1.68	1.56
Actuarial loss/(gain)	3.28	(1.11)
Benefits paid	(4.96)	(0.45)
Projected benefit obligation at the end of the period	19.03	35.86

Actuarial gain/loss recognised

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Actuarial (gain)/loss for the year		
Obligations	(3.28)	(1.11)
Assets	Nil	Nil
Total (gain)/loss for the year	(3.28)	(1.11)

Amounts recognized in the balance sheet

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Present value of funded obligation	19.03	35.86
Less: Fair value of assets	-	-
Net Liability / (Asset)	19.03	35.86

Expenses recognised in the profit & loss statement

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Current service cost	(0.35)	16.83
Interest cost	1.68	1.56
Actuarial (gain)/loss	3.28	(1.11)
Cost recognized	4.61	17.28

Defined contribution plans

In respect of the defined contribution plans, an amount of Rs. 3.25 lakhs(2013: Rs. 2.44 lakhs) has been recognized in the Statement of Profit and Loss during the year.

24.10 Particulars relating to expenditure in foreign currency (on payment basis)

(₹ in Lakhs)

Particulars	As at 31-03-2013	As at 31-03-2014
Travel related Expenses	Nil	1.16
Professional fees	Nil	66.06
London Stock exchange fee	10.69	11.71
Interest	Nil	1926.91
Total	10.69	2005.84

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

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

24.14 Earnings per Share (EPS):

Particulars		As at 31-03-2013	As at 31-03-2014
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
No. of Shares outstanding as at the year end	B	243,962,466	243,962,466
Weighted average number of Equity Shares outstanding during the year	C	243,962,466	243,962,466
Profit/(Loss) after Taxes (Rs. in Lakhs)	D	3568.52	280.63
Earnings Per Share–Basic and diluted (in Rs.)	(D*100000)/C	1.46	0.12

Notes:

(i) *Cross holding of equity shares are not considered in computing the EPS.*

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

24.15 Lease Rentals

The Company has entered into operating leases agreements for office premises and an amount of Rs. 56.39 lakhs (2013: Rs. 26.06 lakhs) paid under such agreement have been charged to statement of Profit & Loss.The details with regard to finance lease obligations are as under.

(₹ in Lakhs)

	As at 31-03-2013	As at 31-03-2014
Due within 1 year from the Balance Sheet date	8.80	16.48
Due between 1 and 5 years	11.39	40.28
Due after 5 years	Nil	Nil

Details of assets under Hire purchase

(₹ in Lakhs)

Particulars	Gross Block	Depreciation	Net block
Vehicles	64.75	6.65	58.10

24.16 Related Party Disclosures

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

Name of Party	Relationship
Platex Limited (PL)	Holding Company
Mr. Prasad V. Potluri (PV) Mr.V.R.Arasu Mr.Vinay Chilakapathi Mr.Rajeev Kamineni	Key Managerial Personnel (KMP)
Mrs. Jhansi Sureddi	Relative of KMP
Bruma Properties Private Limited (BPPL) Picturehouse Media Limited (PHML) PVP Capital Ltd(PVPCL)	Enterprise where KMP and relatives exercise significant influence

Summary of transactions and outstanding balances with the above related parties: (₹ in Lakhs)

Nature of Transactions	Transactions for the year ended		Balance as at	
	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014
(i) Unsecured Loans Availed (Net)/ Amount Payable				
(a) Holding Company - Platex Limited	Nil	Nil	13996.00	13996.00
(ii) Interest given				
(a) Holding Company - Platex Limited	Nil	1926.91	Nil	1926.91
(iii) Advances/Loans given				
(a) Holding Company - Platex Limited	21.18	Nil	Nil	Nil
(b) Enterprises where key management personnel exercise significant influence				
- BPPL	Nil	Nil	35.00	35.00
e. Salary & Perquisites to Chairman & Managing Director **		100.19		100.19
f. Corporate Gurantee given				
- PHML	Nil	2275.00	Nil	2275.00
- PCL	Nil	10000.00	Nil	10000.00

** Based on the resolution passed in 22nd AGM dt 26th Sept 2013 an amount of Rs.100.19 lakhs was paid during the year, upon finalization of accounts , the excess paid of Rs. 25.94 lakhs, since been recovered

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

As per our Report of even date
For M/s CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm.Reg.No. 004915S
Sd/-
R.THIRUMALMARUGAN
Partner
Membership No. 200102

Date : May 28, 2014
Place : Hyderabad

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Sd/-
N.S. KUMAR
Director

Sd/-
KANNAN .S
Head - Finance & Accounts

Sd/-
G.S.V. RANGA
Head - Legal & Company Secretary

Date : May 28, 2014
Place : Hyderabad

NOTES

PVP Ventures Limited
(CIN: L72300TN1991PLC020122)
Regd. Office: KRM Centre, 9th Floor, Door No.2, Harrington Road, Chetpet, Chennai – 600 031

Form No. MGT – 11

PROXY FORM

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

Name of the Company	PVP Ventures Limited
Registered Office	KRM Centre, 9th Floor, Door No.2, Harrington Road, Chetpet, Chennai – 600 031
Name of the Member(s)	
Registered Address	
E-mail id	
Folio No./Client ID	
DP ID	

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

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

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

3.....of.....having e-mail id.....

And whose signature(s) are appended below as may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on the September 26, 2014 at 10.00 a.m. at The Kings Hall, The Pleasant Days Resort, Chennai – Bangalore Highway, Palanjur, Sembarambakkam, Chennai - 600 123, Tamilnadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote**	
		for	Against
Ordinary Business:			
1	Consider and adopt audited Financial Statements, Reports of the Board of Directors' and Auditors' thereon.		
2	Reappointment of Auditors and fixing their remuneration.		
Special Business:			
3	Appointment of Mr. R. Nagarajan as an Independent Director		
4	Appointment of Mr. N S Kumar as an Independent Director		
5	Amendment to the Articles of Association		

Affix Revenue Stamp

Signed this.....day of.....2014

Signature of Share holder

Signature of first Proxy holder

Signature of second Proxy holder

Signature of third Proxy holder

Notes:

1. **The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 hours (forty eight hours) before the time fixed for holding the meeting.**

2. **A proxy need not be a member of the Company.**

3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. ** This is only optional. Please put '✓' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

5. Appointing a proxy does not prevent a member from attending in person if he so wishes.

6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

PVP Ventures Limited
(CIN: L72300TN1991PLC020122)
Regd. Office: KRM Centre, 9th Floor, Door No.2, Harrington Road, Chetpet, Chennai – 600 031

ATTENDANCE SLIP

Folio No.: DP ID Client ID No.*:	No. of Shares :

Name of Member(s)/Proxy: Address:	Email Id:

I hereby record my presence at the 23rd Annual General Meeting of the Company being held on Friday, the September 26, 2014 at 10.00 A.M. at The Kings Hall, The Pleasant Days Resort, Chennai - Bangalore Highway, Palanjur, Sembarambakkam, Chennai – 600 123, Tamilnadu.

Signature of share holder/Proxy

Note (s) :

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.
2. *Applicable for Investors holding shares in electronic form.
3. Joint shareholders may obtain additional slip at the venue of the meeting.

PVP VENTURES LIMITED
KRM Centre, 9th Floor, Door No.2, Harrington Road, Chetpet, Chennai-600031.
Telphone: +91-44-3028 5570, email: investorrelations@pvpglobal.com

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