PVP Ventures Limited

ANNUAL REPORT 2017-18

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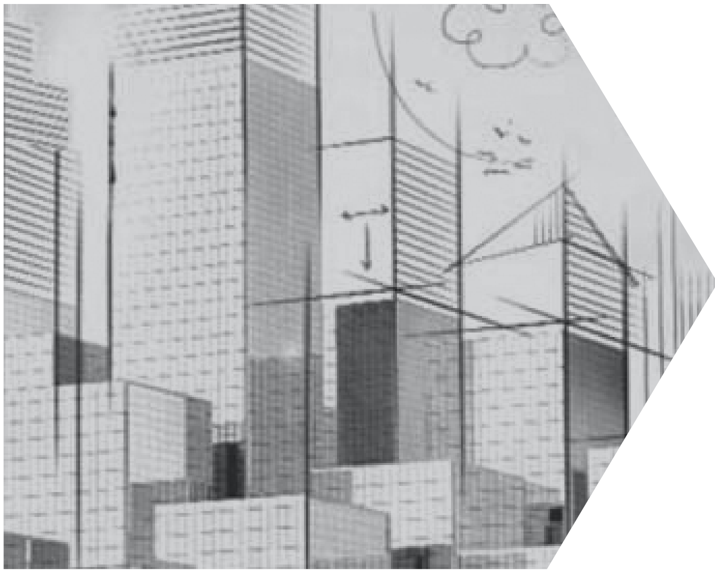


CHAIRMAN'S Message

Dear Shareholders,

The year 2017-18 has been an eventful one for India's real estate sector with a lot of positive changes and initiatives being introduced by the government. Reform measures like implementation of RERA and clarity on GST are structural changes, which are likely to give increased confidence to home buyers and provide consolidation opportunities for the organized players. While the sector struggled for transition into the post RERA and GST regime, the Company had cheered these policy changes whole heartedly and transitioned effortlessly.

The present financial year will be pretty exciting for us. We will fast track the monetization of our Land parcel through plotting and a steady cash flow from our North Town Project will take care of the investments required for our expansion plans. Below is our company's diverse portfolio description in brief.

REAL ESTATE : During the financial year under review, the Company registered a revenue of Rs. 2,875.57 Lakhs on Standalone basis as compared to the previous year's total revenue of Rs. 3,833.64 Lakhs. This is due the transition in implementation of statues / reforms. Further, total revenue on consolidated basis is Rs. 5,894.71 Lakhs as compared to the previous year's total revenue of Rs. 15,666.88 lakhs. Cautious approach in film making was the reason in reduction of turnover. The Standalone Loss After Tax stood at Rs. 39.53 lakhs as against the Profit After Tax of Rs. 2,067.38 lakhs in the year 2016-17 and the Consolidated Loss After Tax stood at Rs. 6,206.49 lakhs as against the Profit After Tax of Rs. 821.80 lakhs in the previous year.

RETAIL: The Company is into Safe Deposit Lockers Business under the brand name "SAFE TRUNK".

SAFETRUNK – an independent ultra-secure purpose built safe deposit locker facility, with cutting edge technology & security integration that surpasses industry standards, we are dedicated to delivering unrivaled security to our customers accompanied with world class service

ENTERTAINMENT: Film Industry in India is gaining traction as a film-shooting destination and after the success of India-based movies, several international studios are increasingly considering shooting a large portion of their films in India.

With the gradual emergence of Tier II and Tier III cities on the multiplex map, the acceptance of traditional commercial cinema is accelerated. Regional content continued to make encouraging headway and engage growing audiences.

Traditionally only advertising has been a key source of revenue for Media and Entertainment industry, but off late revenue from subscription and value added services has also contributed significantly. With consumers willing to pay for content and extra services, the subscription segment will play an important role in the post digitisation era.

I am confident that our passion to deliver engaging content with a robust business model will enable us to create value for all stakeholders in the years to come. I seek your continued support and encouragement in this endeavour.

Sincerely yours,

Prasad V. Potluri
Chairman and Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mr. Prasad V. Potluri – Chairman & Managing Director
Mr. R. Nagarajan – Independent Director
Mr. N. S. Kumar – Independent Director

BOARD COMMITTEES
Audit Committee
Mr. R. Nagarajan – Chairman
Mr. N. S. Kumar
Mr. Prasad V. Potluri

Stakeholders Relationship Committee
Mr. R. Nagarajan – Chairman
Mr. N. S. Kumar
Mr. Prasad V. Potluri

Nomination and Remuneration Committee
Mr. N. S. Kumar – Chairman
Mr. R. Nagarajan

CSR Committee
Mr. R. Nagarajan – Chairman
Mr. N. S. Kumar
Mr. Prasad V. Potluri

KEY MANAGERIAL PERSONNEL
Mr. Prasad V. Potluri – Chairman & Managing Director
Mr. D. Krishnamoorthy – CFO & Company Secretary

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

PRINCIPAL BANKERS
Kotak Mahindra Bank Ltd.
HDFC Bank

REGISTERED OFFICE
KRM Centre, 9th Floor, Door No. 2
Harrington Road, Chetpet, Chennai – 600031.
T: +91 44 3028 5570 F: +91 44 3028 5571
E: investorrelations@pvpglobal.com

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

STOCK EXCHANGES WHERE COMPANY'S SECURITIES ARE LISTED
The BSE Limited
The National Stock Exchange of India Ltd.

REGISTRAR AND SHARE TRANSFER AGENTS
Karvy Computershare Private Ltd.
C/O Karvy Selenium, Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032
T: +91 40 6716 1591 E: einward.ris@karvy.com

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

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of PVP Ventures Limited will be held on Monday, September 10, 2018 at 10.00 am at "Sri. P. Obul Reddy Hall", Vani Mahal, 103, G N Road, T. Nagar, Chennai – 600 017, Tamil Nadu to transact the following:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including consolidated financial statements) for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.

2. To ratify appointment of M/s. Brahmayya & Co. as Statutory Auditors and fix their remuneration 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by Members at the 25th Annual General Meeting appointing Brahmayya & Co., Chartered Accountants, (FRN: 000511S) as Statutory Auditors of the Company to hold office until the conclusion of 30th Annual General Meeting of the Company, the Company hereby ratifies and confirms the appointment of M/s. Brahmayya & Co., as Statutory Auditors of the Company for the financial year ending 31st March, 2019 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS

3. ISSUANCE OF SECURED, RATED, LISTED REDEEMABLE, NON-CONVERTIBLE DEBENTURES BY WAY OF PRIVATE PLACEMENT:

To consider and if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT in accordance with the provisions of sections 42 and 71 and all other applicable provisions, if any, of the Companies Act,2013 (including any statutory modification(s) or reenactment thereof for the time being in force) read with the rules made there under the provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be necessary, the consent of the members of Company be and is hereby accorded to the board of Directors of the Company (Board) to raise funds not exceeding Rs. 750 Crores through private placement of secured, rated, listed, redeemable, non-convertible debentures (Debentures) within the overall borrowing limits of the Company, in one or more series / tranches, to such eligible investors, as the Board or any duly constituted Committee of the Board, may in its sole discretion decide and on such terms and conditions as may be finalized by the Board or any duly constituted committee of the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the private placement of the Debentures, the Board or any duly constituted committee of the Board, be and is hereby authorised to determine the terms of the issue, including the investors to whom the debentures are to be allotted, the number of Debentures to be allotted in each series / tranches, issue price, tenor, interest rate, Listing, creation of security, appointment of debenture trustee (s) and to do all other acts, deeds, documents, instruments and writings as may be required to delegate all or any of its powers herein conferred to any committee of the Board, Director(s) and / or officer(s) of the Company.

RESOLVED FURTHER THAT the above resolution shall be valid for a period of one year from the date of passing the resolution.

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company are severally authorized to sign / authenticate all the necessary applications, papers and documents required for the purpose, and to do all such acts and to give effect to the above said resolution."

By order of the Board of Directors
FOR PVP VENTURES LIMITED
Sd/-

Place: Chennai **Prasad V. Potluri**
Date : August 08, 2018 **Chairman & Managing Director**

NOTES

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

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ['THE MEETING'] IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ONLY ON A POLL ON HIS/HER/ITS BEHALF AND THE PROXY, HOWEVER, NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before commencement of the meeting. A Proxy form for the AGM is enclosed with this Annual Report.**

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

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

5. In case of joint holders, the first joint holder will be entitled to vote in the meeting.

6. The Register of Members and Share Transfer Books of the Company will remain closed from **September 05, 2018 to September 10, 2018** (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, 2018 are being sent in electronic form to those Members who have registered their e-mail addresses with their DPs. However, in case, a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to investorrelations@pvpglobal.com for receipt of hard copy. This would enable the Company to update its database by incorporating/ updating the designated e-mail addresses in its records. The Members may also note that the said Reports are also being uploaded on the website of the Company at www.pvpglobal.com.

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

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

   a) Change in their residential status on return to India for permanent settlement.

   b) Particulars of their bank account 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 grievances, if any, by quoting their Registered Folio Number, Client ID, and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives.

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

12. The Annual Report of the Company for the year 2017-18 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. Further, the facility for voting, through ballot paper, will also be made available at the AGM. However, the Members attending the AGM who cannot cast their votes by remote e-voting, can also exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. In this regard, the Company has appointed M/s. D. Hanumanta Raju and Co, Practicing Company Secretaries, Hyderabad, who in the opinion of the Board is a duly qualified person, as a Scrutinizer to oversee the electronic voting process in a fair and transparent manner.

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

15. The login ID and password for e-voting along with process, manner and instructions is being sent to the members along with email/physical copy of the Notice.

16. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of cut-off date i.e., September 3, 2018 may obtain the login ID and password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and password for casting your vote.

17. Members are requested to note that the e-voting will open on September 7, 2018 at 9.00 a.m. and shall remain open for 3 days i.e. up to September 9, 2018 and it shall not be allowed beyond 5 p.m. on September 9, 2018.

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

I. **Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

(A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participants (s)]:

   a) Launch internet browser by typing the URL: https://evoting.karvy.com.

   b) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

   c) After entering these details appropriately, click on "LOGIN".

   d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

e) You need to login again with the new credentials.

f) On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company"

g) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

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

i) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

j) You may then cast your vote by selecting an appropriate option and click on "Submit".

k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email dhr300@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name Event No."

(B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

a) E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.

b) Please follow all steps from Sl. No. (a) to (l) above to cast your vote by electronic means.

II. Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

OTHER INSTRUCTIONS

a) In case of any query and / or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (Karvy Website) or contact investorrelations@pvpgloal.com,PVP Ventures Limited or Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

b) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

c) The remote e-voting period commences on September 7, 2018 (9.00 A.M. IST) and ends on September 9, 2018 (5.00 P.M.IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 3, 2018, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

d) The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. September 3, 2018.

e) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., September 3, 2018, he / she may obtain the User ID and Password in the manner as mentioned below :

(i) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXXX1234567890

(ii) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(iii) Member may call Karvy's toll free number 1800-3454-001.

(iv) Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

Explanatory Statement (Pursuant to Sections 102(1) of the Companies Act, 2013)

Item No 3

As members are aware, the Company has obtained shareholders' approval for issuing Secured, Rated, Listed, Redeemable Non-convertible Debentures through Private Placement, during the financial year 2017 up to Rs. 500 crores, the Company has obtained approval for issue of Non-Convertible Debentures of Rs.195 Cr., from the competent authorities, out of which the Company has received the subscription amount of Rs. 71.50 Crores and the same has been allotted as 715 Non-Convertible Debenture of Rs. 10,00,000/- each.

Due to expiration of validation of period of Resolution, the Company proposed the resolution to shareholders for their approval.

In order to provide necessary flexibility regarding borrowings of the Company in an optimal manner depending on the market conditions, the Company proposes to offer, issue and allot Redeemable Non-Convertible Debentures ('NCDs') not exceeding Rs. 750 crores in such manner and on such terms and conditions as may be deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee thereof). Subject to approval of the shareholders, the Board has, at its meeting held on August 08, 2018 resolved to issue NCDs not exceeding Rs. 750 crores on private placement basis, on such terms and conditions and at such price(s) as may be determined by the Board.

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, provides that a company offering or making an invitation to subscribe NCDs on private placement basis shall obtain prior approval of the shareholders by way of a special resolution. The special resolution shall be valid for a period of one year for all the offers or invitations for such NCDs made during the year. The Company may offer or invite subscription for NCDs, in one or more series / tranches on private placement basis to persons who may or may not be shareholders of the Company. NCDs may be secured by mortgage / charge on the assets of the Company and may be listed on one or more stock exchanges. The proposed borrowings along with the existing borrowings of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) would not exceed the borrowing limit approved by the shareholders from time to time. The shareholders have approved the borrowings up to Rs. 3000 crore and creation of mortgage / charge for securing the borrowings through Postal Ballot on October 14, 2014. Approval of the shareholders is, therefore, sought for the proposed issue of NCDs and for authorising the Board to issue NCDs on the terms and conditions as may be deemed appropriate by the Board. The Board recommends the resolution for approval of the shareholders of the Company as a Special Resolution through Postal Ballot.

The Board is of the opinion that the aforesaid Resolution is in the best interest of the Company and hence recommends the Special Resolution for your approval.

None of the Directors / Key Managerial Personnel / Managers of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their share holding / directorship, if any.

By order of the Board of Directors
FOR PVP VENTURES LIMITED

Sd/-
Prasad V. Potluri
Chairman & Managing Director

Place : Chennai
Date : August 08, 2018

ROUTE MAP TO THE VENUE OF THE AGM

DIRECTORS' REPORT

To the Members,

We are pleased to present the report on the business and operations of your Company for the year ended March 31, 2018.

FINANCIAL RESULTS

[Rs. in Lakhs]

PARTICULARS	STANDALONE		CONSOLIDATED	
	2017-18	2016-17	2017-18	2016-17
Total Income	2,875.57	3,833.64	5,894.71	15,666.88
Operational, Administration and Other Expenses	720.58	819.46	6,750.02	11,099.02
Profit/(Loss) Before Depreciation Interest And Tax	2,154.99	3,014.18	(855.31)	4,567.95
Depreciation	57.75	59.02	108.67	111.46
Interest and Finance Charges	2,044.71	1,939.92	5,085.18	4,717.37
Profit / (Loss) Before Exceptional Items	52.53	1,015.24	(6,049.16)	(260.97)
Exceptional Items	0.00	0.00	(0.48)	(102.77)
Profit / (Loss) Before Tax	52.53	1,015.24	(6,048.68)	(158.20)
Tax Expense	92.06	(1,052.14)	157.81	(980.00)
Profit/ (Loss) after Tax	(39.53)	2067.38	(6,206.49)	821.80

State of the Company's Affairs

During the financial year 2017-18, the Company witnessed loss, both on Standalone and Consolidated basis. The revenue from operations for the financial year ended 31 March, 2018 on Standalone basis is Rs. 28.39 crores as compared to the previous year's total revenue of Rs. 37.66 crores. Further, total revenue on consolidated basis is Rs. 58.43 crores as compared to the previous year's total revenue of Rs. 155.60 crores.

The Standalone Loss after tax stood at Rs. 0.39 crores as against Profit of Rs. 20.67 crores in 2017. Further, the Consolidated Loss after tax stood at Rs. 62.06 crores as against Profit of Rs. 8.22 crores in 2017.

Dividend

In view of the losses and in order to conserve the resources of the Company, for future Business operations, the Board of Directors did not recommend any dividend for the financial year ended March 31, 2018.

Transfer to Reserves

In view of the losses incurred by the Company during the year, the Board of Directors did not propose to transfer any amount to reserves for the period under review.

Capital Structure

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

Particulars of Loans, Guarantees and Investments

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

Debentures

During the year under review, the Company has issued 386, 18% Secured, Rated, Listed, Redeemable Non-Convertible Debentures. The total debentures outstanding as on the March 31, 2018 is 13,289, 14.5% Redeemable fully convertible Debentures (FCDs) of Rs. 1,00,000/- each and the 386, 18% Secured, Rated, Listed, Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each.

As on date of this report, the total debentures outstanding is 10,000 14.5% Redeemable fully convertible Debentures (FCDs) of Rs. 1,00,000/- each and the 715, 18% Secured, Rated, Listed, Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each.

Public Deposits

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

Insurance

All the properties of your Company have been adequately insured.

Related Party Transactions

In line with the requirements of the Companies Act, 2013 and erstwhile Listing Agreement and the current Listing Agreement signed with the stock exchanges pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, your company has formulated a Policy on related Party Transactions which is also available on the Company's website at http://www.pvpglobal.com/pdf/RPTPolicy-PVPL.pdf. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the Related Parties.

During the year under review, there were no Related Party Transactions or Material Related Party Transaction i.e., transactions, exceeding 10% of the annual consolidated turnover as per the latest audited financial statements. Accordingly, the disclosure of Related Party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable for year ended March 31, 2018.

During the year, the Company had not entered into any contract / arrangement / transactions with Related Parties which could be considered as material in terms of Regulation 23 of the SEBI (LODR) Regulations, 2015. In accordance with Accounting Standard 18, the Related Party Transactions are disclosed under Note No. 25.12 of the Standalone Financial Statements.

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

During the financial year of the Company, the Company has obtained necessary approvals for issuance the Secured, listed, Rated, Non-convertible Debentures for Rs. 195 Cr., in two Tranche out of which the Company received the subscription of Rs. 38.60 (Tranche A) and it has been allotted as 386 Non-Convertible Debentures (NCDs) for the face value of Rs. 10,00,000/- each as on March 31, 2018.

Further, the Company has issued Tranche B NCDs and received the subscription of Rs. 32.9 crores and it has allotted as 329 Non-Convertible Debentures (NCDs) for the face value of Rs. 10,00,000/- each in April 2018.

Subsidiary Companies

The Company along with its subsidiaries is operating in the verticals of Urban Infrastructure, Media and Entertainment and retail customer services. As on March 31, 2018, the Company has

4 wholly-owned subsidiaries viz., PVP Corporate Parks Private Limited, PVP Global Ventures Private Limited, PVP Media Ventures Private Limited, Safetrunk Services Private Limited, besides 2 subsidiaries viz., New Cyberabad City Projects Private Limited, Picturehouse Media Limited and 4 step down subsidiaries viz., Adobe Realtors Private Limited, which is a wholly-owned subsidiary of PVP Global Ventures Private Limited and PVP Capital Limited, PVP Cinema Private Limited and Picturehouse Media Private Limited, Singapore which are wholly-owned subsidiaries of Picturehouse Media Limited. Further, as on March 31, 2018, the company did not have any Associate Companies.

The consolidated financial statements of the Company including its subsidiaries have been prepared in accordance with Section 129(3) and Section 133 of the Companies Act, 2013 read with the rules made thereunder and applicable Indian Accounting Standards (Ind AS) along with the Auditor's Report forms part of this Annual Report. Further, a statement containing salient features of the financial statements of the subsidiaries in the prescribed format AOC-1 is appended as Annexure - 1 to the Board's Report. Hence, a separate report on the performance and financial position of each of the subsidiaries and joint venture companies is not repeated here for the sake of brevity.

As required under Section 136 of the Companies Act, 2013 the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the website www.pvpglobal.com. These documents will also available for inspection during the business hours at the Registered office of the Company and any member who wish to get copies of such financial statements, may write to the Company for such requirement.

Management Discussion and Analysis Report

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

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 Regulation 34 read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 forms part of the Annual Report.

Board of Directors and Key Managerial Personnel

No Director(s) of the Company are being eligible offers themselves for re-appointment.

The details of training and familiarization programs and Annual Board Evaluation process for directors have been provided under the Corporate Governance Report.

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

The policy on Directors' appointment and remuneration including criteria for determining qualifications positive attributes, independence of director and also remuneration for Key Managerial Personnel and other employees and Board evaluation process also forms part of Corporate Governance Report as per Section 178(3) of the Companies Act, 2013 is hosted on the Company's website and the web link thereto is http://www.pvpglobal.com/pdf/PVP-N&RCommPolicy.pdf.

Mr. D. Krishnamoorthy, CFO & CS of the Company, resigned on April 30, 2018 has joined us back as CFO & CS of the Company effective August 8, 2018.

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

Composition of Board Committees

Audit Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S. Kumar	Member
Mr. Prasad V. Potluri	Member

Nomination and Remuneration Committee	
Mr. N. S. Kumar	Chairman
Mr. R. Nagarajan	Member

Stakeholders Relationship Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S Kumar	Member
Mr. Prasad V. Potluri	Member

Corporate Social Responsibility Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S. Kumar	Member
Mr. Prasad V. Potluri	Member

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

Number of Meetings of the Board

The Board met 6 (Six) times during the financial year and the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was well within the period prescribed under the provisions of the Companies Act, 2013.

Directors' Responsibility Statement

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

(i) In preparation of the annual accounts for the financial year ended March 31, 2018 the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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

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

(vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate to operate the company effectively.

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

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

Statutory Auditors

M/s Brahmayya & Co., Chartered Accountants, (FRN: 000511S) were appointed as Statutory Auditors of your Company at the 25th Annual General Meeting held on September 27, 2016 for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In this regard, M/s. Brahmayya & Co., Chartered Accountants have submitted their written consent that they are eligible and qualified to be re-appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

Accordingly, the Board recommended ratification of the appointment of M/s. Brahmayya & Co., Chartered Accountants as the Statutory Auditors of the Company at the this Annual General Meeting.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Auditors' Report & Directors' Comments on the Qualification made by statutory auditors :

The Auditors' Report for the financial year 2017-18 is a "qualified report'' for the standalone financial statements and "Unqualified report" for the Consolidated financial statements.

Auditors Qualification:

"As stated in Note No: 25.3 to the Standalone Ind AS Financial Statements, in relation to investment in equity shares includes investments in two subsidiary Companies net off provision made amounting to Rs. 24,528.90 Lakhs, and loan and advances to subsidiary companies of net off provision made amounting to Rs. 31,499.83 Lakhs. The management is of the view that considering the market value of the assets and expected cash flows from the business of these subsidiary companies, the provision already made is adequate. Considering erosion in the net worth of the subsidiary companies and are their dependence on the holding company to continue as a going concern, absence of cash flow, delay in commencement of projects and other related factors indicate the existence of material uncertainty in carrying the value of investments and loans and advances at cost less provision already made. Hence we were unable to determine whether any adjustments to these net carrying amounts are necessary and additional provision for diminution, if any, to be made are not quantifiable at this point of time."

Directors' Comments on the above qualification:

The Company has made investment in the subsidiary Companies on a long term basis with an intension to expand its business vicinity through its subsidiary companies. Considering the business potential of these companies, expected future generation of revenues and cash flows, expected development of the projects and the market value of the assets of the subsidiaries, we are unable to estimate the impact of the aforesaid Audit Qualification.

Reporting of Frauds

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

Secretarial Auditor

M/s. D. Hanumanta Raju & Co., Company Secretaries were appointed to conduct the Secretarial Audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and rules thereunder. The Secretarial Audit Report for the financial year 2017-18 forms part of the Annual Report as **Annexure-2** of the Board's Report.

Auditors Qualification:

1. *As on 31st March, 2018, Board of the company does not have a Woman Director. Further, constitution of Nomination and remuneration committee is not as per Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
2. *It is observed that Form PAS-5 (Record of Private Placement) was not attached in Form GNL-2 in respect of allotment of debt securities but was filed with Registrar of Companies as an attachment to Form PAS- 3.*

Directors' Comments on the above qualification:

1. The Board informed that the Company is planning for restructuring this year and would like to appoint a suitable Woman Director in the Composition of Board having an adequate industry knowledge and experience, which can be utilized for the growth of the Company.

   After the appointment of the Women Director, the Nomination & Remuneration Committee will be re-constituted to induct the Woman Director as its member, which shall be in line with the provisions of Section 178 of the Companies Act, 2013.
2. The Board is of view that the Company has inadvertently filed the PAS 5 along with PAS 3 instead of filing it with the offer letter by oversight and as such has complied with the law. However, the same has been taken care in future filings.

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. The Company confirms that it has paid the Annual Listing Fees due to both the Stock Exchanges for the year 2018-19.

Chairman & Managing Director Certification

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

Significant Material Orders

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

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

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

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

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

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

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

The Appellants are in the process of appealing against the SAT Order before the Hon'ble Supreme Court of India.

There were no other significant Material Orders passed against the Company during the year under review except above.

Extract of Annual Return

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

Internal Financial Control

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

The Company works in a dynamic business environment and adopts the appropriate internal financial controls, to establish reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with the generally accepted accounting principles. It includes inducting and maintaining such business policies and procedures as may be required to successfully conduct the business of the company and maintain such records as to correctly record the business transaction, assets and liabilities of the company in such a way that they help in prevention & detection of frauds & errors and timely completion of the financial statements.

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

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

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177 of the Companies Act, 2013 and the Rules framed there under and pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has a Whistle Blower Policy framed to deal with instances of fraud and mismanagement, if any genuine grievances to the appropriate authority.

The Company has a Whistle Blower Policy framed to deal with instances of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company www.pvpglobal.com

Corporate Social Responsibility (CSR)

CSR Committee of the Company comprises of Mr. R Nagarajan, Mr. N S Kumar and Mr. Prasad V. Potluri and the Committee is responsible for formulating and monitoring the CSR Policy of the Company. The CSR Policy of the Company as approved by the Board of Directors of the Company is available on website of the company.

The Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure - 4** to this Report.

The company is required to spend Rs. 36.98 Lakhs for the financial year 2015-16, Rs. 10.58 lakhs for the FY 2016-17 and Rs. 22.02 lakhs FY 2017-18 and the same will be expended in future years. Due to the Losses and severe financial constraints the Company is unable to incur CSR during the year. The same will be spent in the current financial year.

The committee met one time during the FY 2017-18 on May 30, 2017

Particulars of employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 5** to the Board's Report.

Risk Management Policy

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

Compliance with Secretarial Standards

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

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

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

The following is a summary of sexual harassment complaints received and disposed off during financial year ended March 31, 2018:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

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

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

A	**CONSERVATION OF ENGERGY** 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:**		
			[Rs. In Lakh]
	PARTICULARS	**CURRENT YEAR**	**PREVIOUS YEAR**
1.	**Foreign Exchange Earnings**	**Nil**	**Nil**
2.	**Foreign Exchange Outgo:**	**Nil**	**Nil**
	Total	**Nil**	**Nil**

Acknowledgements

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

For and on behalf of Board of Directors

	Sd/-	**Sd/-**
Place: Chennai	**Prasad V. Potluri**	**R. Nagarajan**
Date : August 08, 2018	**Chairman & Managing Director**	**Director**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Industry Structure & Development

Real Estate

The real estate market is in a mixed bag of huge Supply, Demand for affordable housing and volatile pricing. Huge expenditure is incurred in Marketing and offer of free bees which was unheard of earlier. The recent government initiatives which have been put into effect such as Real Estate Development and Regulation Act (RERA), Goods and Service Tax (GST) and demonetization have all been positive steps towards increasing transparency and boosting a buyer's confidence in the realty market. One can expect potential investors to relook at the market for investment opportunities.

The year 2017 has been a roller coaster ride for Real Estate market in India. With so many reforms in such short time, 2018 is expected to be an unpredictable year for Real Estate. It is yet to see how Real Estate Regulation Act (RERA), Benami Transaction Act, Goods and Service Tax (GST) will make the working more transparent.

While the above reforms would be a long-term positive for the economy, it had its initial implementation issues and the overall economy bore the brunt of the changes with traders and Medium and Small Scale Enterprises (MSME) getting adversely affected.

The Reserve Bank of India (RBI) continued to keep an eye on the inflation and therefore did not lower the benchmark rates during the year. However, on account of the weak credit offtake, banks continued to aggressively price their lending products, putting pressure on incremental spreads for the lenders.

While the last quarter of the financial year under review witnessed some positive signs in terms of production, export growth and lower inflation, the rising Non Performing Assets (NPAs) levels and large scale financial scams in the banking sector dampened sentiments. The government reviewed the urban housing shortage numbers and reduced the shortage projections from the earlier 18.76 million units to 10 million dwelling units. While the government has been promoting housing and has offered various sops for the industry to meet the shortage, the sluggish offtake of housing and low supply numbers could still impact the achievement of the target of Housing for All by 2022.

Foreign Direct Investment in India averaged 1318.29 USD Million from 1995 until 2018, reaching an all time high of 8579 USD Million in August of 2017 and a record low of (1336) USD Million in November of 2017.

The Indian Real Estate sector witnessed significant improvement in 2017, with a total Foreign Direct Investment of USD 257 million, the Economic Survey 2017-18 noted. In a report by the United Nations Conference for trade and development, India ranked 4th for FDI inflows. India has been a major destination for global and Indian investors due to the regulatory improvement. The transparency in the Real Estate has gained trust from the NRIs as well. It is expected that more capital inflow will continue in 2018 as well.

Real Estate was in total confusion with these reforms in such a short term. As explained, in the long run, the transparency will bring back the confidence of buyers. The larger outlook of reforms will show its true colors in 2018. Trends like affordable housing, stricter regulation by RERA regulators, co-working spaces and office sector transformation will continue to grow. It is also expected that developers will turn their focus to Tier-2 cities for expansion. Overall 2018 is likely to bring satisfaction to developers as well as buyers.

Films

Indian media and entertainment (M&E) industry grew at a CAGR of 12.25 per cent from 2011-2017; and is expected to grow at a CAGR of 11.6 per cent to touch Rs 2,032 billion (US$ 31.53 billion) by 2020 from Rs 1,308 billion (US$ 19.46 billion) in 2016.

The next 5 years will see digital technologies increase their influence across the industry leading to a sea change in consumer behaviour across all segments. The entertainment industry is projected to be more than US$ 62.2 billion by FY25. The industry provides employment to 3.5-4 million people, including both direct and indirect employment as of 2017

In film industry, the major positives were growth of regional films and their presence and recognition pan-India. This paves way for many good content to travel beyond our state borders to wider audience. Another key change in the trend was a slight decline in star driven films to more content driven films. This will help in correcting the already inflated production, remuneration and marketing cost.

Opportunities, Risks & Outlook

Real Estate

The country's growth is estimated to hover around 7% during this fiscal. As far as long-term market dynamics are concerned the sector will remain positive in the upcoming year, especially in the residential market. With RERA being implemented pan-India, developers are shifting their focus on timely delivery of ongoing projects and also remain increasingly flexible on pricing and payment schedules. This will help increase activity in this sector. Affordable housing will now be the most viable option for people to purchase homes now as the entire transaction will have to be in a systematic and legit. Irrespective of the price range a project offers, home-buyers do not want to compromise on the factors affecting the livability and quality of life.

Developers have realized that there is a need to change the business model. Buyers are well aware of their rights due to various initiatives from the government. Rather than just focusing on the product, they would be putting more efforts in addressing the concerns of the buyers. Developers would make sure that the service they provide is efficient and more realistic. First priority would be given to the buyers and their satisfaction.

The market will see comparisons between luxury and affordable housing as to which one is better. Due to initiatives by the government like the Pradhan Mantri Awas Yojana for affordable housing, various private companies have started showing interest in the affordable housing. But it is also a fact that not every mass housing scheme will work, particularly the ones that offer bare-shell units. Developing places like Noida Extension will have fewer takers for affordable housing and will stick to a luxury one because the rate is low there.

The significance of small projects will rise from 2018. In India 2.9 million housing units are delayed and out if these, 6 lac units are delayed by two or more years. To escape penalties by RERA and to provide housing on time, smaller projects would be a priority for developers now. Inventory overhang would be avoided by the developers from this year.

Real Estate Investment Trust (REIT) will let the builders get funds easily. The office sector basically gets funding from private equity funds. It will attract investors who do not want to risk everything. They would invest into something which is reliable and give returns.

Real estate is an interest sensitive sector, hence any increase in rates affected by the Reserve Bank of India will impact the performance of the sector.

Regulatory overhaul and botched implementation of reforms have potential to cause temporary setbacks for the economy and sectoral performance in the short to medium term.

Films
Film Industry in India is gaining traction as a film-shooting destination and after the success of India-based movies, several international studios are increasingly considering shooting a large portion of their films in India.

Size of the Indian film industry is expected to touch Rs 192 billion (US$ 2.98 billion) by 2020, up from Rs 156 billion (US$ 2.40 billion) in 2017. Increasing digital screens and 3D films are expected to help industry growth.

In order to promote India as a location destination for foreign production houses, the government is setting up a single window clearance system for shooting permissions. To promote joint productions, co-production agreements have been signed with Italy, Germany, Brazil, UK, France, New Zealand, Poland, Spain and Canada.

The Indian media industry has tremendous scope for growth in all the segments due to rising incomes and evolving lifestyles. Media is consumed by audience across demographics and various avenues such as television, films, out of home (OOH), radio, animation and visual effect (VFX), music, gaming, digital advertising, and print.

The Media & Entertainment industry is anticipated to grow at a Compound Annual Growth Rate (CAGR) of 13.9 per cent during 2016-21 to reach US$ 37.55 billion. The industry provides employment to 3.5-4 million people, including both direct and indirect employment as of 2017.

Traditionally only advertising has been a key source of revenue for Media and Entertainment industry, but off late revenue from subscription and value added services has also contributed significantly. With consumers willing to pay for content and extra services, the subscription segment will play an important role in the post digitisation era.

The entertainment industry will also benefit from continued rise in the propensity to spend among individuals; empirical evidence points to the fact that decreasing dependency ratio leads to higher discretionary spending on entertainment.

The film industry faces multiple challenges on the regulatory front, the report said, citing, about 70 approvals and licenses a filmmaker is supposed to take from as many as 30 authorities for shooting a film in India.

The real estate sector in India is heavily regulated by the central, state and local governments. The delay in approvals of project and amendments in the various Rules and Regulations can adversely impact new launches and increase in the cost of the projects. Retrospective applicability of policy changes may impact profitability.

Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector.

In the last few years, the window available to a film to monetize revenues at the box office has come down sharply. The implication of this trend from the point of view of the industry is that the largest chunk of the revenues generated by a film flows into the value chain within the first three days of its release. This necessitates monetization of content across all media and platforms, including broadcast and new media rights, merchandizing and gaming revenue

Every year, millions of piracy transactions take place, accounting for incalculable lost revenue to those who actually paid to make and distribute those films. And those piracy figures continue to grow. The country's film industry continues to lose around INR 50 billion in revenues and over 50,000 jobs every year due to piracy. India is one of the top countries witnessing peer-to-peer file-sharing infringement worldwide.

Segment–wise or product-wise performance.
The Group is engaged in Real Estate/Urban Infrastructure, Media Production and Movie Financing related activities. These are reportable segments for the year. Entire Operations of the Group is only in domestic hence reportable geographical segment does not arise except for one step down subsidiary of PHML Singapore which does not warrant geographical segment reporting. Segment wise income, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of cost plus margins. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

The Segment wise performance is detailed in Note no. 27.21 – Segment Reporting under Notes to Accounts to the Consolidated Financial Statement for the year ended 31st March, 2018.

Outlook

Real Estate
The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth Rs. 1.25 trillion (US$ 19.65 billion) in the Indian market over the years.

Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

India's real estate market is expected to reach US$ 180 billion by 2020 from US$ 126 billion in 2015. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail. Rapid urbanisation in the country is pushing the growth of real estate. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020. In May 2018, the real estate sector received 25 per cent of overall PE investments in India.

The Government of India has been supportive to the real estate sector. In August 2015, the Union Cabinet approved 100 Smart

City Projects in India. The Government has also raised FDI limits for townships and settlements development projects to 100 per cent. Real estate projects within the Special Economic Zone (SEZ) are also permitted 100 per cent FDI. Government of India's Housing for All initiative is expected to bring US$ 1.3 trillion investments in the housing sector by 2025. Under Union Budget 2018-19, Pradhan Mantri Awas Yojana (PMAY) (Gramin) was allocated Rs 33,000 crore (US$ 5.10 billion) while the urban programme of the scheme was allocated Rs 31,500 crore (US$ 4.87 billion). In May 2018, construction of additional 150,000 affordable houses was sanctioned. The scheme is expected to push affordable housing and construction in the country and give a boost to the real estate sector. The government has also released draft guidelines for investments by Real Estate Investment Trusts (REITs) in non-residential segment.

Films

The average consumer's growing affinity to digital platforms is forcing the industry to rethink older paradigms of entertainment consumption and revenue generation across various verticals like music, films, television, and live entertainment. The focus of entertainment providers, as a result of this digital boom, has also shifted from the urban, English-speaking India to the multilingual and extremely diverse Bharat, a term often used to describe the massive semi-urban and rural populace of the country.

A major impetus for the rising consumption of digital entertainment is also the reduction in 4G tariffs by telecom companies, combined with a strengthening digital network even in remoter parts of the country. Rising income levels and fast-changing lifestyles have driven an increase in demand for aspirational products and services, while a rapidly growing young population and proliferation of digital devices have led to the rise of the alternative screen as a medium for the consumption of content.

Recent examples in the Indian film industry have proven that high-quality, content-driven cinema can compete with any marquee names and that even a major star's past record cannot guarantee box office success.

Young viewers today, having been exposed to international cinema, television, and arts from an early age, want relevant, high-quality entertainment avenues to satisfy their evolved sensibilities.

The next five years are going to be all about digital technologies and content, although the scale of their impact on the entertainment industry is anybody's guess at this point. Online video, for one, is going to be the new normal for the entertainment sector.

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.

Financial Performance (Consolidated basis):

A. Non-Current Investments: Investments done in various companies both listed and unlisted considering the business objectives and long term revenue generations from those investments. The change from last year is due to the provision for dimunition in the value of Investments and Fair Valuation of Mutual funds.

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

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

D. Reserves & Surplus: The decrease in Reserves & Surplus is attributed due to the decrease net profits of the subsidiaries during the current financial year.

E. Borrowings: The increase in Long Term Borrowings is due to increase in loan from taken by a subsidiary from a Non-Banking Financial Institution. Short Term Borrowings represent the borrowings from banks and other parties.

F. Revenue from Operations: The consolidated revenue from operations has decreased to Rs. 58.43 crores from Rs. 155.59 crores during the previous year.

G. Cost of Sales: The movie production expenses for the year 2018 stood at Rs. 16.75 crores, which represents the expenses incurred on production of movies by the company and released during the year.

H. Employee Benefit Expenses: The decrease in employee benefit expenses is due to reduction number of Top Level Executives and thereby reduction in provision made for retirement benefits and other perquisites extended to employees.

I. Net Profit: The consolidated net loss for the year was Rs. 61.99 crores as against a net profit of Rs. 8.21 crores during the previous year.

Human Resources & Industrial Relations

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

Disclosure of Accounting Treatment

Effective 01st April, 2016, the company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First Time adoption of Indian Accounting Standards, with 01st April, 2015 as the transition date. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under section 133 of the companies act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

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

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

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

1. Company's philosophy on Corporate Governance:

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

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

(ii) Board Leads the strategic management of the Company on behalf of the Shareholders and in the best interests of all the Stakeholders, exercises supervision through direction and control and constitutes various Committees to handle specific areas of responsibilities; and

(iii) The Committees of the Board and Executive Management appointed by the Board take up specific responsibilities and day-to-day tasks to ensure that the activities of the Company are bring managed according to the strategies and targets set by the Board.

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

2. Board Composition:

(a) Composition and Category of Directors

The Board consists of Three Directors comprising 1 (one) Executive Director and 2 (two) Independent Non-Executive Directors, as on March 31, 2018. 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.

(b) The attendance of the Directors at the Meeting of Board of Directors held during financial year 2017-18 is as follows:

Sl No	Name of the Director	No. of Board Meetings		Attendance at the AGM held on September 28, 2017
		Held	Attended	
1	Mr. Prasad V. Potluri	6	4	Yes
2	Mr. R Nagarajan	6	6	Yes
3	Mr. N S Kumar	6	6	Yes

The necessary quorum was present for all the Board Meetings and the 26th Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days.

None of the Directors hold 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 Managing Director of the Company attached to this Annual Report.

(c) The details of each Member of the Board along with number of Directorship(s)/ Committee Membership(s) held by Directors in companies other than PVP Ventures Limited, along with age of the Director, date of appointment to the Board of PVP Ventures Limited and Director Identification Number (DIN) are provided below for the period ended March 31, 2018:

Name of the Director	Designation / Position	Date of Appointment	DIN	Directorships in Other Companies	Position on Committees of the Board of Other Indian Companies*	
					As Chairman	As Member
Mr. N S Kumar	Non-Executive and Independent Director	19/03/2001	00552519	5	Nil	2
Mr. R. Nagarajan	Non-Executive and Independent Director	19/03/2001	00443963	5	2	Nil
Mr. Prasad V.Potluri	Chairman and Managing Director	04/12/2007	00179175	2	Nil	2

Notes

(i) None of the Directors are related to each other.

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

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

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

d. Number of Board Meetings

During the financial year 2017-18, the Board met six (6) times i.e., on April 17, 2017, May 30, 2017, June 27, 2017 August 08, 2017, November 13, 2017 and February 14, 2018.

e. Disclosure of relationship between directors inter-se

None of the Directors are related to each other.

f. Shares held by Non-Executive Directors

As on March 31, 2018, none of the Non-Executive Directors held any shares in the Company.

g. Directors Induction and Familiarization

The details of Director's induction and familiarization are available on the Company's website at www.pvpglobal.com. Details of the familiarization programme is hosted on http://www.pvpglobal.com/pdf/PVP_FamiliarisationProg-2017-18.pdf.

h. Meeting of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the independent directors of the Company shall hold at least 1 meeting in a year, without the attendance of non-independent directors and members of the management.

The Independent Directors have held a meeting on February 14, 2018 reviewed and discussed, the performance of non-independent directors and Board as a whole, and assessed the quality, quantity and time lines of flow of information between the company management and the Board which is necessary for the Board to effectively and reasonably perform their duties, the performance of the Company and risks faced by it, flow of information to the Board, competition, strategy, leadership strengths, weaknesses, governance, compliance, board movements, HR matters and performance of Chairman.

3. Audit Committee:

a. Brief description of terms of reference

i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

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

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

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

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. modified opinion(s) in the draft audit report;

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

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

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

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

ix) Scrutiny of inter-corporate loans and investments;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

xxvii) To review the statement of deviations of following:

   a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
   b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

b. Composition, name of members and chairperson

The Audit Committee is constituted in accordance with Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

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

Details of Composition of Audit Committee

The Audit Committee comprises of three Directors, as detailed 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.

Name of the Director	Category	Position
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman
Mr. N S Kumar	Non-Executive and Independent Director	Member
Mr. Prasad V. Potluri	Chairman and Managing Director	Member

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

The Audit Committee met four(4) times during the financial year 2017-18 i.e., on May 30, 2017, August 08, 2017, November 13, 2017 and February 14, 2018 and not more than One Hundred and Twenty days had elapsed between any two Audit Committee Meetings. The necessary quorum was present for all the Audit Committee Meetings.

Sl No	Name of the Director	Category	Position	Number of Audit Committee Meetings	
				Held	Attended
1	Mr. R Nagarajan	Non-Executive and Independent Director	Chairman	4	4
2	Mr. N S Kumar	Non-Executive and Independent Director	Member	4	4
3	Mr. Prasad V. Potluri	Chairman and Managing Director	Member	4	2

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

4. Nomination and Remuneration Committee

a. Brief description of terms of reference

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

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

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

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

(iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of directors their appointment and removal.

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

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

b. Details of Composition, name of members and Chairperson

The Nomination and Remuneration Committee consists of 2 Independent Directors and with Independent Director as its Chairman.

Details of Composition of the Committee:

Name of the Director	Category	Position
Mr. N S Kumar	Non-Executive and Independent Director	Chairman
Mr. R. Nagarajan	Non-Executive and Independent Director	Member

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

c. Nomination & Remuneration Committee Meeting and Attendance during the Financial year ended March 31, 2018

The Nomination & Remuneration Committee met one (1) time during the financial year 2017-18 on May 30, 2017.

Details of Attendance of the Nomination and Remuneration of Committee Meetings

Sl No	Name of the Director	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. N S Kumar	Non-Executive and Independent Director	Chairman	1	1
2	Mr. R Nagarajan	Non-Executive and Independent Director	Member	1	1

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

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

5. Remuneration of Directors:

(i) There is no pecuniary relationship or transaction of Non-Executive Directors with the Company during the year 2017-2018

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

(iii) Disclosures with respect to remuneration:

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

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

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

Name of the Director	Amount (In Rupees)
Mr. Prasad V. Potluri	NIL
Mr. R. Nagarajan	1,47,000
Mr. N S Kumar	1,47,000

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

(c) Service contracts, notice period, severance fees:
Company does not have any service contract with the Directors of the Company

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

6. Stakeholders' Relationship Committee:

a. Composition of the Committee
The Stakeholders' Relationship Committee was constituted by the Board with the two (2) Independent Directors and 1 (one) Executive Director with Independent Director as its Chairman of the Committee.

Details of Composition of the Committee:

Name of the Director	Category	Position
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman
Mr. N S Kumar	Non-Executive and Independent Director	Member
Mr. Prasad V. Potluri	Chairman & Managing Director	Member

b. Name and designation of the Compliance Officer
Mr. D. Krishnamoorthy, Chief Financial Officer and Company Secretary.

c. Number of Shareholders' Complaints Received so far - NIL

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

e. There were no pending complaints as at the year end.

Terms of Reference.
The Stakeholder Relationship Committee is responsible for:

a. Consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.

b. Such other matters as may from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

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

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

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

Your Company maintains a functional website i.e., www.pvpglobal.com containing necessary information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances and details of agreements entered into with the media companies and/or their associates, etc.. The contents of the said website are updated regularly as per Clause 54 of the Listing Agreement and Regulation 46 of the SEBI(LODR) Regulations, 2015

The Committee met 4 times on May 30, 2017, August 08, 2017, November 13, 2017 and February 14, 2018 during the financial year 2017-18.

7. General Body Meetings

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

YEAR	VENUE	DATE & TIME	SPECIAL RESOLUTIONS PASSED
2016- 17	Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai- 600 026	September 28, 2017 10:00 A.M	Nil

2015-16	Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai - 600 026	September 27, 2016 10:00 A.M	Nil
2014-15	Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai - 600 026	September 29, 2015 10:00 A.M	**1.** Corporate Guarantee and/or Collateral Security extended and to be extended to M/s. Picturehouse Media Limited **2.** Corporate Guarantee or Collateral Security to Subsidiary Companies.

b. Extraordinary General Meetings:

No Extraordinary General Meeting held during the year.

c. Postal Ballot:

During the year 2017-18, the Company has passed resolution for "Issue of Secured, Rated, Listed, Redeemable Non-convertible Debentures by way of Private Placement" through Postal Ballot, results of which were declared on May 25,2017.

Details of Voting Pattern:

Resolution Required				Special				
Whether promoter/promoter group are interested in the agenda/resolution?				No				
Category	Mode of Voting	No. of Shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes – against	% of votes in favour on votes polled	% of votes in against on votes polled
		(1)	(2)	(3)= [(2)/(1)] * 100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	14,09,90,766	0			0		0
	Poll		0	0	0	0	0	0
	Postal Ballot		139490766	98.9361	139490766	0	100	0
Public Institutions	E-Voting	4,46,640	0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0
Public Non-Institutions	E-Voting	10,36,15,295	25062336	24.1879	2,50,61,925	411	99.9983	00.0016
	Poll							
	Postal Ballot		46,61,482	4.4988	4661481	1	99.9999	0.000
Total		**24,50,52,701**	**16,92,14,584**	**69.0523**	**16,92,14,172**	**412**	**99.9998**	**0.0002**

d. Person who conducted Postal Ballot exercise

M/s. D. Hanumantha Raju & Co. Practicing Company Secretaries, Hyderabad was appointed as Scrutinizer for carrying out the postal ballot process in fair and transparent manner.

e. Special resolution proposed to be conducted through postal ballot

There is no such proposal as of now. In case, any resolution needs to be passed through Postal Ballot during the year 2018-19, the procedure laid down under Section 110 of the Companies Act, 2013 and the Rules made thereunder will be complied.

8. Means of Communication:

(a) The quarterly results are published in Business Standard (English) and MakkalKural (in Tamil)

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

(c) The website www.pvpglobal.com also displays vital information relating to the Company and its performance and such other statutory information such as shareholding pattern, annual reports, policies/code of conduct and such other like.

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

9. General Shareholder information:

a. Annual General Meeting – September 10, 2018 at 10.00 am at "Sri. P. Obul Reddy Hall", Vani Mahal, 103, G N Road, T. Nagar, Chennai – 600 017

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

c. Dividend payment date – Not Applicable

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

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

The listing fees for the year 2017-18 and 2018-19 have been paid to the above stock exchanges.

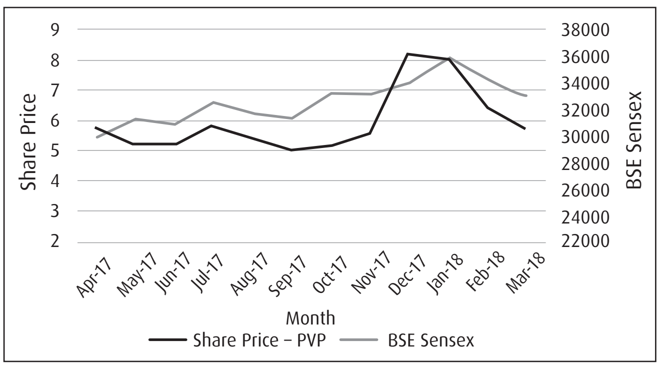
e. Stock Code of the Company's scrip is PVP for NSE and 517556 for BSE.

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

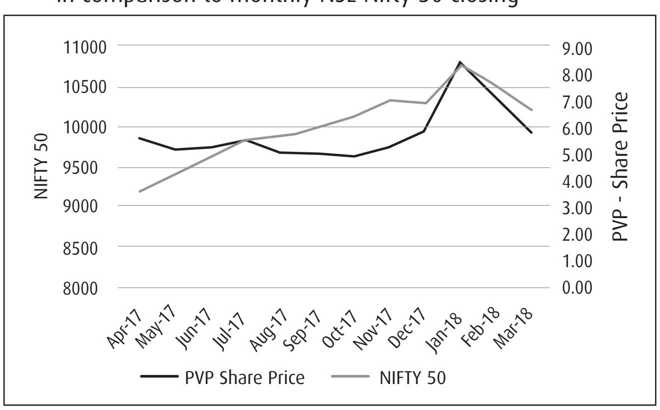
	BSE		NSE	
MONTH	**HIGH PRICE**	**LOW PRICE**	**HIGH PRICE**	**LOW PRICE**
Apr 17	7.86	4.55	5.91	5.38
May 17	5.9	4.65	5.35	5.08
Jun 17	5.85	4.9	5.42	5.12
Jul 17	6.1	5.15	5.72	5.37
Aug 17	5.85	4.61	5.25	4.91
Sep 17	5.55	4.65	5.20	4.86
Oct 17	5.55	4.7	5.10	4.83
Nov 7	5.95	4.8	5.51	5.08
Dec 17	8.89	5	6.19	5.66
Jan 18	10.7	7.4	8.81	8.16
Feb 18	8.33	6.36	7.43	7.03
Mar 18	6.68	4.97	6.06	5.68

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

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



II. Performance of PVP Ventures Limited monthly closing prices in comparison to monthly NSE Nifty 50 closing



h. **There was no suspension of trading in securities of the Company during the year under review.**

i. **Registrar to issue and Share Transfer Agents**

Karvy Computershare Private Limited

C/o Karvy Selenium Tower B, Plot Nos. 31 and 32,

Financial District, Nanakramguda, Serlingampally Mandal, Hyderabad 500 032, Telangana.

T: +91 040 – 6716 1591 E: einward.ris@karvy.com

j. **Share Transfer System:** The Registrar and Share Transfer Agents, Karvy Computershare Private Limited, handle share transfers.

k. **Distribution of Shareholding as on 31st March, 2018 was as follows:**

(i) Categories of Shareholders :

CATEGORY	NO. OF SHARES	% TO SHARE CAPITAL
Promoters	14,09,90,766	57.53
FIIs and Financial Institutions / Banks	2,49,51,910	10.18
Private Corporate Bodies	1,00,52,530	4.10
Indian Public	6,44,30,130	26.29
NRIs / HUFs / Clearing Members / Others	46,27,365	1.89
Custodians of GDRs	-	-
Total	**24,50,52,701**	**100.00**

(ii) Distribution of Share holding:

S. No	Category	No. of Shares	% of Shares	No.of Shares	% To Equity
1	upto 1 - 5000	29750	94.59	18659488	7.61
2	5001 - 10000	835	2.65	6498369	2.65
3	10001 - 20000	442	1.41	6388819	2.61
4	20001 - 30000	119	0.38	2993481	1.22
5	30001 - 40000	64	0.20	2265122	0.92
6	40001 - 50000	57	0.18	2645260	1.08
7	50001 - 100000	93	0.30	6874256	2.81
8	100001 & ABOVE	91	0.29	198727906	81.10
	Total	**31451**	**100**	**245052701**	**100**

l. **Dematerialization of Shares and Liquidity:** To facilitate trading in dematerialized form, the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are actively traded on the National Stock Exchange Limited and BSE Limited. As on 31st March, 2018, 99.88% shares were held in dematerialized form.

m. **There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of March 31, 2018.**

n. **Commodity Price Risk or Foreign Exchange risk and hedging activities**

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company.

o. **Plant locations**

The Company do not have any plants.

p. **Address for Correspondence**

PVP Ventures Limited
4th Floor, Punnaiah Plaza, Plot No. 83 and 84,
Road No. 2, Banjara Hills, Hyderabad - 500034.
T: +91-40-6730 9999; F No: +91-40-6730 9988.
E: investorrelations@pvpglobal.com

10. Other Disclosures

a. There were no material significant Related Party Transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. during the year that may have potential conflict with the interests of the Company at large. All related party transactions are intended to further the business interests of the Company.

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

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

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

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

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

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

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

The Appellants are in the process of appealing against the SAT Order before the Hon'ble Supreme Court of India.

c. Further to the Disclosure made at point no (iii) in the Annual Report for the year 2013-14, at page no. 46, it is submitted that the provisional attachment order issued by the Enforcement Directorate, Hyderabad Zonal Office ('ED'), was confirmed by the Adjudicating authority, at New Delhi on May 20,2015. Consequently, the ED has attached 28 acres of land held by Adobe Realtors Private Limited, at Survey No. 609, Nadargul Village, Saroor Nagar Revenue Mandal, Ranga Reddy Dist., Telangana and taken possession of the property on August 4, 2015. Adobe Realtors Private Limited has challenged the attachment order before the Appellate Tribunal on July 3, 2015 and the matter is pending before it.

d. The Whistle blower policy as approved and adopted by the Board of Directors provides adequate safeguards against victimization of employees and provides access to the Audit Committee.

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

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

g. The Policy on Related Party Transactions as approved and adopted by the Board of Directors is displayed on the website of the Company at www.pvpglobal.com/html/otherstatutory-information.html

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

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

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

13. The Company has made all the disclosures for compliance with corporate governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in the section Report on corporate governance of the annual report.

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

For and on behalf of Board of Directors

Sd/-

Date : August 8, 2018 **Prasad V. Potluri**

Place: Chennai **Chairman & Managing Director**

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

As the Chairman &Managing Director of PVP Ventures Limited and as required by Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2017-2018.

Sd/-

Date : May 30, 2018 **Prasad V. Potluri**

Place: Chennai **Chairman & Managing Director**

MD CERTIFICATION

The Chairman & Managing Director have given a Certificate to the Board as contemplated in Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as below:

To
The Board of Directors
PVP Ventures Limited

I, Prasad V. Potluri, Chairman & Managing Director of PVP Ventures Limited, to the best of my knowledge and information, and on behalf of the Company certify that:

a. We have reviewed financial statements and the Cash flow Statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

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

d. During the year under reference:

   there were no significant changes in the internal control over financial reporting;
   (i) no significant changes in accounting policies were made; and
   (ii) no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

For PVP Ventures Limited

Sd/-
Prasad V. Potluri
Chairman & Managing Director

Place: Chennai
Date : May 30, 2018

CORPORATE GOVERNANCE CERTIFICATE

TO
THE MEMBERS OF
PVP VENTURES LIMITED

We have examined the compliance of conditions of Corporate Governance by **PVP VENTURES LIMITED** ("the Company"), for the year ended on March 31, 2018, as per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2017 to 31st March, 2018.

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

In our opinion and to the best of our information and according to the explanations given to us, by the Directors, Officers and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations except for having Woman director on the board of the Company and constitution of nomination and remuneration committee.

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

For D. HANUMANTA RAJU & CO
COMPANY SECRETARIES

Sd/-
CS SHAIK RAZIA
PARTNER
FCS: 7122, CP NO: 7824

Place: Hyderabad
Date : August 8, 2018

ANNEXURE–1

Statement containing the salient features of the financial statements of subsidiaries

NAME*	Date of Acquisition of Subsidary	REPORTING PERIOD	REPORTING CURRENCY	SHARE CAPITAL	RESERVES AND SURPLUS	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENTS	TURNOVER	PROFIT / (LOSS) BEFORE TAXATION	PROVISION FOR TAXATION	PROFIT / (LOSS) AFTER TAXATION	PD**	% ***
PCPPL	01.10.2007	31.03.2018	INR	50,00,000	16,44,86,904	16,95,49,904	63,000	10,11,16,533	-	(1,13,365)	-	(1,13,365)	-	100%
PMVPL	29.04.2013	31.03.2018	INR	1,90,000	4,05,53,014	5,34,59,413	1,27,16,400	5,33,80,481	-	(16,21,904)		(16,21,904)	-	100%
PGVPL	01.12.2006	31.03.2018	INR	8,82,28,690	1,34,63,42,649	1,44,87,55,462	1,41,84,122	15,77,65,837	-	(9,81,00,734)	-	(9,81,00,734)	-	100%
NCCPPL	08.08.2006	31.03.2018	INR	1,24,70,000	2,51,87,74,230	2,53,17,74,957	5,30,727	31,06,73,219	-	(5,88,481)		(5,88,481)	-	81%
SSPL	16.01.2015	31.03.2018	INR	4,80,00,000	96,73,871	11,10,15,295	5,33,41,424		27,12,363	(40,60,153)	-	(40,60,153)	-	100%
ARPL	23.10.2013	31.03.2018	INR	1,00,000	(33,28,434)	51,491	32,79,925		-	(4,46,791)	-	(4,46,791)	-	100%
PCPL	25.08.2015	31.03.2018	INR	3,00,000	(8,98,240)	1,70,020	7,68,260	-	-	(1,22,491)	26,54,260	(27,76,751)	-	100%
PCL	25.08.2015	31.03.2018	INR	25,00,00,000	(21,54,93,552)	1,62,93,25,495	1,59,48,19,047	-	8,16,44,531	(46,87,71,833)	38,45,417	(47,26,17,250)	-	100%
PMPL	25.08.2015	31.03.2018	USD	3,899	(1,940)	2,48,551	2,46,593	-	-	(1846)	-	(1846)	-	100%
PML	25.08.2015	31.03.2018	INR	52,25,00,000	23,09,86,000	1,25,93,69,900	96,78,56,000	25,76,68,000	23,52,50,000	(5,01,95,000)	(76,000)	(5,02,71,000)	-	51.46%

* Name of the Subsidiary
PVP Corporate Parks Private Limited (PCPPL)
PVP Media Ventures Private Limited (PMVPL)
PVP Global Ventures Private Limited (PGVPL)
New Cyberabad City Projects Pvt Ltd (NCCPPL)
Safetrunk Services Pvt Ltd (SSPl)
Picturehouse Media Limited (PML)
Adobe Realtors Private Limited (ARPL)
PVP Cinema Private Limited (PCPL)
PVP Capital Limited (PCL)
Picturehouse Media Private Limited (PMPL)
** Proposed Dividend
* ** % Of Shareholding

Note:

1. **Names of Subsidiaries which are yet to commence operations** - PVP Corporate Parks Private Limited, PVP Media Ventures Private Limited, New Cyberabad City Projects Private Limited, PVP Cinema Private Limited
1. There are no Associate Companies or joint Ventures as on the date of this report.
2. ARPL is the wholly owned subsidiary of PGVPL & PCL, PCPL, PMPL (Singapore) are the wholly owned subsidiaries of PML

ANNEXURE-2

Form No. MR-3

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
PVP VENTURES LIMITED

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and read with the statutory auditor's report on financial statements and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, according to the explanations given to us, the company has, during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the period of audit);

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

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the period of audit)

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

a) Transfer of Property Act, 1882

b) Indian Easements Act, 1882

c) Registration Act, 1908

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

e) The Land Acquisition Act, 1894

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

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

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

- As on 31st March, 2018, Board of the company does not have a Woman Director. Further, constitution of Nomination and remuneration committee is not as per Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- It is observed that Form PAS-5 (Record of Private Placement) was not attached in Form GNL-2 in respect of allotment of debt securities but was filed with Registrar of Companies as an attachment to Form PAS-3.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors other than having Woman Director. There was no change in the composition of the Board of Directors during the period under review.

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

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

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

We further report that during the period under review:

- the company has passed special resolution through postal ballot for issuance of secured, rated, listed, redeemable, non convertible debentures for an amount not exceeding Rs. 500 Crore by way of private placement of which during the year 2017-18 the company has issued & allotted 386 Debentures of Rs. 10,00,000/- each aggregating to Rs. 38.60 Crores.
- in continuation of the inspection carried out by Registrar of Companies, Chennai (ROC) which was initiated in January, 2016, a letter was received by the Company on 22.06.2017 citing certain events of violations/contraventions and seeking reply from the Company. Company has made explanations/ replies to ROC vide their letter dated 03.10.2017 and further communication from ROC is awaited.
- the company has extended the time for conversion of 13,289 Unsecured Fully Convertible Debentures (FCDs) of Rs. 1,00,000/- each held by India Investment II Pte. Limited (Debenture Holder) upto March 31, 2029 of which 12,789 FCDs were later transferred to India Opportunities II Pte. Ltd and 500 FCDs were transferred to Manglam Vanijya Private Limited by paying stamp duty of Rs. 75,029/- and Rs. 2,904/- only respectively. Further, necessary approvals relating to transfer of debentures from India Investment II Pte. Limited to Manglam Vanijya Private Limited was not available for our inspection.
- the Company had filed appeal before the Securities Appellate Tribunal (SAT) vide Appeal No. 356 of 2015 & 357 of 2015 challenging the order of Adjudicating Officer(s) dated 27.03.2015 for alleged non-compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 & SEBI (Prohibition of Insider Trading) Regulations, 1992. SAT gave its decision on 20.06.2018 wherein, Appeal No. 356 of 2015 was dismissed whereby originally imposed penalties i.e Rs 15 lakhs each on the company and Mr. Prasad V. Potluri continue and with regard to Appeal No. 357 of 2015, penalty of Rs. 15 lakh each imposed on both the appellants i.e PVP Global Ventures Private Limited (wholly owned subsidiary of the company) and Prasad V. Potluri under Regulation 7(1A) of SAST Regulations 1997 was set aside and penalty of Rs. 15 crores imposed on Appellant No. 2 (Mr. Prasad V. Potluri) was reduced to Rs. 5 Crores while retaining the penalty of Rs. 15 Crores imposed on Appellant No. 1 (PVP Global Ventures Private Limited).

For D. HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS SHAIK RAZIA
PARTNER
FCS: 7122, CP NO: 7824

Place : Hyderabad
Date : August 8, 2018

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

‘Annexure A’

To,
The Members,
PVP VENTURES LIMITED

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

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

For D. HANUMANTA RAJU & CO
COMPANY SECRETARIES

Sd/-
CS SHAIK RAZIA
PARTNER
FCS: 7122, CP NO: 7824

Place: Hyderabad
Date : August 8, 2018

ANNEXURE-3

FORM MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

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

1. REGISTRATION AND OTHER DETAILS

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

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the turnover of the Company shall be stated

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate	6810	100.00

3. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANY

Sr. No.	Name and Address of the Company	CIN /GLN	Holding / Subsidiary / Associate	%of shares held	Applicable Section
1.	Platex Limited Address: Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius	-	Holding	54.12	2(46)
2.	PVP Corporate Parks Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U45201TN2003PTC051595	Subsidiary	100	2(87)
3.	PVP Global Ventures Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet, Chennai 600 031	U74999TN2006PTC065653	Subsidiary	100	2(87)
4.	PVP Media Ventures Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet, Chennai 600 031	U92120TN2013PTC091100	Subsidiary	100	2(87)
5.	Safetrunk Services Private Limited Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U74900TN2015PTC098854	Subsidiary	100	2(87)
6.	New Cyberabad City Projects Private Limited Address: Plot No. 83 and 84, 4th Floor, Punnaih Plaza, Road No. 2, Banjara Hills, Hyderabad 500 034	U45201TG2006PTC050706	Subsidiary	81	2(87)
7.	Picturehouse Media Ltd. Address: KRM Centre, 9th Floor, Door No. 2 Harrington Road, Chetpet, Chennai 600 031	L92191TN2000PLC044077	Subsidiary	51.46	2(87)
8.	Adobe Realtors Private Limited	U70102TG2007PTC052826	Subsidiary	100*	2(87)
9.	PVP Capital Limited	U65191TN1988PLC015481	Subsidiary	100**	2(87)
10.	PVP Cinema Private Limited	U51420TN2004PTC054088	Subsidiary	100**	2(87)
11.	Picturehouse Media Private Limited(Singapore)	NA	Subsidiary	100**	2(87)

*Adobe Realtors Private Limited is the wholly owned subsidiary company of PVP Global Ventures Private Limited

**PVP Capital Limited, PVP Cinema Private Limited, Picturehouse Media Private Limited (Singapore) are the wholly owned subsidiaries of Picturehouse Media Limited.

4. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 2017				No. of Shares held at the end of the year 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUF	8378000	0	8378000	3.42	8378000	0	8378000	3.42	0.00
b) Central Govt	0	0	0	0	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0	0.00
d) Bodies Corp	0	0	0	0	0	0	0	0	0.00
e) Banks / FI	0	0	0	0	0	0	0	0	0.00
f) Others		0	0	0		0	0	0	0.00
Sub-Total A(1):	**8378000**	**0**	**8378000**	**3.42**	**8378000**	**0**	**8378000**	**3.42**	**0.00**
FOREIGN									
Individuals (NRIs / Foreign Individuals)	0	0	0	0	0	0	0	0	0
Bodies Corporate	132612766	0	132612766	54.12	132612766	0	132612766	54.12	0
Institutions	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0
Sub-Total A(2):	132612766	0	132612766	54.12	132612766	0	132612766	54.12	0
Total Shareholding of Promoter A= A(1) + A(2)	140990766	0	140990766	57.53	140990766	0	140990766	57.53	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	300	0	300	0	300	0	300	0	0.00
b) Banks / FI	446340	0	446340	0.18	446340	0	446340	0.18	0.00
c) Central Govt	0	0	0	0	0	0	0	0	0.00
d) State Govt(s)	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIIs	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (specify)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1)	**446640**	**0**	**446640**	**0.18**	**446640**	**0**	**446640**	**0.18**	**0.00**
2. Non Institutions									
(a) Bodies Corp	10202268	0	10202268	4.16	10052530		10052530	4.10	-0.06
(i) Indian	0	0	0	0					
(ii) Overseas	0	0	0	0					
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs 1 lakh	20219308	106524	20325832	8.29	24521365	97197	24618562	10.05	1.75
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	43848525	52500	43901025	17.91	39759068	52500	39811568	16.25	-1.67
(c) Others									
Foreign Bodies	24505270	0	24505270	10.00	24505270	0	24505270	10.00	0.00
Clearing Members	85632	0	85632	0.03	370429	0	370429	0.15	0.12
Non Resident Indians	3743363	142710	3886075	1.51	3284615	142710	3427325	1.40	-0.19
NRI Non-Repatriation	682592	0	682592	0.28	829210	0	829210	0.34	0.06

NBFC	26300	0	26300	0.01	100	0	100	0	-0.01
Overseas Corporate Bodies	300	0	300	0	300	0	300	0	0.00
Trusts	1	0	1	0	1	0	1	0	0.00
Qualified Foreign Investors	0	0	0	0	0	0	0	0	0.00
Sub-Total B2	**103313561**	**301734**	**103615295**	**42.28**	**103322888**	**292407**	**103615295**	**42.28**	**0.00**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	103760201	301734	104061935	42.47	103769528	292407	104061935	42.47	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	**244749367**	**301734**	**245052701**	**100**	**244760294**	**292407**	**245052701**	**100**	**0.00**

B. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 2017			Shareholding at the end of the year 2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Platex Limited	132612766	54.12	0	132612766	54.12	0	0
2.	Sureddi Jhansi	6878000	2.81	2.81	6878000	2.81	0	0
3.	Potluri Sai Padma	1500000	0.61	0.41	1500000	0.61	0.41	0
	Total	**140990766**	**57.53**	**3.21**	**140990766**	**57.53**	**0.41**	**0**

C. Change in Promoters' Shareholding

SI. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	No Change in Promoter's Shareholding during the year under review.			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reason for increase / decrease				
	At the end of the year				

D. Shareholding Pattern of Top Ten Shareholders
[Other than Directors, Promoters and Holders of GDR and ADR]

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SSG India Opportunities I Limited At the beginning of the year	2,45,05,270	10	2,45,05,270	10
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity etc)	0	0	0	0
	At the end of the year			2,45,05,270	10
2	Arasu Vadasiruvelur Rajavelu At the beginning of the year	38,01,627	1.55	38,01,627	1.55
	Sale - 21/04/2017	-390000	-0.16	3411627	1.39
	Sale - 28/04/2017	-739221	-0.30	2672406	1.09
	Sale - 05/05/2017	-10195	0.00	2662211	1.09
	Sale - 12/05/2017	-89112	-0.04	2573099	1.05
	Sale - 19/05/2017	-102300	-0.04	2470799	1.01
	Sale - 02/06/2017	-148617	-0.06	2322182	0.95
	Sale - 09/06/2017	-80639	-0.03	2241543	0.91
	Sale - 16/06/2017	-297535	-0.12	1944008	0.79
	Sale - 23/06/2017	-808497	-0.33	1135511	0.46

	Sale - 30/06/2017	-111005	-0.05	1024506	0.42
	Sale - 07/07/2017	-100219	-0.04	924287	0.38
	Sale - 21/07/2017	-120000	-0.05	804287	0.33
	Sale - 13/10/2017	-6769	0.00	797518	0.33
	Sale - 03/11/2017	-116423	-0.05	681095	0.28
	Sale - 10/11/2017	-133985	-0.05	547110	0.22
	At the end of the year			547110	0.22
3	Vinay Chilakapati At the beginning of the year	1983700	0.81	1983700	0.81
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity etc)	0	0	0	0
	At the end of the year			1983700	0.81
4	S. Mukesh Kanooga At the beginning of the year	1774306	0.79	1774306	0.79
	Sale - 15/09/2017	-300	0.00	1774006	0.72
	Sale - 17/11/2017	-33814	-0.01	1740192	0.71
	Sale - 08/12/2017	-60460	-0.02	1679732	0.69
	Sale - 15/12/2017	-68655	-0.03	1611077	0.66
	Sale - 22/12/2017	-85080	-0.03	1525997	0.62
	Sale - 29/12/2017	-17550	-0.01	1508447	0.62
	Sale -05/01/2018	-31410	-0.01	1477037	0.60
	Sale - 12/01/2018	-48302	-0.02	1428735	0.58
	Sale - 26/01/2018	-33694	-0.01	1395041	0.57
	Sale - 02/02/2018	-75018	-0.03	1320023	0.54
	Sale - 16/02/2018	-1100	0.00	1318923	0.54
	Sale - 23/02/2018	-1200	0.00	1317723	0.54
	Purchase - 09/03/2018	35816	0.01	1353539	0.55
	Purchase - 16/03/2018	45436	0.02	1398975	0.57
	Sale - 30/03/2018	-102593	-0.04	1296382	0.53
	At the end of the year			1296382	0.53
5	Mangesh Kanooga S				
	At being of the Year	1549730	0.63	1549730	0.63
	Purchase - 14/04/2017	110418	0.05	1660148	0.68
	Purchase - 21/04/2017	14176	0.01	1674324	0.68
	Sale - 28/04/2017	-26500	-0.01	1647824	0.67
	Purchase - 05/05/2017	45629	0.02	1693453	0.69
	Sale - 28/04/2017	-930	0.00	1692523	0.69
	Purchase - 16/06/2017	298307	0.12	1990830	0.81
	Purchase - 23/06/2017	541433	0.22	2532263	1.03
	Purchase - 21/07/2017	87894	0.04	2620157	1.07
	Purchase - 28/07/2017	98076	0.04	2718233	1.11
	Sale - 04/08/2017	-2500	0.00	2715733	1.11
	Sale - 11/08/2017	-18637	-0.01	2697096	1.10
	Sale - 18/08/2017	-100	0.00	2696996	1.10
	Purchase - 01/09/2017	130000	0.05	2826996	1.15
	Sale - 08/09/2017	-35511	-0.01	2791485	1.14
	Sale - 15/09/2017	-93186	-0.04	2698299	1.10
	Purchase - 22/09/2017	9113	0.00	2707412	1.10
	Purchase - 13/10/2017	64276	0.03	2771688	1.13
	Purchase - 20/10/2017	58973	0.02	2830661	1.16
	Purchase - 10/11/2017	200	0.00	2830861	1.16
	Sale - 22/12/2017	-42707	-0.02	2788154	1.14

	Sale - 29/12/2017	-5000	0.00	2783154	1.14
	Sale - 05/01/2018	-91403	-0.04	2691751	1.10
	Sale - 12/01/2018	-14515	-0.01	2677236	1.09
	Sale - 26/01/2018	-2800	0.00	2674436	1.09
	Sale - 02/02/2018	-13530	-0.01	2660906	1.09
	Sale - 09/02/2018	-29517	-0.01	2631389	1.07
	Sale - 16/02/2018	-11964	0.00	2619425	1.07
	Sale - 23/02/2018	-126010	-0.05	2493415	1.02
	At the end of the year			2493415	1.02
6	Ravi Bokka Reddy				
	At the beginning of the year	1438379	0.59	1438379	0.59
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity etc)	0	0	0	0
	At the end of the year			1438379	0.59
7	PVP Global Ventures Private Limited				
	At the beginning of the year	1090235	0.44	1090235	0.44
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity etc)	0	0	0	0
	At the end of the year			1090235	0.44
8	Windy Investments Private Limited				
	At the beginning of the year	1016000	0.41	1016000	0.41
	Sale - 23/06/2017	-59501	-0.02	956499	0.39
	Sale - 07/07/2017	-129906	-0.05	826593	0.34
	Sale - 14/07/2017	-96255	-0.04	730338	0.30
	Sale - 21/07/2017	-128338	-0.05	602000	0.25
	At the end of the year			602000	0.25
9	Mr. Parthyasarathy Comandur				
	At the beginning of the year	1008943	0.41	1008943	0.41
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity etc)	0	0	0	0
	At the end of the year			1008943	0.41
10	Pragmatic Real Estate Developers Private Limited				
	At the beginning of the year	912812	0.37	912812	0.37
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity etc)	0	0	0	0
	At the end of the year			912812	0.37
11	ANS PVT LIMITED				
	At the beginning of the year	230870	0.09	230870	0.09
	Purchase - 14/04/2017	120000	0.05	350870	0.14
	Sale - 21/04/2017	-60717	-0.02	290153	0.12
	Purchase - 28/04/2017	1000	0.00	291153	0.12
	Purchase - 05/05/2017	8637	0.00	299790	0.12
	Purchase - 19/05/2017	153475	0.06	453265	0.18
	Purchase - 26/05/2017	96000	0.04	549265	0.22
	Purchase - 02/06/2017	76466	0.03	625731	0.26
	Purchase - 09/06/2017	30000	0.01	655731	0.27
	Sale - 16/06/2017	-29000	-0.01	626731	0.26

	Sale - 23/06/2017	-87265	-0.04	539466	0.22
	Sale - 30/06/2017	-1600	0.00	537866	0.22
	Purchase - 07/07/2017	52000	0.02	589866	0.24
	Purchase - 21/07/2017	81400	0.03	671266	0.27
	Purchase - 28/07/2017	149457	0.06	820723	0.33
	Purchase - 04/08/2017	32021	0.01	852744	0.35
	Purchase - 18/08/2017	99425	0.04	952169	0.39
	Purchase - 25/08/2017	40000	0.02	992169	0.40
	Sale - 01/09/2017	-43174	-0.02	948995	0.39
	Purchase - 08/09/2017	40000	0.02	988995	0.40
	Sale - 15/09/2017	-2000	0.00	986995	0.40
	Purchase - 22/09/2017	130000	0.05	1116995	0.46
	Purchase - 29/09/2017	49975	0.02	1166970	0.48
	Purchase - 06/10/2017	115000	0.05	1281970	0.52
	Sale - 13/10/2017	-40200	-0.02	1241770	0.51
	Purchase - 20/10/2017	1800	0.00	1243570	0.51
	Purchase - 31/10/2017	1000	0.00	1244570	0.51
	Purchase - 10/11/2017	500	0.00	1245070	0.51
	Sale - 17/11/2017	-103261	0.04	1141809	0.47
	Sale - 01/12/2017	-275000	0.11	866809	0.35
	Sale - 08/12/2017	-56471	0.02	810338	0.33
	Sale - 15/12/2017	-40500	-0.02	769838	0.31
	Sale - 22/12/2017	-2200	0.00	767638	0.31
	Purchase - 29/12/2017	700	0.00	768338	0.31
	Purchase - 05/01/2018	100	0.00	768438	0.31
	Purchase - 19/01/2018	1495	0.00	769933	0.31
	Sale - 26/01/2018	-100	0.00	769833	0.31
	Sale - 02/02/2018	-2000	0.00	767833	0.31
	Sale - 23/02/2018	-1000	0.00	766833	0.31
	Sale - 02/03/2018	-500	0.00	766333	0.31
	Purchase - 23/03/2018	13961	0.01	780294	0.32
	Purchase - 30/03/2018	50000	0.02	830294	0.34
	At the end of the year			830294	0.34
12.	Adhiraj Parthasarathy				
	At the beginning of the year	826416	0.34	826416	0.34
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g allotment / transfer / bonus / sweat equity etc)	0	0	0	0
	At the end of the year			826416	0.34

Note: The above top 10 shareholders are based on 31.03.2018 Benpos data.

E. Shareholding of Directors and Key Managerial Personnel

SI. No	For Each of the Directors/KMPS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of shares	% of total shares of the Company
1	Mr. Prasad V. Potluri, Chairman & Managing Director At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0

2.	Mr. N S Kumar Director At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
3.	Mr. R. Nagarajan Director At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0
4	Mr. D. Krishnamoorthy Chief Financial Officer & Company Secretary At the beginning of the year	0	0	0	0
	Increase / Decrease during the year	0	0	0	0
	At the end of the year			0	0

F. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1,04,39,784	1,43,01,30,532	58,20,80,773	2,02,26,51,089
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	38,53,81,000	-	38,53,81,000
Total (i+ii+iii)	1,04,39,784	1,81,55,11,532	58,20,80,773	**2,40,80,32,089**
Addition	38,26,72,488	-	-	38,26,72,488
Reduction	-	(21,80,80,941)	(10,01,28,307)	(31,82,09,248)
Net Change	**38,26,72,488**	**(21,80,80,941)**	**(10,01,28,307)**	**6,44,63,240**
(i)Principal Amount	39,31,12,272	1,43,00,16,532	48,19,52,465	2,30,50,81,269
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	16,74,14,059	-	16,74,14,059
Total (i+ii+iii)	**39,31,12,272**	**1,59,74,30,591**	**48,19,52,465**	**2,47,24,95,328**

6. Remuneration of Directors and key Managerial Personnel

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

SI No	Particulars of Remuneration	Mr. PRASAD V. POTLURI	Total Amount (in Rs.)
1	**Gross Salary**		
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	39,00,000	39,00,000
(b)	Value of Perquisites u/s 17(2) Income Tax Act, 1961	-	-
(c)	Profit in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	As % of profit	-	-
	Others	-	-
5.	Others	-	-
	Total (A)	39,00,000	39,00,000
	Ceiling as per the Act	**60,00,000**	**60,00,000**

B. Remuneration to other director:

Other Directors are not paid remuneration except the Sitting Fees.

Sl. No	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. R. Nagarajan	Mr. N S Kumar	
	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	1,47,000 -	1,47,000 -	2,94,000
	Total (1)	1,47,000	1,47,000	2,94,000
	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	- -	- -	
	Total (2)	-	-	
	Total (B) = (1+2)	1,47,000	1,47,000	2,94,000
Total Managerial Remuneration		Rs. 39,00,000 (i.e, remuneration paid to Executive Director)		
Overall Ceiling as per the Act (As per the effective capital)		Rs. 60,00,000		

******The directors mentioned above are not paid any commission or any other remuneration except sitting fees for attending the meetings within limits as prescribed under Section 197 (5).*

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

SI No	Particulars of Remuneration	Key Managerial Personnel		Total
		CEO	CS & CFO*	
1	**Gross Salary**		18,12,000	18,12,000
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	
(b)	Value of Perquisites u/s 17(2) Income Tax Act, 1961	-	-	
(c)	Profit in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	As % of profit	-	-	-
	Others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	**18,12,000**	**18,12,000**

Notes:

i) The Company is not required to appoint Chief Executive Officer (CEO).

ii) *Gross Salary is for CFO & CS.

The above remuneration is calculated on proportionate basis as per the resignation and appointments.

7. Penalties/Punishment/compounding of Offences:

There were no penalties/punishment/compounding of offences for the year ended March 31,2018.

ANNEXURE–4

ANNUAL REPORT ON CSR ACTIVITIES

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

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

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

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

   The Company shall undertake the activities as recommended by the CSR committee and approved by the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (CSR Policy) Rules, 2014.

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

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

Corporate Social Responsibility Committee	
Mr. R. Nagarajan	Chairman
Mr. N. S. Kumar	Member
Mr. Prasad V. Potluri	Member

3. **Average net profit of the company for last three financial years:** Rs. 1,101.01 Lakhs

4. **Prescribed CSR Expenditure (2 percent of the amount as in item 3 above):** Rs. 22.02 Lakhs

5. **Details of CSR spent during the financial year:**

   (a) Total amount to be spent for the financial year: Rs. 69.58 Lakhs

   (b) Amount unspent, if any: Rs. 47.56 Lakhs

   (c) Manner in which the amount spent during the financial year is detailed below: N.A.

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

   * The company is required to spend Rs. 36.98 Lakhs for the financial year 2015-16 Rs. 10.58 lakhs for the FY 2016-17 and Rs. 22.02 lakhs for the FY 2017-2018 and the same will be expended in future years. The company's only source of income is revenue from the Joint Development Agreement entered with M/s. North Town Estates Private Limited. Due to financial constraint of the Company, the board of the director has decided to spend the CSR amount in upcoming financial year.

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

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

	Sd/-	**Sd/-**
Place : Chennai	**Prasad V. Potluri**	**R. Nagarajan**
Date : May 30, 2018	Chairman & Managing Director	Chairman of the Committee

ANNEXURE-5

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

1. Ratio of remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2017-18, the percentage increase in remuneration of Key Managerial Personnel (KMP) and Directors during the financial year 2017-18.

Sl. No	Name of the Director / KMP	Designation	Ratio of Remuneration of Each Director to Median Remuneration of Employees	% Increase in Remuneration of KMPS / Directors
1	Mr. Prasad V. Potluri	Chairman and Managing Director	9.86	29.57%
2	Mr. D. Krishnamoorthy	KMP (CFO & Company Secretary)	Not applicable	19.84%

2. The percentage increase in Median Remuneration of employees of the Company for the FY 2017-18 is 31.96%.
3. The Company has 21 permanent employees on the rolls of the Company as on March 31, 2018.
4. Average Percentage Decrease in salaries of employees other than the Managerial Personnel was 34.23% and for Managerial Personnel was 51.49% in the Financial Year.
5. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy.

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

1. Top 10 employees of the Company based on Remuneration drawn for FY 2017-18:

Sl. No.	Name of the Employee	Age	Designation	Educational qualification	Date of Joining	Gross Remuneration paid
1	Prasad V. Potluri	48	CMD	Bachelor in Mechanical	04-12-2007	39,00,000
2	D. Krishnamoorthy	59	CFO & CS	B.Sc, FCA, ACS	24-10-16	18,12,000
3	Dilip Badey	33	Senior Manager-Projects	B.Tech	04-08-11	14,77,440
4	Ambika Philip	36	GM-HR& Operations	Graduate	18-04-12	12,90,000
5	SivaramaKrishnan R	30	AGM-Accounts & Finance	B.Com, ACA, CMA	01-12-14	12,90,000
6	ANVR Sateesh	34	Manager-Finance & Accounts	B.Com, ACA, CMA	30-09-15	9,67,500
7	S. Narayanan	37	Manager-Projects	B.Tech Civil	17-06-13	7,74,000
8	Anand Dhingra	31	Manager- Operations	BBA	10-06-13	5,50,000
9	Krishna Kanth	30	Manager-Marketing	MBA	04-07-14	6,60,000
10	Edupuganti Subhash	30	Asst. Manager- Admin	MBA	01-08-14	3,52,008

- All the above mentioned are permanent employees of the Company.

- None of the employees are the relative of any director or manager of the Company.

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

STANDALONE FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Members of PVP Ventures Limited

Report on the Standalone Ind AS Financial Statements
We have audited the accompanying Standalone Ind AS Financial Statements of **PVP Ventures Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility
Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our Qualified audit opinion on Standalone Ind AS Financial Statements.

Basis for Qualified Opinion
As stated in Note No: 25.3 to the Standalone Ind AS Financial Statements, in relation to investment in equity shares includes investments in two subsidiary companies net off provision made amounting to Rs. 24,528.90 Lakhs, and loans and advances to subsidiary companies of net off provision made amounting to Rs. 31,499.83 Lakhs. The management is of the view that considering the market value of the assets and expected cash flows from the business of these subsidiary companies the provision already made is adequate. Considering erosion in the net worth of the subsidiary companies and are their dependence on the holding company to continue as a going concern, absence of cash flows, delay in commencement of projects and other related factors indicate the existence of material uncertainty in carrying the value of investments and loans and advances at cost less provision already made. Hence we were unable to determine whether any adjustments to these net carrying amounts are necessary and additional provision for diminution, if any, to be made are not quantifiable at this point of time.

Qualified Opinion
In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2018, and its profits (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to

a) As stated in Note No: 25.4(3) to the Standalone Ind AS Financial Statements, the company mortgaged perambur land as a security to the lenders for the borrowings made by third parties and the borrowers have not repaid the loan along with interest to the lenders on the due dates. The outstanding loan by these companies as on 31st March 2018 is Rs. 2,866.02 Lakhs. The realisable value of mortgaged assets is dependent on the repayment of the loans by the third parties. The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligations will be met by the third party borrower in due course. Relying on the same no adjustments have been made to the carrying value of the assets.

b) As stated in Note No: 25.5 to the Standalone Ind AS Financial Statements, the obligations towards disputed income tax matters amounting to Rs. 1,783.25 Lakhs are pending before different judicial forums. Pending disposal of these appeals the eventual obligation in this regard is unascertainable at this time. Based on the management's assessment and based on the experts view on the merits of the dispute, no provision is considered necessary in this regard.

Our Opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the **"Annexure A"** statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

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

   b) Except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) Except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors as on 31st March 2018, taken on record by the Board of Directors, none of the directors of the company is disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164(2) of the Act.

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements. Refer Note 25.4 and 25.5 to the Standalone Ind AS Financial Statements.

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

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

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

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

Place : Chennai
Date : 30th May 2018

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Clause 1 of **"Report on Other Legal and Regulatory Requirements"** Paragraph of the Independent Auditors' Report of even date the members of **"PVP Ventures Limited"** on the Standalone Ind AS Financial Statements as of and for the year ended 31st March 2018.

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

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

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

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

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

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

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

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

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

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

Name of the Statue	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Date of Payment
The Income Tax Act, 1961	Income Tax	2,94,98,201/-	Financial Year 2016-17	Yet to be remitted
The Tamilnadu Urban Land Ceiling and Regulation Act, 1978	Urban Land Tax	6,77,637/-	Financial Year 2015-16	Yet to be remitted
The Tamilnadu Urban Land Ceiling and Regulation Act, 1978	Urban Land Tax	9,03,516/-	Financial Year 2016-17	Yet to be remitted
The Tamilnadu Urban Land Ceiling and Regulation Act, 1978	Urban Land Tax	4,51,758/-	April 2017 to September 2017	Yet to be remitted

(b) According to the information and explanations given to us, the details of dues of Income tax which is not deposited on account of any dispute as on 31st March, 2018 is given below: -

(Rs. in lakhs)

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

(viii) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders as on reporting date. The company received extension letter from debenture holder for repayment of interest till 30th September, 2018.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans obtained were applied for the purpose for which those were raised.

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

(xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.

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

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

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

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

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

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

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

Place : Chennai
Date : 30th May 2018

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **PVP Ventures Limited** ("the Company") as of 31st March 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting as issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit procedure performed, the following material weakness has been identified in the operating effectiveness of the company's Internal Financial Controls over Financial Reporting as at 31st March 2018:

The company's internal financial controls in respect of supervisory and review controls over process of determining of

a) Carrying value of the company's non current investments in its subsidiaries and

b) Recoverability of loans to its subsidiaries included under Non-current investments.

Absences of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in the carrying value of investments in such subsidiaries and the aforesaid dues from such subsidiaries and consequently, could also impact the profit (financial performance including other comprehensive income) after tax.

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

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the company has, maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on internal control over financial reporting established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the Standalone Ind AS Financial Statements of the Company and we have issued a qualified opinion on the Standalone Ind AS Financial Statements.

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

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

Place : Chennai
Date : 30th May 2018

BALANCE SHEET AS AT 31st MARCH 2018

(Rs. in lakhs)

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I	**ASSETS**			
(1)	**Non Current Assets**			
	(a) Property, Plant and Equipment	5	226.96	268.94
	(b) Other Intangible assets	5	0.35	-
	(c) Financial Assets			
	(i) Investments	6	82,319.16	82,199.10
	(ii) Other financial assets	9	126.34	161.34
	Total Financial Asset		**82,445.50**	**82,360.44**
	(d) Deferred tax assets - Tax Credit		1,211.62	1,363.25
	(e) Other non current assets	10	150.00	150.00
	Total Non Current Assets		**84,034.43**	**84,142.63**
(2)	**Current assets**			
	(a) Inventories	11	6,560.56	6,694.94
	(b) Financial Assets			
	(i) Trade receivables	7	690.83	623.43
	(ii) Loans	8	134.24	134.20
	(iii) Cash and cash equivalents	12	67.47	99.42
	(iv) Other financial assets	9	160.14	129.47
	Total Financial Asset		**1,052.68**	**986.53**
	(c) Other current assets	10	6.52	8.29
	Total Current Assets		**7,619.76**	**7,689.75**
(3)	**Non current assets classified as held for sale**		**-**	**-**
	Total Assets		**91,654.19**	**91,832.38**
II	**EQUITY AND LIABILITIES**			
A	**EQUITY**			
	(a) Equity Share Capital	13	24,505.27	24,505.27
	(b) Other Equity		37,878.51	37,916.72
	Total Equity		**62,383.78**	**62,421.99**
B	**LIABILITIES**			
(1)	**Non Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14	12,920.00	13,350.32
	Total Financial Liabilities		**12,920.00**	**13,350.32**
	(b) Provisions	17	14.27	8.22
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non current liabilities	18	4,819.52	5,820.81
	Total Non Current Liabilities		**17,753.79**	**19,179.35**
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14	1,011.17	1,012.31
	(ii) Trade payables	15	68.88	76.87
	(iii) Other financial liabilities	16	6,046.73	3,957.95
	Total Financial Liabilities		**7,126.78**	**5,047.12**
	(b) Other current liabilities	18	4,213.51	4,952.81
	(c) Provisions	17	176.33	231.11
	Total Current Liabilities		**11,516.62**	**10,231.04**
(3)	**Liabilities associated with non current assets held for sale**		**-**	**-**
	Total Equity and Liabilities		**91,654.19**	**91,832.38**

Summary of Significant Accounting Policies 2

The accompanying notes and other explanatory information are an integral part of the Financial Statements.

As per our report of even date.

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

For and on behalf of the Board of Directors

Sd/-
K. JITENDRA KUMAR
Partner
Membership No. 201825

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

Place : Chennai
Date : 30th May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. in lakhs)

	Particulars	Note	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
I	Revenue from Operations	19	2,839.18	3,766.53
II	Other Income	20	36.39	67.11
III	**Total Income (I+II)**		**2,875.57**	**3,833.64**
IV	**Expenses :**			
	Change in inventories of stock in trade	21	145.23	198.52
	Employee Benefit Expenses	22	195.78	271.08
	Finance Costs	23	2,044.71	1,939.92
	Depreciation and Amortisation	5	57.75	59.02
	Other Expenses	24	379.57	349.86
	Total Expenses		**2,823.04**	**2,818.41**
V	**Profit Before Tax and Exception items (III-IV)**		**52.53**	**1,015.24**
VI	Exceptional Items		-	-
VII	**Profit / (Loss) Before Tax (V+VI)**		**52.53**	**1,015.24**
VIII	**Tax Expenses**			
	Current Tax		10.01	289.78
	Less: MAT Credit		(10.01)	(83.34)
	Deferred Tax Asset / (Liability)		-	-
	Income Tax for Earlier Years		8.72	(1,258.58)
	Mat Credit Reversal		83.34	-
	Total Tax Expenses		**92.06**	**(1,052.14)**
IX	**Profit (Loss) for the Period (VII-VII)**		**(39.53)**	**2,067.38**
X	**Other Comprehensive income, net of tax**			
	i) Item that will not be reclassified to profit or Loss			
	Remeasurement of defined benefit obligation		1.32	7.16
	Less: Income tax expense		-	(2.37)
	ii) Items that will be reclassified to profit or loss			
	Other Comprehensive income for the year, net of tax		**1.32**	**4.79**
XI	**Total Comprehensive income for the year, net of tax (IX+X)**		**(38.21)**	**2,062.58**
XII	**Earnings per equity share of nominal value of Rs. 10 each Basic and Diluted**		**(0.02)**	**0.84**

Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements

As per our report of even date.

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

For and on behalf of the Board of Directors

Sd/-
K. JITENDRA KUMAR
Partner
Membership No. 201825

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

Place : Chennai
Date : 30th May, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

(Rs In Lakhs)

	Particulars		For the year ended 31st March 2018	For the year ended 31st March 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit / (Loss) before Tax		52.53	1,015.24
	Adjustments for:			
	Depreciation and Amortization		57.75	59.02
	(Profit) / Loss on Sale of Non - Current Investments		-	0.05
	(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property		0.75	-
	Interest on Staff Loans Written off		-	4.63
	Provision for Employee Benefits		17.34	(37.91)
	Interest Income		(33.17)	(36.12)
	Interest Expenses		2,044.71	1,939.92
	Cash Generated Before Working Capital Changes		**2,139.91**	**2,944.83**
	Movement In Working Capital			
	Increase / (Decrease) in Trade Payables		(7.99)	39.44
	Increase / (Decrease) in Other Financial Liabilities		11.42	(502.42)
	Increase / (Decrease) in Other Liabilities		(1,740.59)	(2,724.72)
	(Increase) / Decrease in Trade Receivables		(67.40)	(312.70)
	(Increase) / Decrease in Inventories		134.37	198.52
	(Increase) / Decrease in Other Financial Assets		34.14	684.34
	(Increase) / Decrease in Other Assets		1.77	(0.21)
	Cash Generated From Operations		**505.63**	**327.08**
	Direct Taxes Paid		(5.17)	31.03
	Net Cash Flow From / (Used in) Operating Activities	**(A)**	**500.46**	**358.11**
B.	**CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES**			
	Purchase of PPE, Intangible Assets and Investment Property		(33.29)	(137.72)
	Proceeds from Sale of PPE, Intangible Assets and Investment Property		16.42	-
	Investments made in - Subsidiaries		(120.06)	(186.97)
	Interest Income Received		3.32	2.95
	Net Cash Flow From / (Used in) Investing Activities	**(B)**	**(133.61)**	**(321.74)**
C.	**CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES**			
	Proceeds from/(to) Short - Term Borrowings (Net)		(1.14)	(36.09)
	Proceeds from Long Term Borrowings (Net)		3860.00	114.00
	Repayment of Long Term Borrowings		(33.28)	(34.10)
	Interest Paid		(4,224.38)	(13.01)
	Net Cash Flow From / (Used in) Financing Activities	**(C)**	**(398.80)**	**30.80**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**(A+B+C)**	(31.94)	67.17
	Cash and Cash Equivalents at the beginning of the year		99.42	32.24
	Cash and Cash Equivalents at the end of the year		**67.48**	**99.41**
	Components of Cash and Cash Equivalents			
	Cash on Hand		0.23	0.14
	Balances with Banks			
	- in Current Accounts and Deposits Accounts		67.24	99.28
	Cash and cash Equivalent (As per Note 12)		**67.47**	**99.42**

Notes:

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

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

(Rs in Lakhs)

Particulars	As at April 01, 2017	Net Cash Flows	Non- Cash Changes Book Adjustments	As at March 31, 2018
Long Term Borrowings	13,393.40	3,826.72	-	17,220.12
Short term Borrowings	1,012.31	(1.14)	-	1,011.17
Interest	3,853.81	(4,224.38)	2,044.71	1,674.14
Total Financial Liabilities from Financing Activities	**18,259.52**	**(398.80)**	**2,044.71**	**19,905.43**

Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements

As per our report of even date.

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

Sd/-
K. JITENDRA KUMAR
Partner
Membership No. 201825

Place : Chennai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(Rs. In Lakhs)

Particulars	Equity Share Capital	Other Equity				Total Equity attributable to equity holders of the company
		Reserves and Surplus			Other Comprehensive Income	
		Security Premium Reserve	Retained Earnings	Business Transition Adjustment Reserve	Other Items of Other comprehensive Income	
Balance as at 01st April, 2016	**24,505.27**	**77,511.10**	**(37,090.04)**	**(4,554.51)**	**(12.42)**	**35,854.13**
Changes in Equity for the year ended March 31, 2017						
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	(4.79)	(4.79)
Profit for the period	-	-	2,067.38	-	-	2,067.38
Balance as on 31st March, 2017	**24,505.27**	**77,511.10**	**(35,022.66)**	**(4,554.51)**	**(17.21)**	**37,916.72**
Balance as on 01st April, 2017	**24,505.27**	**77,511.10**	**(35,022.66)**	**(4,554.51)**	**(17.21)**	**37,916.72**
Changes in Equity for the Year ended March 31, 2018						
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	1.32	1.32
Profit for the period	-	-	(39.53)	-	-	(39.53)
Balance as on 31st March 2018	**24,505.27**	**77,511.10**	**(35,062.19)**	**(4,554.51)**	**(15.89)**	**37,878.51**

Summary of Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements

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

For and on behalf of the Board of Directors

Sd/-
K. JITENDRA KUMAR
Partner
Membership No. 201825

Place : Chennai
Date : 30th May, 2018

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

Summary of significant accounting policies and other explanatory information to the Standalone Ind AS Financial Statements for the year ended 31st March 2018

1. Corporate Information

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

The Standalone Ind AS Financial Statements of the Company for the year ended 31st March 2018 were authorised for issue in accordance with resolution of the Board of Directors on 30th May 2018.

2. Significant Accounting Policies

Basis of Preparation of Financial Statements

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

Effective 01st April, 2016, the company has adopted all the Ind AS standards and the adoption was carried out in accordance with *Ind AS 101 First Time adoption of Indian Accounting Standards, with 01st April, 2015 as the transition date*. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under section 133 of the companies act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

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

a) Current/ Non Current Classification

An asset is classified as current when

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

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

A liability is classified as current when

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

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

b) Functional and Presentation Currency

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

c) Property, Plant and Equipment:

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

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

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

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

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

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

d) Impairment of Property, Plant & Equipment:

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

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

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

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

e) Foreign Currency Translation:

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Measurement

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

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

f) Assets taken on lease:

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All the other leases are classified as operating leases.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

Assets held under finance lease are capitalised at the inception of the lease, with corresponding liability being recognised for the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the statement of Profit or Loss so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

g) Inventories

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

h) Financial Instruments

1) Initial Recognition

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

2) Subsequent measurement

i) Financial assets carried at amortised cost

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

ii) Financial assets at fair value through other comprehensive income

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

iii) Financial Assets at fair value through profit or loss

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

iv) Investment in Subsidiaries

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

v) Financial Liability

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

3) Derecognition of financial instruments

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

4) Impairment of Assets

Financial Assets (other than at fair value):

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

5) Fair value of Financial Instruments

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

Fair value hierarchy:

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

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

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

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

i) Provisions, Contingent Liabilities and Contingent Assets

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

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

j) **Revenue Recognition**

The Company recognises revenue 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 recognised on time proportion basis taking into account the amount outstanding and rate applicable as per the agreements.

k) **Employee Benefits**

1) **Gratuity**

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

2) **Compensated Absences**

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

3) **Other Benefit Plans**

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

l) **Taxes on Income**

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

1) **Current Income Tax**

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

2) **Deferred Income Tax**

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

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

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

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

m) Borrowing Costs

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

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

n) Earnings per Share

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

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

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

o) Cash Flow Statement:

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

p) Exceptional Items

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

q) Segment Reporting

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

3. Critical accounting estimates and judgments

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

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

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

- **Valuation of investment in/loans to subsidiaries**
  The company has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investment in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans thereon. The inputs to these models are taken from observable markets where possible, but where is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.
- **Useful lives of property, plant and equipment and intangible assets**: The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing**: Property, plant and equipment are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of

significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.
- Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.
- **Defined benefit plans**: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

4. Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA"), on March 28, 2018, through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the new standard for revenue recognition and amended certain existing Ind AS which are effective for annual periods beginning on or after April 1, 2018.

Ind AS 115-Revenue from Contract with Customers:
Ind AS 115 will supersede the existing revenue recognition standard 'Ind AS 18 – Revenue'. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company has completed its preliminary evaluation of the possible impact of Ind AS 115 and will adopt it retrospectively with the cumulative effect of initially applying this standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application i.e. April 1, 2018 and accordingly comparatives for the year ended March 31, 2018 will not be retrospectively adjusted. This standard is applied retrospectively only to the contracts that are not completed contracts at the date of initial application. The Company does not expect the impact of the adoption of new standard to be material on its retained earnings and to its net income on an ongoing basis.

Ind AS 21 – The effect of changes in Foreign Exchange rates (Appendix B)
The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The amendment will come into force from April 1, 2018. The Company does not expect the effect of this on the financial statements to be material based on preliminary evaluation."

Note 5: Property, Plant and Equipment

(a) Tangible Assets (Rs in Lakhs)

Particulars	Plant & Machinery	Computers & Related Assets	Furniture & Fixtures	Vehicles	Office Equipments	Total
Gross Block						
Gross Carrying Value as on 01st April, 2016	2.35	20.71	73.43	55.22	91.98	243.69
Additions	0.63	0.75	-	136.34	-	137.72
Disposals	-	-	-	-	-	-
Gross Carrying Value as on 31st March, 2017	2.98	21.46	73.43	191.56	91.98	381.41
Additions	-	0.40	-	31.54	0.92	32.86
Disposals	-	-	-	(32.20)	(1.28)	(33.48)
Gross Carrying value as on 31st March, 2018	**2.98**	**21.86**	**73.43**	**190.90**	**91.62**	**380.79**
Accumulated Depreciation						
Accumulated Depreciation as on 01st April, 2016	0.32	5.18	10.71	10.95	26.29	53.45
For the period 2016-17						
Charges for the period	0.43	4.30	10.68	20.41	23.20	59.02
on Disposals	-	-	-	-	-	-
Accumulated Depreciation as on 31st March, 2017	0.75	9.48	21.39	31.36	49.49	112.47
For the period 2017-18						
Charges for the period	0.44	2.50	10.68	24.15	19.90	57.67
on Disposals	-	-	-	(15.09)	(1.22)	(16.31)
Accumulated Depreciation as on 31st March, 2018	**1.19**	**11.98**	**32.07**	**40.42**	**68.17**	**153.83**
Net Block						
Carrying Value as on 31st March, 2017	1.91	6.80	41.33	149.25	16.20	268.94
Carrying Value as on 31st March, 2018	1.79	9.88	41.36	150.48	23.45	226.96

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

(b) Intangible Assets (Rs. in Lakhs)

Particulars	Software	Total
Gross Block		
Gross Carrying Value as on 01st April, 2016	-	-
Additions	-	-
Deletions	-	-
Gross Carrying Value as on 31st March, 2017	-	-
Additions	0.43	0.43
Deletions	-	-
Gross Carrying value as on 31st March, 2018	**0.43**	**0.43**
Accumulated Depreciation		
Accumulated Depreciation as on 01st April, 2016	-	-
Depreciation	-	-
Accumulated depreciation on deletions	-	-
Accumulated Depreciation as on 31st March, 2017	-	-
Depreciation	0.08	0.08
Accumulated depreciation on deletions	-	-
Accumulated Depreciation as on 31st March, 2018	**0.08**	**0.08**
Net Block		
Carrying Value as on 31st March, 2017	-	-
Carrying Value as on 31st March, 2018	0.35	0.35

(Rs in Lakhs)

Particulars		As at 31st March, 2018	As at 31st March, 2017
Note 6: Investments			
Non-Current Investments			
Investment in equity instruments			
Investment carried at cost, fully paid up			
I. Investments in Subsidiaries			
(i) Quoted			
Picturehouse Media Limited (PHML) *		531.05	531.05
33,53,114 (31st March, 2017 - 33,53,114) equity shares of Rs. 10 each.			
Less: Provision for diminution in value of investment		(200.00)	(200.00)
	(A)	**331.05**	**331.05**
(ii) Unquoted			
PVP Corporate Parks Private Limited (PCPL)		50.00	50.00
500,000 (31st March 2017 - 5,00,000) equity shares of Rs. 10 each			
PVP Global Ventures Private Limited (PGPL)		90,325.47	90,302.14
88,22,869 (31st March 2017 - 88,22,869) equity shares of Rs. 10 each (Refer Point III below)			
Less: Provision for diminution in value of investment		(35,160.16)	(35,160.16)
New Cyberabad City Projects Private Limited (NCCPPL)**		21,944.48	21,944.48
10,10,000 (31st March 2017 - 10,10,000) equity shares of Rs. 10 each (Refer Point III Below)			
PVP Media Ventures Private Limited (PMPL)		863.42	863.17
19,000 (31st March 2017 - 19,000) equity shares of Rs.10 each (Refer Point III below)			
Safetrunk Services Private Limited (SSPL)		648.39	551.90
48,00,000 (31st March 2017 - 10,000) equity shares of Rs.10 each (Refer Point III below)			
	(B)	**78,671.59**	**78,551.53**
II. Other Investments			
Blaster Sports Ventures Private Limited (BSVPL) (Refer Point III below)		3,316.52	3,316.52
	(C)	**3,316.52**	**3,316.52**
Total Non-Current Investments	**(A+B+C)**	**82,319.16**	**82,199.10**
Aggregate of Non Current Investments			
Aggregate amount of quoted investments - Market Value		191.12	190.12
Aggregate amount of quoted investments		331.05	331.05
Aggregate amount of unquoted investments		117,148.27	117,028.21
Aggregate amount of impairment in value of investments		(35,160.16)	(35,160.16)
		82,319.16	**82,199.10**

III. Movement in investments as at 31st March 2018	Investment as at 31st March 2017	Investment made during the year	Fair value of Interest free loan	Investment as at 31st March 2018
PVP Global Ventures Private Limited (PGPL)	54,527.00	-	35,798.47	90,325.47
New Cyberabad City Projects Private Limited(NCCPL)	101.00	-	21,843.48	21,944.48
PVP Media Ventures Private Limited (PMPL)	1.90	-	861.52	863.42
Safetrunk Services Private Limited (SSPL)	1.00	479.00	168.39	648.39
PVP Corporate Parks Private Limited (PCPL)	50.00	-	-	50.00
Blasters Sports Ventures Private Limited BSVPL)	-	-	3,316.52	3,316.52
Total	**54,680.90**	**479.00**	**61,988.37**	**117,148.27**

* Company has pledged 10,00,000 equity shares of Rs.10/- each held in Picturehouse Media Limited for loan availed by subsidiary company.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

(Rs In Lakhs)

	Particulars	As at 31st March, 2018	As at 31st March, 2017
Note 7	**Trade Receivables**		
	Current		
	Unsecured		
	Considered good	690.83	623.43
	Total	**690.83**	**623.43**
Note 8	**Loans**		
	Current Loans		
	Unsecured and Considered good		
	Staff Advances	134.24	134.20
		134.24	**134.20**
	Total	**134.24**	**134.20**
Note 9	**Other Financial Assets**		
	Non-Current		
	Unsecured and Considered good		
	Security Deposit	21.34	21.34
	Advance to Others	105.00	140.00
		126.34	**161.34**
	Current		
	Unsecured and Considered good		
	Interest Accrued and Due on Fixed Deposit	0.53	0.53
	Interest Accrued and Due on Staff Loans	65.94	65.94
	Interest Accrued and due on debentures	92.85	-
	Interest Accrued but not due on debentures	-	63.00
	Other Receivables	0.82	-
		160.14	**129.47**
	Total	**286.48**	**290.81**
Note 10	**Other Asset**		
	Non-Current		
	Unsecured and Considered good		
	Taxes paid under protest *	150.00	150.00
		150.00	**150.00**
	* The company has received a favourable order from the ITAT (Income Tax Appellate Tribunal) and hence the amount is due as refund.		
	Current		
	Unsecured and Considered good		
	Prepaid Expenses	6.52	8.29
		6.52	**8.29**
	Total	**156.52**	**158.29**
Note 11	Inventory		
	Inventory of Land (refer note no. 25.1)	6,560.56	6,694.94
	(Valued at cost or net realised value which ever is less and as certified by the Management)		
		6,560.56	**6,694.94**
Note 12	**Cash and Cash Equivalents**		
	Balance With Banks		
	In Current and Deposit Accounts	67.24	99.28
	Cash on Hand	0.23	0.14
		67.47	**99.42**

Note 13: Equity Share Capital

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

(Rs In Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017
Authorised Share Capital		
30,00,00,000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00
Issued, Subscribed and Paid Up		
24,50,52,701 equity shares of Rs. 10/- each	24,505.27	24,505.27
	24,505.27	**24,505.27**

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

Particulars	As at 31st March 2018	As at 31st March 2017
Number of equity shares outstanding as at the beginning of the year	24,50,52,701	24,50,52,701
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	**24,50,52,701**	**24,50,52,701**

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

Name of shareholder	As at 31st Mar 2018		As at 31st March 2017	
	No of Shares held	% of holding	No of Shares held	% of holding
Platex Limited	13,26,12,766	54.12	13,26,12,766	54.12
SSG India Opportunities I Limited	2,45,05,270	10.00	2,45,05,270	10.00

(d) 1,34,09,314 equity shares of Rs. 10 each fully paid-up in cash has been issued to Platex Limited upon conversion of 27,355 FCDs of Rs. 1,00,000 each at conversion price of Rs. 204 per share in terms of the Scheme of Amalgamation during 2010-11.

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

(f) The company does not have any Bonus Shares Issued, Share issued for consideration other than Cash and Shares bought back during the period of five years immediately preceding the reporting date (31.03.2018)

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

(Rs In Lakhs)

	Particulars	As at 31st March, 2018	As at 31st March, 2017
Note 14	**Borrowings**		
	Non-Current		
	Secured		
	Debentures	3,860.00	-
	386 NCDs, Listed, Redeemable, Non Convertible Debentures (NCDs) of Rs. 10,00,000 each		
	Less: Current Maturity (refer note 16)	(965.00)	
	From Banks - Vehicle Loans	71.12	104.40
	Less: Current Maturity(refer note 16)	(46.12)	(43.08)
	Unsecured		
	Debentures		
	13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs. 1,00,000 each.	13,289.00	13,289.00
	Less: Current maturity (refer note 16)	(3,289.00)	-
		12,920.00	**13,350.32**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	As at 31st March, 2018	As at 31st March, 2017
	Current		
	Unsecured		
	Loan from Subsidiary Company	1,011.17	1,012.31
		1,011.17	**1,012.31**
	Total	**13,931.17**	**14,362.64**
Refer note no. 25.2 for security details and terms of repayment.			
Note 15	**Trade Payables**		
	Sundry Creditors for services	68.88	76.87
		68.88	**76.87**
Note 16	**Other Financial Liabilities**		
	Current		
	Current maturity of Long Term Debt	4,300.12	43.08
	Interest accrued but not due Debentures	1,674.14	3,853.81
	Employee related payables	39.08	34.97
	Provision for Expenditure	26.08	26.09
	Other payables - Related parties	7.31	-
	Total	**6,046.73**	**3,957.95**
Note 17	**Provisions**		
	Non-Current		
	Provision for Employee Benefits		
	Gratuity	14.27	8.22
		14.27	**8.22**
	Current		
	Provision for Employee Benefits		
	Gratuity	0.77	0.36
	Compensated Absences	19.35	9.79
	Provision for Income Tax (Net of Advance Tax & Tax deducted at source Rs. 66.68 Lakhs (previous year - Rs. 66.47 lakhs)	156.21	220.95
		176.33	**231.11**
	Total	**190.60**	**239.32**
Note 18	**Other Liabilities**		
	Non-Current		
	Security Deposit from Developer	4,819.52	5,820.81
		4,819.52	**5,820.81**
	Current		
	Advance received for sale of land (inventory)	3,489.10	4,539.37
	Other payables	354.15	355.00
	Statutory Liabilities payable	370.26	58.43
		4,213.51	**4,952.81**
	Total	**9,033.03**	**10,773.62**
Note 19	**Revenue from Operations**		
	Income from Real Estate	2,839.18	2,695.53
	Other Operating Income	-	1,071.00
		2,839.18	**3,766.53**
Note 20	**Other Income**		
	Interest income	33.17	36.12
	Liabilities written off	0.58	-
	Miscellaneous Income	2.64	30.99
		36.39	**67.11**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars		As at 31st March, 2018	As at 31st March, 2017
Note 21	**Change in Inventory**		
	Opening Stock of Land	6,694.94	6,893.45
	Add: Current year Expenses	10.85	-
		6,705.79	**6,893.45**
	Less: Closing Stock of Land	(6,560.56)	(6,694.94)
		145.23	**198.52**
Note 22	**Employee Benefit Expenses**		
	Salaries and wages	187.49	264.44
	Contribution to provident fund	1.24	3.11
	Staff welfare expenses	7.05	3.53
		195.78	**271.08**
Note 23	**Finance Cost**		
	Interest on Debentures	1,975.77	1,926.91
	Interest on Finance Lease obligations	8.74	9.88
	Interest others	60.20	3.13
		2,044.71	**1,939.92**
Note 24	**Other Expenses**		
	Rent	68.07	68.97
	Power and Fuel charges	11.53	9.89
	Communication Expenses	8.49	10.47
	Legal, Professional and consultancy Charges	85.60	134.45
	Books and Periodicals	0.19	0.34
	Insurance		
	- For Employees	6.81	6.05
	- For Assets	3.29	1.48
	Printing and Stationery	8.05	14.01
	Postage and Telegrams	3.13	2.51
	Listing Fees and Others Expenses	12.68	15.27
	Security Charges	6.89	7.29
	Office Expenses	17.61	15.96
	Charity and Donations	4.50	0.50
	Directors Sitting Fees	2.94	3.42
	Repairs and Maintenance		
	- For Others	8.49	13.01
	Rates and taxes	39.80	11.31
	Payment to statutory auditors		
	for statutory audit	9.50	12.50
	for tax audit	2.50	2.50
	for certification	3.00	3.00
	Bank Charges and Commission	0.51	0.77
	Travelling Expenses and Conveyance	70.23	10.85
	Loss on sale of Asset	0.75	-
	Miscellaneous expenses	5.01	0.62
	Investments Written off	-	0.05
	Interest on Staff Loans Written off	-	4.63
		379.57	**349.86**

25. NOTES TO ACCOUNTS

25.1 Joint Development Agreement

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

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

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

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

25.2 Terms of Loans and repayment of borrowings

a) Non Convertible Debentures – Rs. 3,860.00 Lakhs

The Company authorised to issue 1950 listed, rated, secured, redeemable non Convertible Debentures (the NCDs) of Rs. 10 Lakhs each for an aggregate amount of Rs. 19,500 lakhs which consists of tranche A 386 Debentures aggregating to Rs. 3,860.00 lakhs and Tranche B 1,564 Debentures aggregating to Rs. 15,640.00 lakhs as per the debenture trust deed dated 16th June, 2017.

The debentures and the debenture payments are secured by:

1. English mortgage of all the rights on piece and parcel of the land at Door No. 8 and Door No. 8D located in Stephenson Road, Perambur, Chennai measuring 9.154 acres.
2. First Charge exclusive basis all rights titles interest and benefit of the company in respect of the JDA, JDA Escrow Agreement, JDA Escrow Account and JDA Receivables excluding the outstanding the security deposit.
3. A first ranking exclusive security interest over debentures held by the company amounting to Rs. 3,316.52 lakhs in Blaster Sports Ventures Private Limited.
4. Non-disposal undertaking of 100% shares of PVP Ventures Limited held by promoter group.
5. Personal Guarantee of Promoter (Mr. Prasad V Potluri).

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

   Debentures that are redeemed shall not be reissued.

The NCDs are issued for a period of 5 (Five years) from the date of issue of the NCDs. The Company shall redeem the debentures as set below;

Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in percent of paid up value) for the Tranche A Debenture
30 June, 2018	6.250%
30 September, 2018	6.250%
31 December, 2018	6.250%
31 March, 2019	6.250%
30 June, 2019	6.250%
30 September, 2019	6.250%
31 December, 2019	6.250%
31 March, 2020	6.250%
30 June, 2020	6.250%
30 September, 2020	6.250%
31 December, 2020	6.250%
31 March, 2021	6.250%
30 June, 2021	6.250%
30 September, 2021	6.250%
31 December, 2021	6.250%
31 March, 2022	6.250%

If there is any delay in payment of interest/principal amount for a period of more than three months from the due date or default in payment of interest/ principal, rate of interest will be 5% p.a.

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

b) Fully Convertible Debentures – Rs. 13,289.00 lakhs

The Company has allotted 13,289 convertible or redeemable debentures of Rs. 1,00,000 each convertible into preference and/or equity shares as per scheme of amalgamation sanction by Honourable the High Court of Madras between the Company and PVP Ventures Private Limited dated 25th April 2008.

The Debentures are convertible into redeemable preference shares and/or equity shares of on or before 22nd January 2011. Each Debenture shall be converted into newly issued equity or redeemable preference shares in the share capital of the Company. As per scheme of amalgamation sanction by Honourable the High Court of Madras the debentures holder are entitled to 65,14,215 fully paid up equity shares.

The Debentures holder has extended the conversion/ redemption option up to the period expiring on 31st March 2029 by letter dated 4th December 2017.

The Debentures will bear interest at the rate of 14.5% per annum. Interest on the Debentures is payable semi-annually in arrears on 15th June and 15th December in each year. Interest shall accrue on the overdue sum at the rate of [2.00] % per annum over and above the Interest Rate (the Default Interest Rate) from the due date.

One of the Debentures holder holding 3289 debentures has waived the interest from 1st April 2017 to 30th April

2018 subject to redemption of debentures before 30th April 2018. The company had redeemed the debentures on 27th April 2018. The amount of Interest waived from 1st April 2017 to March 2018 is Rs. 476.90 lakhs and the company has received extension letter from the debenture holder for repayment of interest till 30th September, 2018 on the balance debentures amounting to Rs. 10,000.00 lakhs.

As per subscription agreement the company shall not transferred or encumbered the entire shareholding in its Subsidiaries i.e Cyberabad City Projects Private Limited (Now known as New Cyberabad City Projects Private Limited) and PVP Enterprises Limited (Now known as PVP Global Ventures Private Limited).

Irrevocably and unconditionally guarantee is given by Mr. Prasad V. Potluri (Promoter) to the debenture holder in connection with the Debentures till the Shares allotted upon conversion have been irrevocably and unconditionally repaid or discharged in full.

c) From Banks – Vehicle Loans

Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 8% to 10.91% p.a and repayable in 1 to 5 years in monthly installments.

d) Loan from subsidiary company

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

25.3 The value of investments in subsidiaries and loans and advances to these companies net of provisions made are currently standing at Rs. 24,528.90 Lakhs (previous year Rs. 24,528.90 lakhs) and Rs. 31,499.83 Lakhs (previous year Rs. 31,476.25 lakhs) respectively. Considering the intrinsic value of the assets held by these companies and potential cash flows that may accrue on account of their business operations the management is of view that the carrying value of net investments and loans and advances does not warrant any adjustment in the long run.

25.4 Other Commitments

1) Company has given a corporate guarantee and mortgage of perambur land for Rs. 10,000.00 lakhs for its group company i.e PVP Capital Limited (PVPCL) as security for availing working capital limits from the Bank. The outstanding loan with bank by PVPCL as on 31st March 2018 is Rs. 11,911.15 lakhs (Rs. 10,120.06 lakhs as on 31st March 2017).

2) Company has given a corporate guarantee and pledged 10,00,000 equity shares of Rs. 10/- each held in Picturehouse Media Limited and with approval of developer, the company has mortgage 20 flats of Ekanta Tower-1 of North Town Project, Chennai, for availing term loan from the Bank by its subsidiary company i.e Safe trunk Services Private Limited (SSPL). The outstanding loan with bank by SSPL as on 31st March 2018 is Rs. 418.09 (31st March 2017 is Rs. 430.52 lakhs).

3) The company mortgaged perambur land as a security to loans availed by third parties with current outstanding of Rs. 2,866.02 Lakhs. The parties have not repaid the loan amounts on due dates and the lenders continue to hold the charge on the assets of the company. The management is pursuing the matter with third party borrowers and is confident that the borrowers will meet their loan obligations and accordingly the value of assets mortgaged by the company does not require any adjustment to carrying value.

25.5 Contingent Liabilities

Based on the Issues and circumstances in consideration for the below cases and based on the expert advice the Company is confident of success, hence provision for the disputed amount were not provided in the books

a. Assessment Year 2008-09: The Assessing officer passed an order after disallowing the investment received from the Holding Company as unexplained investment and the sale of land and others as unexplained receipts. The appeal filed by the company before CIT(A), Chennai was allowed in favour of the company with respect to the Investments received from the Holding Company. On the order of CIT(A),Chennai, the department has filed an appeal before Income Tax Appellate Tribunal and for the balance disallowance the company has filed a separate appeal before Income Tax Appellate Tribunal, Chennai. Hon'ble Income Tax Appellate Tribunal, Chennai has set aside the order of Assessing officer to redo the assessment with regards to appeal filed by the department. Aggrieved by the order passed by Income Tax Appellate Tribunal, Chennai, company has filed an appeal before Honorable High Court of Madras and it has admitted the case and stayed the proceeding of the order of Income Tax Appellate Tribunal and the appeal filed by the company has dismissed by Income Tax Appellate Tribunal.

   Further upon the dismissal made by ITAT, Chennai, the AO has initiated penalty proceedings and issued demand notice amounting to Rs. 1276.58 lakhs, which is disputed before CIT(A), Chennai. No action against the company can be initiated by the department, since the quantum for the issues is already admitted by the Hon'ble High Court of Madras.

b. Assessment Year 2009-10: The re-assessment proceeding u/s 148 of Income tax Act 1961 was initiated on the grounds of disallowance of Interest expenditure and Depreciation on Plant and Machinery. Consequently, the order was passed with a demand of Rs. 13.24 lakhs. Aggrieved by the order the company has disputed the demand with Income Tax Appellate Tribunal, Chennai. Further the company has filed the rectification petition u/s 154 with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

c. Assessment Year 2013-14: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 493.43 lakhs for the AY 2013-14. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai. Further the company has filed the rectification petition u/s. 154 with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

Based on the issues and circumstances in consideration for the above cases and based on the expert advice the company is confident of success, hence no provision for the disputed amounts was provided in the books.

d. Company has received an order during the previous year from SEBI imposing a penalty of Rs. 15.00 lakhs for the PVP Ventures Ltd and further penalty of Rs. 15.00 lakhs for Prasad V Potluri as Chairman & Managing Director of the company towards alleged violation of Prohibition of Insider Trading (PIT) Regulations during 2009. The company has challenged the orders before the Securities Appellate Tribunal (SAT).

25.6 Lease Rentals

The Company has entered into operating lease agreements for office premises and an amount of Rs. 68.07 lakhs (2017: Rs. 68.97 lakhs) paid under such agreement have been charged to statement of Profit and Loss.

The details with regard to operating lease obligations are as under. (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Due within 1 year from the Balance Sheet date	66.40	65.73
Due between 1 and 5 years	41.95	108.35
Due after 5 years	Nil	Nil

Finance Lease: Company as lessee

The company has taken the vehicles on finance lease.	31st March, 2018		31st March, 2017	
	Minimum Lease Payments	Present Value of Minimum Lease Payments	Minimum Lease Payments	Present Value of Minimum Lease Payments
Future minimum lease payments				
Not later than one year	50.03	46.12	51.25	43.08
Later than one year and not later than five years	15.95	25.00	65.98	61.32
Later than five years	Nil	Nil	Nil	Nil

25.7 Micro, Small and Medium Enterprises (MSME)

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

25.8 Corporate Social Responsibilities Expenditure (CSR) (Rs in Lakhs)

Sl. No	Particulars	31.03.2018	31.03.2017
1	Average Net Profits of the Company for last three financial years	1,101.01	528.98
2	Prescribed CSR Expenditure (@2% on Avg Net profit of last 3 F.Y's)	22.02	10.58
3	Unspent Amount of the Previous year	47.56	36.98
4	Total Amount to be spent for the current financial year	69.58	47.56
5	Amount Spent During the Year	-	-
6	Amount Unspent (3+4-5)	69.58	47.56

As per section 135 of The Companies Act 2013, the company should have spent Rs. 22.02 lakhs, towards CSR activities during the year 2017-18, but could not effect payment before 31st March 2018 and the same will be expensed in future years.

25.9 Earnings per Share (EPS)

Particulars	Refer	Year ended 31st March, 2018	Year ended 31st March, 2017
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	24,50,52,701	24,50,52,701
Profit/(Loss) after Taxes After Exceptional items (Rs. in Lakhs)	C	(39.53)	2,067.38
Earnings Per Share – Basic and diluted	C*100000/B	(0.02)	0.84

25.10 Deferred Tax

Deferred tax asset has not been recognised in respect of the following items: (Rs. in Lakhs)

Particulars	31st March 2018		31st March 2017	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Deductible temporary differences	785.47	204.22	2,798.35	925.13
Unabsorbed Business loss *	3,019.50	785.07	Nil	Nil
Total	**3,804.97**	**989.29**	**2,798.35**	**925.13**

*During the year, the company received favorable order from Hon'ble High Court, Chennai,. Accordingly, carry forward losses has been increased.

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31.03.2018.

25.11 Income tax Expenses

Income tax expense in the statement of profit and loss comprises: (Rs. in Lakhs)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Tax	13.66	289.78
Adjustments for current tax of prior periods	8.72	-
MAT Credit	(13.66)	(83.34)
Net Tax	8.72	206.44
MAT Credit for earlier years	83.34	(1,258.58)
Total Income tax expenses	92.06	(1,052.14)

Particulars	31st March 2018	31st March 2017
Profit/(Loss) from the operation before income tax expenditure	52.52	1,015.25
Applicable Income tax rate	26.00%	33.06%
Tax at statutory income tax rate	13.66	335.64
Effect of expenses not allowed for tax purpose	-	1.20
Effect of unrecognised deferred tax	261.72	(47.06)
MAT Credit	(13.66)	(83.34)
Income tax related to earlier years *	(253.00)	-
MAT Credit reversals / (for earlier years)	83.34	(1,258.58)
Income tax expenses charged to the statement of profit and loss	**92.06**	**(1,052.14)**

* The company has not recognised deferred tax asset.

25.12 Disclosure in Accordance with Ind AS -24 Related Party Transactions

a) List of Related parties where control exists:

Name of the Related Party	Nature of Relationship
Platex Limited (PL)	Holding Company
PVP Global Ventures Private Limited (PGPL)	Subsidiary Companies
New Cyberabad City Projects Private Limited (NCCPPL)	
PVP Corporate Parks Private Limited (PCPL)	
PVP Media Ventures Private limited (PMPL)	
Safetrunk Services Private Limited (SSPL)	
Adobe Realtors Private Limited	
Picturehouse Media Limited (PHML)	
PVP Capital Limited (PCL)	
PVP Cinema Private Limited	
Picturehouse Media Private Limited (PHMPL) Singapore	

b) List of other related parties

Name of the person/ company	Nature of Relationship
Mr. Prasad V.Potluri, Chairman and Managing Director	Key Managerial Persons
Mr. N S Kumar, Independent Director	
Mr. R Nagarajan, Independent Director	
Mrs. Padma Potluri, Non Executive Director *	
Mrs. Jhansi Sureddi	Relatives to Key Managerial Persons
Bruma Properties Private Limited (BPPL)	Enterprises where KMP exercise significant influence

*resigned with effect from 06th March, 2017

C) SUMMARY OF TRANSACTIONS WITH THE RELATED PARTIES DURING THE YEAR ENDED 31ST MARCH, 2018 (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Investments in Subsidiaries		
Safetrunk Services Private Limited	479.00	-
Loans from Subsidiaries		
PVP Corporate Parks Private Limited (PCPL)		
- Borrowed during the year	-	36.09
- Repaid during the year	1.14	-
Loans and advances to Subsidiaries		
PVP Global Ventures Private Limited (PGPL)		
Given during the year	488.03	800.80
Repaid during the year	464.70	824.08
PVP Media Ventures Private Limited (PMPL)		
Given during the year	0.25	0.20
Repaid during the year	-	-
Safetrunk Services Private Limited		
Given during the year	97.76	230.21
Repaid during the year	480.27	20.06
Sitting Fees paid to Directors		
Mr. N S Kumar	1.47	1.48
Mr. R Nagarajan	1.47	1.48
Mrs. Padma Potluri	-	0.46

Compensation of Key Managerial Personnel of the Company (Rs. in Lakhs)

Particulars	31st March, 2018	31st March, 2017
(a) Short – term employee benefits	39.00	30.10
(b) Post employee Benefits	-	-
(c) Other Long term Benefits	-	-
(d) Termination benefits	-	-
(e) Share - Based Payment	-	-

d) Summary of Outstanding balances with the related parties as on 31st March, 2018 (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Investments in subsidiaries		
PVP Global Ventures Private Limited (PGPL)	54,527.00	54,527.00
New Cyberabad City Projects Private Limited (NCCPPL)	101.00	101.00
PVP Corporate Parks Private Limited (PCPL)	50.00	50.00
PVP Media Ventures Private limited (PMPL)	1.90	1.90
Safetrunk Services Private Limited (SSPL)	480.00	1.00
Picturehouse Media Limited (PHML)	531.05	531.05
Provision for investment in subsidiaries		

PVP Global Ventures Private Limited (PGPL)	30,000.00	30,000.00
Picturehouse Media Limited (PHML)	200.00	200.00
Loans and advances given to subsidiary		
PVP Global Ventures Private Limited (PGPL)	35,798.47	35,775.14
PVP Media Ventures Private limited (PMPL)	861.52	861.27
Safetrunk Services Private Limited (SSPL)	168.39	550.89
New Cyberabad City Projects Private Limited (NCCPPL)	21,843.49	21,843.49
Provision for advances given to subsidiary		
PVP Global Ventures Private Limited (PGPL)	5,160.16	5,160.16
Loans received from subsidiary		
PVP Corporate Parks Private Limited (PCPL)	1,011.17	1012.31
Other Payables – Mr. Prasad V.Potluri	7.31	-
Corporate Guarantees given/(received)		
Picturehouse Media Limited	-	1,500.00
PVP Capital Limited	10,000.00	10,000.00
Safe Trunk Services Private Limited	460.00	460.00
Advance given		
Enterprises where KMP exercise significant influence		
Bruma Properties Private Limited	35.00	35.00

25.13 Gratuity and other post-employment benefit plans

Defined Benefit Plan - Gratuity (Amount in Rs.)

Gratuity	31-Mar-18	31-Mar-17
Gratuity Plan:		
Defined benefit obligation (DBO)	15,03,435	8,58,718
Fair value of plan assets (FVA)	-	-
Net defined benefit (asset)/liability	**15,03,435**	**8,58,718**

The following table summaries the components of net benefit expense recognised in the statement of profit or loss / OCI and amounts recognised in the balance sheet for defined benefit plans / obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2018

Particulars	2017-18	2016-17
Current Service Cost	6,68,055	2,59,168
Net Interest Cost	64,404	1,01,768
	7,32,459	**3,60,936**

Amount recognised in Other Comprehensive Income for the year ended 31st March, 2018

Particulars	2017-18	2016-17
Actuarial (gain) / loss on obligations	(87,742)	(8,06,935)

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2018 are as follows:

Particulars	2017-18	2016-17
Opening defined obligation	8,58,718	13,04,717
Current service cost	6,68,055	2,59,168
Interest cost	64,404	1,01,768
Actuarial (gain)/loss - experience	-	-
Actuarial (gain)/loss - demographic & Financial assumptions	(87,742)	(8,06,935)
Benefits paid	-	-
Actuarial (gain)/loss on obligations	-	-
Defined benefit obligation	**15,03,435**	**8,58,718**

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	Gratuity	
	31-Mar-18	31-Mar-17
Discount rate (in %)	7.72%	7.50%
Salary Escalation (in %)	7.50%	7.50%

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below: (Amount in Rs)

Particulars	31-Mar-17 (Ind AS-19)		31-Mar-18 (Ind AS -19)	
Defined Benefit Obligation (Base)	**8,58,718**		**15,03,435**	
(% change compared to base due to sensitivity)	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (- / + 1%)	9,37,108	7,91,297	16,36,815	13,88,163
Salary Growth Rate (- / + 1%)	6,84,825	10,75,465	12,16,140	18,57,859
Attrition Rate (- / + 1%)	7,82,640	9,26,861	13,75,506	16,18,546
Mortality Rate (- / + 1%)	8,57,320	8,60,112	15,00,898	15,05,963

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31st March, 2018	31st March, 2017
Within the next 12 months (next annual reporting period)	15,394	5,322

Compensated Absences

The employees of the Company are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on the Actuarial certificate.

Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The company recognised Rs. 1.24 lakhs (previous year 3.11 lakhs) for provident fund contribution in the statement of profit or loss account.

25.14 Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

Financial assets and liabilities

The carrying value of financial instruments by categories is as follows:

Fair Value Measurement: (Rs. In Lakhs)

Particulars	Amount as on 31st March, 2018	Amount as on 31st March, 2017
Financial assets:		
Amortised Cost		
- Bank balance other than cash and cash equivalents	67.24	99.28
- Trade Receivables	690.83	623.43
- Loans	134.24	134.20
- Other Financial Assets	286.48	290.81
Total	**1,178.79**	**1,147.72**
Financial liabilities:		

Amortised Cost		
- Borrowings	18,231.29	14,405.72
- Trade Payables	68.88	76.88
- Other Financial Liabilities	1,746.61	3,914.87
Total	**20,046.78**	**18,397.47**

Investment in Equity Instruments are carried at cost and hence not considered.

Management considers that the all financial instruments are carried at amortised cost and the carrying value of the company's financial assets & liabilities is considered approximate to their fair value at each reporting date.

25.15 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise investments, cash and bank balance, trade and other receivables.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The financial instruments affected by market risk includes investment, has been discussed below.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

Long term borrowings of the company bear fixed interest rate, thus interest rate risk is limited for the company.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company does not undertake transactions denominated in foreign currencies, consequently company activities does not expose to exchange rate fluctuations arise.

c) Equity price risk

The company's listed and non-listed equity securities are not susceptible to market price risk arising from uncertainties about future values of the investment securities. Hence the company does not bear significant exposure to Equity price risk in investment in subsidiaries.

ii) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables, loans and other financial assets).

Trade Receivables

The company's credit risk with regard to trade receivables has a high degree of risk diversification, due to large number of projects of varying sizes and types with numerous different customer categories.

Customer credit risk is managed by requiring customers to pay advances through progress billings done by developer before transfer of ownership, therefore substantially eliminating the company's credit risk in respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit provision is required and also the company does not have any significant concentration of credit risk.

As on 31st March, 2018, outstanding receivables amounting to Rs. 690.83 Lakhs (previous year Rs. 623.43 Lakhs).

Credit risk on cash and cash equivalents is considered to be minimal as the counter parties are all substantial banks with high credit ratings.

iii) Liquidity risk

Liquidity risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The company's management is responsible for liquidity, funding as well as settlement management. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of Financial Liabilities: (Rs. in Lakh)

Particulars	On demand	Less than 1 year	1-5 years	Total
As at 31st March 2018				
Borrowings	1,011.17	4,300.12	12,920.00	**18,231.29**
Trade payables	-	68.88	-	**68.88**
Interest accrued	-	1,674.14	-	**1,674.14**
Other Financial Liabilities	-	72.47	-	**72.47**
Total	**1,011.17**	**6,115.61**	**12,920.00**	**20,046.78**

Particulars	On demand	Less than 1 year	1-5 years	Total
As at 31st March 2017				
Borrowings	1,012.31	43.08	13,350.32	**14,405.71**
Trade payables	-	76.87	-	**76.87**
Interest accrued	-	3,853.81	-	**3,853.81**
Other Financial Liabilities	-	61.06	-	**61.06**
Total	**1,012.31**	**4,034.82**	**13,350.32**	**18,397.45**

25.16 Capital Management

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The company strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize cost of capital.

The Company monitors capital using the debt-equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, Bank balance other than cash and cash equivalents.

(Rs in Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017
Borrowings	18,231.29	14,405.71
Cash & Cash Equivalents	(0.23)	(0.14)
Bank Balances other than Cash & Cash Equivalents	(67.24)	(99.28)
Net Debt	**18,163.82**	**14,306.29**
Equity Share Capital	24,505.27	24,505.27
Other Equity	37,878.51	37,916.72
Total Equity	**62,383.78**	**62,421.99**
Debt Equity Ratio	**0.29**	**0.23**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2018 and 31st March 2017.

25.17 Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous Year – Rs.Nil).

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

For and on behalf of the Board of Directors

Sd/-
K JITENDRA KUMAR
Partner
Membership No. 201825

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

Place : Chennai
Date : 30th May, 2018

Consolidated Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Members of PVP Ventures Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **PVP Ventures Limited** ("the Holding Company" or "the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss including other comprehensive income , the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's' Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under sub section (10) of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

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 reports of the other auditors on separate financial statements of the subsidiaries, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2018, and their consolidated loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to

a) As stated in Note No.27.5 to the consolidated Ind AS Financial Statements, in case of Picturehouse Media Limited, a subsidiary of the Holding Company audited by us, We have drawn emphasis of matter paragraphs reproduced by us as under: "which explain that the current assets of the subsidiary company include:

   a. Loans (including interest accrued) amounting to Rs. 3,892.32 Lakhs

   b. Films under production expenses amounting to Rs. 4,520.27 Lakhs

   As regards the loans for film production and uncertainty with respect to expenditure on films under production whose realisability is significantly dependent on timely completion of contemplated production of films, poses significant uncertainty on the eventual realisability of the above stated assets. The financial impact if any due to non-realisability is not ascertainable at this time."

b) As stated in Note No: 27.8 to the Consolidated Ind AS Financial Statements, The group mortgaged perambur land and Vishakpatnam land as security to lenders for the borrowings made by third parties and the borrowers have not repaid the loan along with interest to the lenders on the due dates. The outstanding loan by these companies as on 31st March 2018 is Rs. 6,278.02 Lakhs. The realisable value of mortgaged assets is dependent on the repayment of the loans by the third parties. The management asserts that no adjustment to the carrying value is required as it is confident that the payment obligations will be met by the third party borrower in due course. Relying on the same no adjustments have been made to the carrying value of the assets.

c) As stated in Note No: 27.9 to the Consolidated Ind AS Financial Statements, the obligations towards disputed income tax matters amounting to Rs. 3,414.04 Lakhs are pending before different judicial forums. Pending disposal of these appeals the eventual obligation in this regard is unascertainable at this time. Based on the management's assessment and based on the experts view on the merits of the dispute, no provision is considered necessary in this regard.

d) The independent auditor of subsidiary company i.e PVP Capital Limited in their auditor's report on the financial statements for the year ended 31st March, 2018 have drawn emphasis of matter paragraphs reproduced by us as under:

"As stated in Note No. 27.6 to the consolidated Ind AS Financial Statements, regarding the adequacy of disclosure concerning the company's ability to meet its financial obligations including loans, overdue loans, unpaid interest and ability to fund obligations pertaining to operations including unpaid creditors and payment of statutory dues for ensuring normal operations. During the year, the company incurred a net loss of Rs. 4,722.45 lakhs, and has loans aggregating Rs. 12,992.60 lakhs falling due over next twelve months period which also includes unpaid dues of the company as at 31st March, 2018. However, the financial statements have been prepared under the assumption, considering the management assessment to recover the balance dues from borrowers. These submissions and assertions by the management envisage that the company has ability to garner the required cash flows, which have not been independently assessed by us. Relying on the above, no adjustments have been made in these financial statements towards any possible impact".

e) The independent auditor of subsidiary company i.e PVP Global Ventures Private Limited in their auditor's report on the financial statements for the year ended 31st March, 2018 have drawn emphasis of matter paragraphs reproduced by us as under:

"As stated in Note No. 27.4 to the consolidated Ind AS financial statements, in respect of Loans and advances of Rs. 12,908.75 Lakhs to body corporates for scouting of land for the proposed power projects. The long duration of outstanding of these advances and other factors like low probability of getting a big chunk of land for a power project indicate the existence of uncertainty on the eventual realisability of these advances. The financial impact if any due to non-realisability is not ascertainable at this time".

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

Other Matters

a) We did not audit financial statements and other financial information of eight subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 16,351.48 Lakhs and net assets of Rs. 14,428.67 lakhs as at 31st March, 2018, total revenue of Rs. 843.99 Lakhs (including other income), net cash out flows of Rs. 451.82 lakhs and net loss of Rs. 5,803.25 Lakhs for the year ended on that date as considered in the consolidated Ind AS Financial Results. The financial statements and other financial information of these subsidiaries have been audited by the other auditors whose reports have been furnished to us by the management and our report on the consolidated Ind AS financial results in so far as it relates to the aforesaid subsidiaries is based solely on the reports of other auditors.

b) We did not audit the financial statements and other financial information of one foreign subsidiary included in the consolidated financial results, whose financial statements reflect total assets of Rs. 157.32 Lakhs and net assets of Rs. -0.35 lakhs as at 31st March, 2018, total revenue of Rs. Nil (including other income), net cash flows of Rs. Nil and net loss of Rs. 1.18 Lakhs for the year ended on that date as considered in the consolidated Ind AS Financial Results. The financial statements and other financial information of the foreign subsidiary have been prepared by the management. Our opinion on these consolidated Ind AS financial statements is based solely on the management accounts.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on consideration of the report of the other auditors on separate financial statements of subsidiaries referred in the other matters paragraph above, we report to the extent applicable that:

a. We/the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure A"; and

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matter' paragraph:

   i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group. Refer Note No. 27.8 and 27.9 to the Consolidated Ind AS Financial Statements.

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

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

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

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

Place : Chennai
Date : 30th May 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

In conjunction with our audit of the consolidated Ind AS financial statements of **PVP Ventures Limited** as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of PVP Ventures Limited ("the Holding Company" or "the Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Covered Entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following weakness has been identified as at 31st March, 2018. "The Companies internal control system for advance given to film finance, production work-in-progress and advances given for land which could potentially result in existence of uncertainty that may cast doubt about the recoverability or otherwise on some of the items and thereby non provision for the shortfall, if any, as at the balance sheet date could not have been established and also company needs to strengthen its documentation relating to disbursement of loans".

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

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the aforesaid subsidiaries is solely based on the corresponding reports of the auditors of such companies.

Our report is not qualified in respect of the above matter with respect to our reliance on the work done by and the reports of other auditors.

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

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

Place : Chennai
Date : 30th May 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

(Rs In Lakhs)

	Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
I	**ASSETS**			
(1)	**Non Current Assets**			
	(a) Property, Plant and Equipment	6.1	1,323.33	408.30
	(b) Capital work-in-progress	6.2	-	865.70
	(c) Good Will	6.3	3.93	3.93
	(d) Other Intangible assets	6.3	8.27	7.67
	(e) Financial Assets			
	(i) Investments	7	4,387.66	5,185.25
	(ii) Loans	9	-	-
	(iii) Other financial assets	10	164.81	199.95
	Total Financial Asset		**4,552.47**	**5,385.20**
	(f) Deferred tax assets - Tax Credit		1,201.82	1,363.25
	(g) Other non current assets	11	14,013.20	13,952.88
	Total Non Current Assets		**21,103.02**	**21,986.93**
(2)	**Current assets**			
	(a) Inventories	12	33,320.91	33,849.58
	(b) Financial Assets			
	(i) Trade receivables	8	1,267.61	2,262.52
	(ii) Loans	9	14,984.36	17,278.04
	(iii) Cash and cash equivalents	13	130.87	590.23
	(iv) Other financial assets	10	1,871.06	1,547.75
	Total Financial Asset		**18,253.90**	**21,678.54**
	(c) Other current assets	11	75.68	61.88
	Total Current Assets		**51,650.49**	**55,590.00**
(3)	**Non current assets classified as held for sale**		**-**	**-**
	Total Assets		**72,753.51**	**77,576.93**
II	**EQUITY AND LIABILITIES**			
A	**EQUITY**			
	(a) Equity Share Capital	14	24,396.25	24,396.25
	(b) Other Equity		(3,895.92)	(246.49)
	(c) Non Controlling Interest		1,014.50	3,564.44
	(d) Equity component of Parent Company		707.00	707.00
	Total Equity		**22,221.83**	**28,421.20**
B	**LIABILITIES**			
(1)	**Non Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15	20,351.23	18,510.10
	(ii) Trade payables			
	(iii) Other financial liabilities	17	-	-
	Total Financial Liabilities		**20,351.23**	**18,510.10**
	(b) Provisions	18	29.78	24.12
	(c) Other non current liabilities	19	4,819.52	5,820.81
	Total Non Current Liabilities		**25,200.53**	**24,355.03**
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15	10,050.00	11,600.00
	(ii) Trade payables	16	440.74	648.79
	(iii) Other financial liabilities	17	8,827.62	5,118.93
	Total Financial Liabilities		**19,318.36**	**17,367.72**
	(b) Other current liabilities	19	5,066.62	6,439.28
	(c) Provisions	18	946.17	993.70
	Total Current Liabilities		**25,331.15**	**24,800.70**
(3)	**Liabilities associated with non current assets held for sale**		**-**	**-**
	Total Equity and Liabilities		**72,753.51**	**77,576.93**

Summary of Significant Accounting Policies
The accompanying notes and other explanatory information are an integral part of the Financial Statements.
As per our report of even date.

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

For and on behalf of the Board of Directors

Sd/-
K JITENDRA KUMAR
Partner
Membership No. 201825

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

Place : Chennai
Date : 30th May, 2018

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(Rs in Lakhs)

	Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
I	Revenue from Operations	20	5,843.30	15,559.99
II	Other Income	21	51.41	106.89
III	**Total Income (I+II)**		**5,894.71**	**15,666.88**
IV	**Expenses**			
	Cost of Land	22.1	145.23	198.51
	Cost of Film Production expenses	22.2	1,674.85	9,782.61
	Employee Benefit Expenses	23	321.88	432.13
	Finance Costs	24	5,085.18	4,717.37
	Depreciation and Amortisation	6	108.67	111.46
	Other Operating and General Expenses	25	1,508.59	685.77
	Provision against Sub-Standard Assets		3,099.47	-
	Total Expenses		**11,943.87**	**15,927.85**
V	**Profit Before Tax and Exceptional items (III-IV)**		**(6,049.16)**	**(260.97)**
VI	Exceptional Items	26	(0.48)	(102.77)
VII	**Profit/ (Loss) Before Tax (V+VI)**		**(6,048.68)**	**(158.20)**
VIII	**Tax Expenses**			
	Current Tax		10.01	339.10
	Less: MAT Credit Entitlement		(10.01)	(83.34)
	MAT Credit/Income Tax relating to earlier years		157.81	(1,235.76)
	Total Tax Expenses		**157.81**	**(980.00)**
IX	**Profit (Loss) for the Period (VII -VII)**		**(6,206.49)**	**821.80**
X	**Other Comprehensive income, net of tax**			
	i) Items that will not be reclassified subsequently to profit and loss			
	Remeasurement of defined benefit obligation		7.13	(2.66)
	Less :-income tax expense		-	2.37
	ii) Items that will be reclassified subsequently to profit and loss			
	Other Comprehensive income for the year, net of tax		**7.13**	**(0.29)**
XI	**Total Comprehensive income for the year, net of tax (IX+X)**		**(6,199.36)**	**821.51**
XII	**Total Comprehensive income for the year attributable to:**			
	Non Controlling Interest		**(2,549.94)**	**(566.58)**
	Owners of the Parent		**(3,649.42)**	**1,388.09**
XIII	**Earnings Per Share**			
	Basic and Diluted - (Rs.)		**(2.54)**	**0.34**
	Face Value per Ordinary share - (Rs.)		**10.00**	**10.00**

Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.

As per our report of even date.

For Brahmayya & Co	**For and on behalf of the Board of Directors**	
Chartered Accountants		
Firm.Reg.No. 000511S		
Sd/-	**Sd/-**	**Sd/-**
K JITENDRA KUMAR	**PRASAD V. POTLURI**	**R NAGARAJAN**
Partner	Chairman & Managing Director	Director
Membership No. 201825		
Place : Chennai	Place : Chennai	
Date : 30th May, 2018	Date : 30th May, 2018	

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Rs In Lakhs)

	Particulars		As at 31st March 2018	As at 31st March 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit / (Loss) before Tax		(6,048.68)	(158.20)
	Adjustments for:			
	Depreciation and Amortization		108.67	111.46
	(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property		6.86	0.37
	Unrealised (Gain) / loss on Foreign Exchange Fluctuations (Net)		0.09	-
	Fair Value through Profit and Loss		(2.79)	(4.07)
	Provision for diminution in value of investment		800.37	-
	Employee provisions		28.01	(110.14)
	Interest on staff loans written off		-	4.63
	Sundry Creditors Written off		(0.69)	(2.40)
	Bad debts written off		-	10.84
	Provision for doubtful advances		-	12.09
	Advances Written off		-	4.78
	Contingent Provision on Sub-Standard Assets		3,099.47	-
	Interest Income Written off		0.14	
	Interest Income		(1,255.85)	(2,711.45)
	Interest Expenses [excluding 2,309.12 Lakhs (31.03.2017 : 1,959 Lakhs) in respect of financial enterprises consolidated].		2,776.06	2,685.29
	Cash Generated Before Working Capital Changes		**(488.34)**	**(156.80)**
	Movement In Working Capital			
	Increase / (Decrease) in Trade Payables		(207.37)	517.07
	Increase / (Decrease) in Other Financial Liabilities		1,586.33	(521.31)
	Increase / (Decrease) in Other Liabilities		(2,373.95)	(1,626.95)
	(Increase) / Decrease in Trade Receivables		994.91	(1,701.60)
	(Increase) / Decrease in Inventories		528.67	4,904.43
	(Increase) / Decrease in Loans & Advances		(805.79)	3,036.16
	(Increase) / Decrease in Other Financial Assets		79.12	613.05
	(Increase) / Decrease in Other Assets		(13.75)	(133.72)
	Cash Generated From Operations		**(700.17)**	**4,930.33**
	Direct Taxes Paid		(119.50)	(95.77)
	Net Cash Flow From / (Used in) Operating Activities	**(A)**	**(819.67)**	**4,834.56**
B.	**CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES**			
	Purchase of PPE, Intangible Assets and Investment Property		(180.36)	(154.00)
	Proceeds from Sale of PPE, Intangible Assets and Investment Property		25.74	10.86
	Capital Work in Progress		-	(589.74)
	Intangible Assets Under Development		-	(8.26)
	Capital Advances		(10.85)	44.70
	Purchase of Non Current Investments - Others		-	(4.07)
	Proceeds from Sale of Non Current Investments - Others		-	0.05
	Interest Income Received		888.35	2,592.52
	Net Cash Flow From / (Used in) Investing Activities	**(B)**	**722.88**	**1,892.06**
C.	**CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES**			
	Repayment to Short-Term Borrowings		(1,500.00)	(6,103.70)
	Proceeds from Long Term Borrowings		6,226.53	634.42
	Repayment of Long Term Borrowings		(79.47)	(12.40)

	Particulars		As at 31st March 2018	As at 31st March 2017
	Interest Paid		(5,009.63)	(774.33)
	Net Cash Flow From / (Used in) Financing Activities	**(C)**	**(362.57)**	**(6,256.01)**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**(A+B+C)**	(459.36)	470.61
	Cash and Cash Equivalents at the beginning of the year		590.23	119.61
	Cash and Cash Equivalents at the end of the year		**130.87**	**590.23**
D.	**Components of Cash and Cash Equivalents**			
	Cash and Cheques on Hand		1.61	0.84
	Balances with Banks			
	- In Current Accounts and Deposit Accounts		129.26	589.39
	Cash and cash Equivalent		**130.87**	**590.23**

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements. Reconciliation between the opening and closing balances in the balance sheet for financial liabilities arising from financing activities:

(Rs in lakhs)

Particulars	As at April 01, 2017	Net Cash Flows	Non- Cash Changes	As at March 31, 2018
			Book Adjustments	
Long Term Borrowings *	18,640.24	6,147.06	50.00	24,837.30
Short term Borrowings *	11,600.00	(1,500.00)	(50.00)	10,050.00
Interest	4,392.71	(5,009.63)	2,776.06	2,159.14
Total Financial Liabilities from Financing Activities	**34,632.95**	**(362.57)**	**2,776.06**	**37,046.44**

* 50 Lakhs of Loan was assigned from one lender to other.

Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.

As per our report of even date.

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

Sd/-
K JITENDRA KUMAR
Partner
Membership No. 201825

Place : Chennai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(Rs in Lakhs)

Particulars	Equity Share Capital	Other Equity									Equity Component of Parent Company	Non Controlling Interest	Total Equity attributable to equity holders of the company
		Reserves & Surplus							Other Comprehensive Income (OCI)				
		Security Premium Reserve	Retained Earnings	Capital Reserve	General Reserve	Statutory Reserve	Exchange Fluctuation Reserve	Business Transition Adjustment Reserve	Equity Instruments through OCI	Other Items of OCI			
Balance as on 01st April 2016	**24,396.25**	**85,685.82**	**(86,077.18)**	**2,926.04**	**0.44**	**257.68**	**(6.21)**	**(4,554.51)**	**-**	**133.38**	**707.00**	**4,131.02**	**3,203.47**
Changes in Equity for the year ended March 31, 2017													
Transferred to Statutory Reserves	-	-	(1.78)	-	-	1.78	-	-	-	-	-	1.67	1.67
Transferred to Exchange Fluctuation Reserve							(0.01)				-	(0.01)	(0.02)
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	-	-	-	-	-	(2.48)	-	2.19	(0.29)
Profit for the period	-	-	1,390.55	-	-	-	-	-	-		-	(570.42)	820.13
Balance as on 01st April 2017	**24,396.25**	**85,685.82**	**(84,688.40)**	**2,926.04**	**0.44**	**259.46**	**(6.22)**	**(4,554.51)**	**-**	**130.89**	**707.00**	**3,564.44**	**4,024.95**
Changes in Equity for the year ended March 31, 2018													
Transferred to Statutory Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to Exchange Fluctuation Reserve	-	-	-		-	-	(0.01)	-	-	-	-	-	(0.01)
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	-	-		-	-	4.31	-	2.82	7.13
Profit for the period	-	-	(3,653.73)	-	-	-		-	-	-	-	2,552.76)	(6,206.49)
Balance as on 31st March 2018	**24,396.25**	**85,685.82**	**88,342.13)**	**2,926.04**	**0.44**	**259.46**	**(6.23)**	**(4,554.51)**	**-**	**135.20**	**707.00**	**1,014.50**	**(2,174.42)**

Summary of Significant Accounting Policies

The accompanying notes and other explanatory information are an integral part of the Financial Statements.

As per our report of even date.

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

Sd/-
K JITENDRA KUMAR
Partner
Membership No. 201825

Place : Chennai
Date : 30th May, 2018

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

Summary of significant accounting policies and other explanatory information to the Consolidated Ind AS Financial Statements for the year ended 31st March 2018

1. Corporate Information

PVP Ventures Limited ("the Parent Company") is a public company incorporated and domiciled in India and governed by the Companies Act, 2013 ("Act"). The Parents company's registered office is situated at Door No:2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai, Tamilnadu – 600031. The main activities of the Parent Company along with its subsidiaries are developing urban infrastructure and Movie production and Movie Financing related activities. The Parent Company together with its subsidiaries is hereinafter referred to as the "Group".

These Consolidated Ind AS Financial Statements of the Group for the year ended 31st March 2018 were authorised for issue in accordance with resolution of the Board of Directors on 30th May 2018.

2. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

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

Effective 01st April, 2016, the Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First Time adoption of Indian Accounting Standards, with 01st April, 2015 as the transition date. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under section 133 of the companies act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

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

Current / Non Current Classification

An asset is classified as current when

a) It is expected to be realized or consumed in the Group's normal operating cycle;

b) It is held primarily for the purpose of trading;

c) It is expected to be realized within twelve months after the reporting period; or

d) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

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

A liability is classified as current when

a) It is expected to be settled in the normal operating cycle of the Group;

b) It is held primarily for the purpose of trading;

c) It is expected to be settled within twelve months after the reporting period; or

d) The Group has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

Functional and Presentation Currency

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

b) Basis of consolidation:

i) The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries.

When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Parent Company's voting rights in an investee are sufficient to give it power, including rights arising from other contractual arrangements.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

In case of subsidiaries consolidated for the first time consequent to adoption of IND AS, the deemed cost of goodwill as of the transition date has been computed to equal the difference between:

- the Group's interest in carrying amounts of assets and liabilities; and
- the cost, in the Parent Company's separate financial statements, of its investment in the subsidiary.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent Company.

Associates are all entities over which the group has significant influence but no control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associates is accounted for using equity method of accounting, after initially being recognised at cost.

ii) List of subsidiaries and proportion of voting power held

Name of the Subsidiary Company	Principal place of business	As at 31st March 2018	As at 31st March 2017
		% of Ownership Directly or through subsidiaries	% of Ownership Directly or through subsidiaries
PVP Corporate Parks Private Limited	India	100%	100%
PVP Global Ventures Private Limited	India	100%	100%
PVP Media Ventures Private Limited	India	100%	100%
Safetrunk Services Private Limited	India	100%	100%
New Cyberabad City Projects Private Limited	India	80.99%	80.99%
Picturehouse Media Limited	India	51.46%	51.46%
Adobe Realtors Private Limited *	India	100%	100%
PVP Capital Limited**	India	100%	100%
PVP Cinema Private Limited**	India	100%	100%
Picturehouse Media Private Limited (Singapore)**	Singapore	100%	100%
Blaster Sports Ventures Private Limited	India	-	-
PVP Island Private Limited	India	-	-

*Adobe Realtors Private Limited is the wholly owned subsidiary company of PVP Global Ventures Private Limited.

** PVP Capital Limited, PVP Cinema Private Limited and Picturehouse Media Private Limited (Singapore) are the wholly owned subsidiaries of Picturehouse Media Limited.

iii) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

c) Property, Plant and Equipment:

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

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

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

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

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

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

d) Intangible Assets

Intangible Assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

e) Impairment of Property, Plant & Equipment & Intangible Assets:

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

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

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

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

f) Foreign Currency Translation:

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Treatment of Exchange differences

Exchange differences arising on settlement / restatement of short term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the statement of Profit or loss.

On transition to Ind AS, the Group has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items, outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset and exchange differences arising on other long –term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Account" and amortised over the remaining life of the concerned monetary item.

Group Companies

For the purposes of the consolidated financial statements, items in the consolidated statements of profit or loss of those operations for which the Indian Rupees is not the functional currency are translated to Indian Rupees at the average rates of exchange during the year. The related consolidated balance sheet is translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in the other comprehensive income. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in profit or loss.

g) Assets taken on lease:

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All the other leases are classified as operating leases.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

Assets held under finance lease are capitalised at the inception of the lease, with corresponding liability being recognised for the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the statement of Profit or Loss so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

h) Inventories

Land and related development activities are valued at Cost or Net Realizable Value whichever is lower. Cost comprises of all expenses incurred for the purpose of acquisition of land, development of the land and other related direct expenses.

Investments in films and associated rights, including acquired rights and advances to talent associated with film production, are stated at lower of cost / unamortised cost or realisable value. Costs include production costs, overhead and capitalized interest costs net of any amounts received from third party investors.

A charge is made to write down the cost once the film is theatrically exhibited commercially. Charge is recognized in the income statement within cost of production.

i) Financial Instruments

1) Initial Recognition

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

2) Subsequent measurement

i) Financial assets carried at amortised cost

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

ii) Financial assets at fair value through other comprehensive income

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

iii) Financial Assets at fair value through profit or loss

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

iv) Investment in Subsidiaries

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

v) Financial Liability

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

3) Derecognition of financial instruments

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

4) Impairment of Assets

Financial Assets (other than at fair value):

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

5) Fair value of Financial Instruments

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

Fair value hierarchy:

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

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

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

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

j) Provisions, Contingent Liabilities and Contingent Assets

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

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

k) Revenue Recognition

As a consistent practice, the Group recognises revenues on accrual basis.

1) Revenue from sale of undivided share of land is recognised upon transfer of all significant risks and rewards of ownership.

2) Revenue from film production is recognized, net of sales related taxes, when the agreement exists, the fees are fixed or determinable, the product is delivered or services have been rendered and collectability is reasonably assured. The Group considers the terms of each arrangement to determine the appropriate accounting treatment.

   The following additional criteria apply in respect of various revenue streams within filmed entertainment:

   Theatrical – Contracted minimum guarantees are recognized on the theatrical release date. The Group's share of box office receipts in excess of the minimum guarantee is recognized at the point they are notified to the Group.

   Other rights – other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date when the rights are made available to the assignee for exploitation.

3) a) Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

   b) In respect of PVP Capital Limited, Interest income on loans is accrued over the maturity of the loan where the interest is serviced regularly as per the applicable prudential norms prescribed for NBFCs by RBI to the extent applicable to the company. Interest on loans which are classified as non-performing assets and are accounted for on realization basis.

4) Sale of Intangibles assets are recognised when asset are sold to customers which generally coincides with the delivery and acceptance. Income earned on licensing the copyrights is recognised on time proportion basis. Revenue from dividend is recognised upon right to receive the dividend is established.

5) Dividend from investments is accounted for as income when the right to receive dividend is established.

l) Employee Benefits

1) Gratuity

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

2) Compensated Absences

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

3) Other Benefit Plans

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

m) Taxes on Income

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

i) Current Income Tax

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

ii) Deferred Income Tax

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

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

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

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

n) Borrowing Costs

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

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

o) Earnings per Share

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

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

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

p) Cash Flow Statement:

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

q) Exceptional Items

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

r) Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment are allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments are disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment and all other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

3. Critical accounting estimates and judgments

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

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

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

- **Valuation of investment in/loans to subsidiaries**

  The Group has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investment in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans thereon. The inputs to these models are taken from observable markets where possible, but where is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

- Accounting for the film content requires management's judgment as it relates to total revenues to be received and costs to be incurred for each film. The Group is required to identify and assess and determine income generated from commercial exhibition of films. Judgment is also required in determining the charge to profit and loss account. As well as considering the recoverability or conversion of advances made in respect of securing film content or the services of talent associated with film production.
- **Useful lives of property, plant and equipment and intangible assets:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the carrying amount of property, plant and equipment at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment testing:** Property, plant and equipment and intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes**: Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.

  Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.
- **Defined benefit plans**: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA"), on March 28, 2018, through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the new standard for revenue recognition and amended certain existing Ind AS which are effective for annual periods beginning on or after April 1, 2018.

4. Ind AS 115- Revenue from Contract with Customers:

Ind AS 115 will supersede the existing revenue recognition standard 'Ind AS 18 – Revenue'. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group has completed its preliminary evaluation of the possible impact of Ind AS 115 and will adopt it retrospectively with the cumulative effect of initially applying this standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application i.e. April 1, 2018 and accordingly comparatives for the year ended March 31, 2018 will not be retrospectively adjusted. This standard is applied retrospectively only to the contracts that are not completed contracts at the date of initial application. The Group does not expect the impact of the adoption of new standard to be material on its retained earnings and to its net income on an ongoing basis.

5. Ind AS 21 – The effect of changes in Foreign Exchange rates (Appendix B)

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The amendment will come into force from April 1, 2018. The Group does not expect the effect of this on the financial statements to be material based on preliminary evaluation."

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Note No 6.1: Property, Plant and Equipment

(Rs in Lakhs)

Particulars	Land & Building	Plant & Machinery	Computers & Related Assets	Furniture & Fixtures	Vehicles	Office Equipments	Total
Gross Block							
Gross Carrying Value as on 01st April, 2016		**3.57**	**36.53**	**92.86**	**197.36**	**160.86**	**491.18**
Additions		0.63	3.35	-	136.34	13.68	**154.00**
Deletions		-	-	-	(17.69)	(0.09)	**(17.78)**
Gross Carrying Value as on 31st March, 2017	**-**	**4.20**	**39.88**	**92.86**	**316.01**	**174.45**	**627.40**
Additions	348.81	195.71	1.02	465.39	43.57	0.92	**1,055.42**
Deletions		-	-	-	(68.96)	(1.28)	**(70.24)**
Gross Carrying value as on 31st March, 2018	**348.81**	**199.91**	**40.90**	**558.25**	**290.62**	**174.09**	**1,612.58**
Accumulated Depreciation							
Accumulated Depreciation as on 01st April, 2016	**-**	**0.7**	**16.17**	**14.19**	**34.66**	**49.06**	**114.78**
Depreciation	-	0.81	6.90	14.20	43.50	45.46	**110.87**
Accumulated depreciation on deletions					(6.46)	(0.09)	**(6.55)**
Accumulated Depreciation as on 31st March, 2017	**-**	**1.51**	**23.07**	**28.39**	**71.70**	**94.43**	**219.10**
Depreciation for the year	0.47	4.09	4.14	16.45	41.77	40.87	**107.79**
Accumulated depreciation on deletions		-		-	(36.42)	(1.22)	**(37.64)**
Accumulated Depreciation as on 31st March, 2018	**0.47**	**5.60**	**27.21**	**44.84**	**77.05**	**134.08**	**289.25**
Net Block							
As at 31st March 2017	**-**	**2.69**	**16.81**	**64.47**	**244.31**	**80.02**	**408.30**
As at 31st March 2018	**348.34**	**194.31**	**13.69**	**513.41**	**213.57**	**40.01**	**1,323.33**

Note: Gross Block as on 01.04.2015 represents deemed cost (Gross Block 376.71 Lakhs – Accumulated Depreciation – 143.3 Lakhs) as per Ind AS 101.

6.2 Capital Work in Progress

(Rs in lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017
Capital Work in Progress	865.70	865.70
Less : Capitalized during the year	(865.70)	
Total Capital Work in Progress	**-**	**865.70**

6.3 Intangible Assets

(Rs in Lakhs)

Particulars	Software	Total	Goodwill
Gross Block			
Gross Carrying Value as on 01st April, 2016	8.26	8.26	4,639.37
Additions			
Deletions			
Gross Carrying Value as on 31st March, 2017	**8.26**	**8.26**	**4,639.37**
Additions	1.49	1.49	-
Deletions	-	-	-
As at 31st March 2018	**9.75**	**9.75**	**4,639.37**
Accumulated Depreciation			
Accumulated Depreciation as on 01st April, 2016	-	-	-
Depreciation	0.59	0.59	
Accumulated depreciation on deletions			
Accumulated Depreciation as on 31st March, 2017	**0.59**	**0.59**	**4,635.44**
Depreciation for the year	0.89	0.89	-
on Disposals	-	-	-
Accumulated Depreciation as on 31st March, 2018	**1.48**	**1.48**	**4,635.44**
Net Block			
As at 31st March 2017	**7.67**	**7.67**	**3.93**
As at 31st March 2018	**8.27**	**8.27**	**3.93**

(Rs in Lakhs)

Particulars			As at 31st March 2018	As at 31st March 2017
Note 7	**Investments**			
	Non-Current Investments			
	Investments in other Equity Instruments			
	I. Investment carried at cost fully paid up			
	Unquoted			
	Blasteres Sports Ventures Private Limited		3,316.52	3,316.52
		(A)	**3,316.52**	**3,316.52**
	II. Investments in Equity Shares in others carried at fair value through Profit and Loss account			
	Jagati Publications Limited 36,38,053 shares at a premium of Rs. 350/- per share		13,096.99	13,096.99
	Less: Provision for diminution in value of investment		(12,078.34)	(11,277.96)
		(B)	**1,018.65**	**1,819.03**
	III. Investments in Mutual Funds carried at Fair value through Profit and Loss			
	Investment in Canara Robeco Mutual Funds (3,99,980 units @ 10/- per unit, 15176.5 units @ approx 19.77/- per unit)		52.49	49.70
		(C)	**52.49**	**49.70**
	IV. Investment in debentures,Carried at cost,fully paid up			
	Unquoted		-	
	Crust Realtors Private Limited		328.00	328.00
	3280 - 0% Optional Convertible Debentures of Rs. 10,000/- each			
	Mantel Realtors Private Limited		500.00	500.00
	5000 - 0% Optional Convertible Debentures of Rs. 10,000/- each			
	P’n’V Real Estates & Developers Private Limited		450.00	450.00
	4500 - 0% Optional Convertible Debentures of Rs. 10,000/- each			
	Stone Valley Real Estates Private Limited		350.00	350.00
	3500 - 0% Optional Convertible Debentures of Rs. 10,000/- each			
	Hercules Real Estates and Projects Private Limited		20.00	20.00
	200 - 0% Optional Convertible Debentures of Rs. 10,000/- each			
			1,648.00	**1,648.00**
	Less: Provision for diminution in value of Investments in Debentures (Refer Note No:27.7)		(1,648.00)	(1,648.00)
		(D)	-	-
	Total Non-Current Investments	**(A+B+C+D)**	**4,387.66**	**5,185.25**
	Aggregrate amount of quoted investments and market value		52.49	49.70
	Aggregrate amount of unquoted investments		18,061.51	18,061.51
	Aggregate amount of impairment in value of investments		(13,726.34)	(12,925.96)
	Total		**4,387.66**	**5,185.25**
Note 8	**Trade Receivables**			
	Current			
	Unsecured			
	Considered good		1,267.61	2,262.52
	Total Trade Receivables		**1,267.61**	**2,262.52**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	As at 31st March 2018	As at 31st March 2017
Note 9	**Loans**		
	Current Loans		
	Secured		
	Advances for Film Finance	17,803.76	17,005.91
	Less : Provision on Sub-standard Assets	(3,099.47)	
	Unsecured and Considered good		
	Staff Advances	280.07	272.13
	Advances for others	12.09	12.09
	Less : Provision for Doubtful advances	(12.09)	(12.09)
		14,984.36	**17,278.04**
	Non Current Loans		
	Unsecured and Considered good		
	Other Doutful Advances	90.00	90.00
	Less : provision for Doubt full advances made	(90.00)	(90.00)
		-	-
	Total Loans	**14,984.36**	**17,278.04**
Note 10	**Other Financial Assets**		
	Non-Current		
	Security Deposit	35.41	35.95
	Electricity Deposits	0.40	-
	Rental Deposits	24.00	24.00
	Advance to Others	105.00	140.00
		164.81	**199.95**
	Current		
	Interest accrued and Due on Fixed Deposit	0.53	0.53
	Interest accrued on Movie Finance	1,585.90	1,248.25
	Interest accrued and Due on Staff Loans	129.43	129.43
	Interest accrued but not due on Debentures	92.85	63.00
	Interest accrued on others	-	0.14
	Other Receivables	0.82	-
	Advances for Others	61.53	106.40
		1,871.06	**1,547.75**
	Total Other Financial Assets	**2,035.87**	**1,747.70**
Note 11	**Other Assets**		
	Non-Current		
	Advance Income Tax, Tax deducted at source	259.29	198.92
	Taxes Paid under Protest*	834.31	834.31
	Capital Advances	10.85	-
	Other Advances	12,908.75	12,919.65
	*Includes amount of Rs. 150 Lakhs for which the company has received a favourable order from the ITAT (Income Tax Appellate Tribunal) and hence the amount is due as refund.		
		14,013.20	**13,952.88**
	Current		
	Prepaid Expenses	7.80	11.47
	Other Advances	-	31.62
	Service tax Input Credit	19.34	18.79
	Goods and Service Tax Input tax Credit	48.54	
		75.68	61.88
	Total Other Assets	**14,088.88**	**14,014.76**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	As at 31st March 2018	As at 31st March 2017
Note 12	**Inventory**		
	Inventory of Land	28,770.33	28,904.70
	Film Production Expenses – Work in Progress	4,520.27	4,944.88
	- (Valued at cost or net realised value which ever is less and as certified by the Management.)		
	Consumables	30.31	-
		33,320.91	**33,849.58**
Note 13	**Cash & Cash Equivalents**		
	Balance With Banks		
	In Current and Deposit Accounts	129.26	589.39
	Cash on Hand	1.61	0.84
		130.87	**590.23**

Note 14: Equity Share Capital

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

Particulars	As at 31st March 2018	As at 31st March 2017
Authorised Share Capital		
30,00,00,000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00
Issued, Subscribed and Paid Up		
24,50,52,701 equity shares of Rs. 10 each	24,505.27	24,505.27
Less: 10,90,235 equity shares held by PVP Global Venture Private Limited	109.02	109.02
	24,396.25	**24,396.25**

(b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year: (Rs. in Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017
Number of equity shares outstanding as at the beginning of the year	24,50,52,701	24,50,52,701
Add: Number of Shares allotted during the year	-	-
Less: Number of Shares held by Subsidiary Company	(1,090,235)	(1,090,235)
Number of equity shares outstanding as at the end of the year	**24,39,62,466**	**24,39,62,466**

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

Name of shareholder	As at 31st March 2018		As at 31st March 2017	
	No of Shares held	% of holding	No of Shares held	% of holding
Platex Limited	13,26,12,766	54.12	13,26,12,766	54.12
SSG India Opportunities I Limited	24,505,270	10.00	24,505,270	10.00

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

(e) PVP Global Ventures Private Limited (PVPGVPL) holds 10,90,235 equity shares of PVP Ventures Limited, as these shares were acquired before the company became its subsidiary. However, PVP Global Ventures Private Limited (PVPGVPL) does not have any rights to vote at meetings of PVP Ventures Limited or any class of members thereof over these shares.

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

(g) The company does not have any Bonus Shares Issued, Share issued for consideration other than Cash and Shares bought back during the period of five years immediately preceding the reporting date (31.03.2018).

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

(Rs in Lakhs)

	Particulars	As at 31st March 2018	As at 31st March 2017
Note 15	**Borrowings**		
	Non-Current		
	Secured Loans		
	From Banks - Term Loans	385.86	430.52
	From Banks - Vehicle Loans	71.12	105.93
	Less: Current maturities (refer note no.17)	(163.65)	(130.14)
	Debentures		
	3,860, 18% Redeemable Non-Convertible Debentures (NCDs) of Rs. 10,00,000 each.	3,860.00	-
	Less: Current maturities (refer note no. 17)	(965.00)	
	Unsecured Loans		
	From Non-Banking Financial Institution	1,975.56	-
	Less: Current maturities	(68.42)	
	Debentures		
	13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs. 100,000 each.	13,289.00	13,289.00
	Less: Current maturities (refer note no. 17)	(3,289.00)	
	From Companies	5,255.76	4,814.79
		20,351.23	**18,510.10**
	Current		
	Secured		
	From Banks -Working Capital Loan	10,000.00	11,500.00
	UnSecured		
	From Companies	50.00	100.00
		10,050.00	**11,600.00**
	Total Borrowings	**30,401.23**	**30,110.10**
	Refer Note No: 26.4 for security details, terms of repayment and other relevant details.		
Note 16	**Trade Payables**		
	Sundry Creditors for services	440.74	648.79
		440.74	**648.79**
Note 17	**Other Financial Liabilities**		
	Current		
	Current Maturity of Long Term Debt	4,486.07	130.14
	Interest accrued and due on borrowings	1,992.77	45.00
	Interest accrued and not due on borrowings	2,256.02	4,858.60
	Employee related payables	47.39	44.00
	Provision for Expenditure	38.06	41.19
	Other Payables-Related parties	7.31	
		8,827.62	**5,118.93**
	Total Other Financial Liabilities	**8,827.62**	**5,118.93**
Note 18	**Provisions**		
	Non-Current		
	Provision for Employee Benefits		
	Gratuity	29.78	24.12
		29.78	**24.12**
	Current		
	Provision for Employee Benefits		
	Gratuity	4.25	3.66
	Compensated Absences	33.34	18.71
	Provision for Income tax	847.20	909.95
	Provision against Standard Assets	61.38	61.38
		946.17	**993.70**
	Total Provisions	**975.95**	**1,017.82**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars		As at 31st March 2018	As at 31st March 2017
Note 19	**Other Liabilities**		
	Non-Current		
	Security Deposit from Developer	4,819.52	5,820.81
		4,819.52	**5,820.81**
	Current		
	Advances received from Theatrical Exhibitors	117.00	849.71
	Advance received for sale of land (inventory)	3,489.10	4,539.36
	Advance received from Customers	16.90	18.84
	Other Payables	354.15	355.00
	Statutory Liabilities payable	1,089.47	676.37
		5,066.62	**6,439.28**
	Total Other Liabilities	**9,886.14**	**12,260.09**

(Rs in Lakhs)

Particulars		For the year ended 31st March 2018	For the year ended 31st March 2017
Note 20	**Revenue from Operations**		
	Income from Real Estate	2,839.18	2,695.53
	Income from Movie Rights and Related Activities	1,751.61	9,101.66
	Income from Film Financing Activity	1,222.68	2,675.33
	Commission income	2.71	16.47
	Other Operating Income	-	1,071.00
	Sale of Lockers	27.12	
	Total	**5,843.30**	**15,559.99**
Note 21	**Other Income**		
	Interest income on Income tax refund	11.11	32.54
	Profit on Sale of Assets	-	0.52
	Sundry Creditors Written off	0.69	2.40
	Fair Value through Profit and Loss	2.79	4.07
	Miscellaneous Income	3.65	31.24
	Interest Income	33.17	36.12
	Total	**51.41**	**106.89**
Note 22			
i	**Cost of Land**		
	Opening Stock of Land	6,694.94	6,893.45
	Add: Current year Expenses	10.85	-
		6,705.79	**6,893.45**
	Less: Closing Stock of Land	6,560.56	6,694.94
		145.23	**198.51**
ii	**Cost of Film Production Expenses**		
	Opening Film Production Expenses	4,944.88	9,650.76
	Add: Current year Expenses	1,250.24	5,076.73
		6,195.12	**14,727.49**
	Less: Closing Film Production Expenses	4,520.27	4,944.88
	Total	**1,674.85**	**9,782.61**
Note 23	**Employee Benefit Expenses**		
	Salaries and wages	310.01	417.54
	Contribution to Provident and other funds	3.17	5.23
	Staff welfare expenses	8.70	9.36
	Total	**321.88**	**432.13**

	Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Note 24	**Finance Cost**		
	Interest on Finance lease	8.74	10.31
	Interest on Loans	2,761.67	2,707.07
	Interest others	339.00	73.08
	Interest on Debentures	1,975.77	1,926.91
		5,085.18	**4,717.37**
Note 25	**Other Expenses**		
	Rent	100.84	110.01
	Insurance		
	- For Employees	9.09	6.05
	- Assets	4.37	5.03
	Power and Fuel	21.89	17.91
	Printing and Stationery	10.61	20.36
	Communication Expenses	15.67	20.90
	Repairs and Maintenance	13.10	18.24
	Books and Periodicals	0.19	0.34
	Registration Charges	0.06	4.06
	Security Charges	19.95	16.03
	Rates and taxes	55.28	20.82
	Payment to statutory auditors		
	for Statutory Audit	25.61	31.71
	for tax audit	5.00	5.00
	for certification	7.15	6.00
	Directors Sitting Fees	6.26	9.13
	Legal, Professional and consultancy	140.67	192.52
	Office Maintenance	29.77	56.80
	Advertisement, publicity and sales promotion	3.10	2.39
	Bank Charges	2.70	0.87
	Business Promotion Expenses	1.46	0.55
	Investor related expenses including Listing Fees	18.64	21.37
	Travelling Expenses including Conveyance	130.98	78.34
	Charity and Donations	4.50	-
	Postage and telegram Expenses	3.13	3.33
	Bad debts Written Off	-	10.84
	Provision for Doubtful Advances	-	12.09
	Loss on sale of asset	6.86	0.89
	Exchange Fluctuation Loss	0.09	-
	Advances Written Off	-	4.78
	Interest on Staff Loans written off	-	4.63
	Miscellaneous expenses	71.25	4.73
	Invesments Written off	-	0.05
	Provision for Diminution in value of Investments	800.37	-
		1,508.59	**685.77**
Note 26	**Exceptional Items**		
	Excess provision on Employee Benefits Written back	(0.48)	(46.32)
	Liabilities Written Back	-	(56.45)
		(0.48)	**(102.77)**

27. NOTES TO ACCOUNTS

27.1 Joint Development Agreement

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

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

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

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

27.2 Details of Loans and terms of repayment:

a) Non Convertible Debentures – Rs. 3,860.00 Lakhs

The Company authorized to issue 1950 listed, rated, secured, redeemable Non Convertible Debentures (the NCDs) of Rs. 10 Lakhs each for an aggregate amount of Rs. 19,500 lakhs which consists of tranche A 386 Debentures aggregating to Rs. 3,860.00 lakhs and Tranche B 1,564 Debentures aggregating to Rs 15,640.00 lakhs as per the debentures trust deed dated 16th June, 2017.

The debentures and the debenture payments are secured by:

1. English mortgage of all the rights on piece and parcel of the land at Door No. 8 and Door No. 8D located in Stephenson Road, Perambur, Chennai measuring 9.154 acres.
2. First Charge exclusive basis all rights titles interest and benefit of the company in respect of the JDA, JDA Escrow Agreement, JDA Escrow Account and JDA Receivables excluding the outstanding the security deposit.
3. A first ranking exclusive security interest over debentures held by the company amounting to Rs. 3,316.52 lakhs in Blaster Sports Ventures Private Limited.
4. Non-disposal undertaking of 100% shares of PVP Ventures Limited held by promoter group.
5. Personal Guarantee of Promoter (Mr. Prasad V. Potluri).

Interest is payable at 18% p.a., the first payment is due on first anniversary and thereon payable on quarterly basis.

Debentures that are redeemed shall not be reissued.

The NCDs are issued for a period of 5 (Five years) from the date of issue of the NCDs. The Company shall redeem the debentures as set below;

Scheduled Redemption Date	Principal Amount to be redeemed cumulatively (in percent of paid up value) for the Tranche A Debenture
30 June, 2018	6.250%
30 September, 2018	6.250%
31 December, 2018	6.250%
31 March, 2019	6.250%
30 June, 2019	6.250%
30 September, 2019	6.250%
31 December, 2019	6.250%
31 March, 2020	6.250%
30 June, 2020	6.250%
30 September, 2020	6.250%
31 December, 2020	6.250%
31 March, 2021	6.250%
30 June, 2021	6.250%
30 September, 2021	6.250%
31 December, 2021	6.250%
31 March, 2022	6.250%

If there is any delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal, rate of interest will be 5% p.a.

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

b) Fully Convertible Debentures – Rs. 13,289.00 lakhs

The Company has allotted 13,289 convertible or redeemable debentures of Rs. 1,00,000 each convertible into preference and / or equity shares as per scheme of amalgamation sanction by Honourable the High Court of Madras between the Company and PVP Ventures Private Limited dated 25th April, 2008.

The Debentures are convertible into redeemable preference shares and / or equity shares of on or before 22nd January, 2011. Each Debenture shall be converted into newly issued equity or redeemable preference shares in the share capital of the Company. As per scheme of amalgamation sanction by Honourable the High Court of Madras the dentures holder are entitled to 65,14,215 fully paid up equity shares.

The Debentures holder has extended the conversion/ redemption option up to the period expiring on 31st March 2029 by letter dated 4th December 2017.

The Debentures will bear interest at the rate of 14.5% per annum. Interest on the Debentures is payable semi-annually in arrears on 15th June and 15th December in each year. Interest shall accrue on the overdue sum at the rate of [2.00] % per annum over and above the Interest Rate (the Default Interest Rate) from the due date.

One of Debentures holder holding 3289 debentures has waived the interest from 1st April 2017 to 30th April 2018 subject to redemption of debentures before 30th April 2018. The company had redeemed the debentures on 27th April 2018. The amount of Interest waived from 1st April 2017 to March 2018 is Rs. 476.90 lakhs and the company has received extension letter from the debenture holder for repayment of interest till 30th September, 2018 on the balancing debentures amounting to Rs. 10,000.00 lakhs.

As per subscription agreement the company shall not transferred or encumbered the entire shareholding in its Subsidiaries i.e Cyberabad City Projects Private Limited (Now known as New Cyberabad City Projects Private Limited), Maven Infra projects Private Limited and PVP Enterprises Limited (Now known as PVP Global Ventures Private Limited).

Irrevocably and unconditionally guarantee is given by Mr. Prasad V. Potluri (Promoter) to the debenture holder in connection with the Debentures till the Shares allotted upon conversion have been irrevocably and unconditionally repaid or discharged in full.

c) From Banks – Vehicle Loans

Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 8% to 10.91% p.a and repayable in 1 to 5 years in monthly installments.

d) From Banks – Term Loan

The group has availed an Indian rupee term loan from a bank amounting to Rs. 460 Lakhs which is to be repaid in 24 quarterly installments with a 6 months moratorium, carrying variable interest rate of MCLR + 4.90% i.e 14.45% p.a (floating) at monthly rests (Marginal cost of Fund based lending rate is 9.55% for one year). Quarterly installment of Rs. 19.17 Lakhs each commencing from 31-12-2016 to 30-09-2022. The group has provided 20 flats of Ekanta Tower-1 of North Town Project, Chennai as Collateral Security and pledging 10,00,000 equity shares of Rs. 10/- each held in Picturehouse Media Limited apart from the collateral securities on the properties belonging to Group Companies and personal guarantee of Mr. Prasad V. Potluri and Mrs. Jhansi Sureddi.

As on 31st March, 2018, the group is overdue in repayment of principal and interest for a period of seven months i.e from September’17 to March’ 2018 - amounting to Rs. 89.79 Lakhs to the bank.

e) From company

The Group has availed an Indian rupee loan from a company which is repayable based on the availability of funds and interest rate varies from 12% p.a to 14% p.a on daily average balances.

f) From Non banking Finance Company

The Group has availed Indian rupee term loan from NBFC in tranches which is repayable in 168 monthly installments from September, 2017 to August, 2031, carrying variable interest rate of LFRR - 6.25% (Current LFRR minus Margin i.e., 18.75% - 12.5%= 6.25%). The loan is secured by a charge on the immovable property owned by Mr. Prasad V. Potluri.

g) Current Borrowings

a) The Group has availed Indian rupee term loan from bank amounting to Rs. 10,000.00 lakhs and interest rate charged is base rate +4.50% i.e 14.70%. Loan is secured by a charge on the loans made to film finance and other related activities, apart from the collateral securities on the properties belonging to group companies and personal guarantee of Mr. Prasad V. Potluri and Smt Jhansi Surredi.

As on 31st March, 2018, the group is overdue for a period of one year in repayment of interest amounting to Rs. 1,911.15 lakhs to the bank.

b) The Group has availed a loan from a company which is repayable on demand and interest rate is 18% p.a.

27.3 The Group holds investments aggregating to Rs. 13,096.99 Lakhs (2017: Rs. 13,096.99 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 amounting to Rs. 12,078.34 Lakhs (2017: 11,277.96 lakhs) are adequate and do not foresee any additional provision required for the year 2017-18. The physical share certificates of the said investments are pending release from Investigating authorities which couldn’t establish any quid pro quo against the group.

27.4 In case of PVP Global Ventures Private Limited, has advanced a sum of Rs. 12,908.75 Lakhs (PY: 12,919.64 Lakhs) towards acquisition of land and other rights for its proposed power project(s). In terms of the arrangements, these parties are required to facilitate acquisition of certain areas of land parcels within 48 months against which these advances are paid off, failing the completion of the land parcel, the group may demand payment of the advance and shall not be obliged to acquire the land parcel from these parties.

27.5 In case of Picturehouse Media Limited, the current assets of the company include loans and advances and expenditure on films under production. As regards the loans and advances, the management is confident of realising the value at which they are carried notwithstanding the period of outstanding. As regards film under production expenses mainly comprising payments to artists and technicians the group is evaluating options for optimal utilization of these payments in making films. And accordingly the group is confident of realising the entire value of expenditure on films under production. The management does not foresee any erosion in carrying value.

27.6 In case of PVP Capital Limited, has borrowings aggregating Rs. 14,899.75 (March 31, 2017 Rs. 11,586.44) Lakhs and falling due over next twelve months period of Rs. 12,992.61 (March 31, 2017 Rs. 11,586.44) Lakhs of the company as at March 31, 2018. These matters require the Company to garner such additional cash flows to fund the operations. Due to the market condition in film industry, the borrowers could not meet their payment obligations. The loans are classified as substandard and required provision is made as per Reserve Bank of India regulations. The management is actively considering the aspects like recovery from the borrowers and other resources to bring in additional cash flows to meet its obligations.

27.7 During the financial year 2009-10, The Group had invested a sum of Rs. 1,648.00 Lakhs in 0% Optionally Convertible Debentures (OCDs) of Companies, which are engaged in developing real estate projects. These Optionally Convertible Debentures (OCDs) are convertible within 10 years into fully paid equity shares of these investee companies at price to be determined at the time of conversion. The Management has reviewed these investments and as a matter of prudence provision for the entire value has been made in the earlier years. Hence no further provisions are required to be made.

27.8 Corporate Guarantees

a. PVP Ventures Limited

The company mortgaged perambur land as a security to loans availed by third parties with current outstanding of Rs. 2,866.02 Lakhs. The parties have not repaid the loan amounts on due dates and the lenders continue to hold the charge on the assets of the company. The management is pursuing the matter with third party borrowers and is confident that the borrowers will meet their loan obligations and accordingly the value of assets mortgaged by the company does not require any adjustment to carrying value.

b. New Cyberabad City Projects Private Limited

The Company has given a Corporate Guarantee for Rs. 4,500.00 Lakhs to State Bank of India for the loan availed by Third party. The Company has created a charge on 2 Acres 60 Cents of land at Vishakhapatnam. The outstanding loan as at the year end is Rs. 3,411.80 Lakhs (Previous Year: Rs. 4,064.93 Lakhs) to the banker by third party.

27.9 Contingent Liabilities

Based on the Issues and circumstances in consideration for the below cases and based on the expert advice the Company is confident of success, hence provision for the disputed amount were not provided in the books

PVP Ventures Limited

a. Assessment Year 2008-09: The Assessing officer passed an order after disallowing the investment received from the Holding Company as unexplained investment and the sale of land and others as unexplained receipts. The appeal filed by the company before CIT(A), Chennai was allowed in favour of the company with respect to the Investments received from the Holding Company. On the order of CIT(A),Chennai, the department has filed an appeal before Income Tax Appellate Tribunal and for the balance disallowance the company has filed a separate appeal before Income Tax Appellate Tribunal, Chennai. Hon'ble Income Tax Appellate Tribunal, Chennai has set aside the order of Assessing officer to redo the assessment with regards to appeal filed by the department. Aggrieved by the order passed by Income Tax Appellate Tribunal, Chennai, company has filed an appeal before Honorable High Court of Madras and it has admitted the case and stayed the proceeding of the order of Income Tax Appellate Tribunal and the appeal filed by the company has dismissed by Income Tax Appellate Tribunal.

   Further upon the dismissal made by ITAT, Chennai, the AO has initiated penalty proceedings and issued demand notice amounting to Rs. 1276.58 lakhs, which is disputed before CIT(A), Chennai. No action against the company can be initiated by the department, since the quantum for the issues is already admitted by the Hon'ble High Court of Madras.

b. Assessment Year 2009-10: The re-assessment proceeding u/ 148 of Income tax Act 1961 was initiated on the grounds of disallowance of Interest expenditure and Depreciation on Plant and Machinery. Consequently, the order was passed with a demand of Rs. 13.24 lakhs. Aggrieved by the order the company has disputed the demand with Income Tax Appellate Tribunal, Chennai. Further the company has filed the rectification petition u/s. 154 with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

c. Assessment Year 2013-14: The Assessing Officer has passed order disallowing the notional amount on Investments under section 14A of the Income tax Act, 1961 resulting in a demand of Rs. 493.43 Lakhs. Aggrieved by the order the company has disputed the demand with CIT – Appeals, Chennai. Further the company has filed the rectification petition under section 154 for adjusting the unabsorbed losses and unabsorbed depreciation with the Assessing officer, consequent upon which, the aforesaid demand shall become Nil.

d. Company has received an order during the previous year from SEBI imposing a penalty of Rs.15.00 Lakhs for the PVP Ventures Limited and further penalty of Rs. 15.00 Lakhs for Prasad V Potluri as Chairman & Managing Director of the company towards alleged violation of Prohibition of Insider Trading (PIT) Regulations during 2009. The company has challenged the orders before the Securities Appellate Tribunal (SAT).

PVP Corporate Parks Private Limited

a. Assessment Year 2010-11: The Income tax officer has passed assessment order dated 29.03.2013 under section 143(3) for which raised demand of Rs. 793.30 Lakhs. The Hon'ble Income Tax Appellate Tribunal (Income Tax Appellate Tribunal), Chennai Bench has dismissed the Appeal and the same is disputed before Hon'ble High Court of Madras. Out of the demand a sum of Rs. 633.42 Lakhs has been recovered by Income tax authorities from the parent company in earlier years, which has been shown under current assets. Further, during the year, Hon'ble Madras High Court has stayed the operation of the Order of Income Tax Appellate Tribunal subject to payment of Rs. 50 Lakhs. The same has been paid during the year.

b. The additional commissioner of service tax has passed an order dated 04.01.2003 for the period 01.04.2009 to 31.03.2010, demanding a sum of Rs 8.84 Lakhs and penalty Rs. 8.84 Lakhs. The Commissioner Appeals has rejected the Appeal and the same is disputed before Customs, Excise, and Service Tax Appellate Tribunal, Chennai. A sum of Rs. 0.88 Lakhs has been paid pending dispute which is shown under Current Assets.

PVP Global Venture Private Limited

a. The Enforcement Directorate had provisionally attached the land measuring 28 Acres and 8 Guntas of the Group in connection with the redemption of the investments in Mahalakshmi Energy Ventures Private Limited by the Group. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate. The Company has filed an appeal against the said Order. Based on the expert advice, the Company is confident of succeeding before the appellate authority

b. The Group has received an order from Securities and Exchange Board of India (SEBI) imposing a penalty of Rs. 15 crores for the Group and further penalty of Rs. 15 crores for Prasad V Potluri as Promoter Director of the Group towards alleged violation of Prohibition of Insider Trading (PIT) regulations during 2009. Aggrieved by the said orders, the Group has filed an appeal challenging the impugned orders before the Securities Appellate Tribunal (SAT). Considering the facts and circumstances of the issues, the Group is hopeful of succeeding in the appeal, provisions has not been made in the books of accounts.

c. Assessment Year 2013-14: There is a Penalty demand of Rs. 11.22 lakhs for Assessment Year 2013-14 as regards u/s 271 of the Income Tax Act based on the additional demand raised pursuant to the scrutiny proceedings under section 143(3) of the Income Tax Act. The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) and is confident of getting the demand quashed in appeal. Hence no provision has been made.

New Cyberabad City Projects Private Limited

Assessment Year 2015-16: There is an Income Tax demand for Rs. 826.29 Lakhs for Assessment Year 2015-16 pursuant to scrutiny proceedings u/s 143(3). However the Company has preferred an appeal with the Commissioner of Income Tax (Appeals) and confident of being successful in the appeal.

27.10 Lease Rentals

The Group has entered into operating lease agreements for office premises and an amount of Rs. 100.84 Lakhs (2017: Rs. 110.01 Lakhs) paid under such agreement have been charged to statement of Profit & Loss.

The details with regard to operating lease obligations with respect to Office premises are as under.

(Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Due within 1 year from the Balance Sheet date	151.09	146.25
Due between 1 and 5 years	344.60	432.07
Due after 5 years	170.72	247.80

Finance Lease: Company as lessee (Rs. in Lakhs)

The company has taken the vehicles on finance lease.	March 31, 2018		March 31, 2017	
	Minimum Lease Payments	Present Value of Minimum Lease Payments	Minimum Lease Payments	Present Value of Minimum Lease Payments
Future minimum lease payments				
Not later than one year	50.03	46.12	51.25	44.62
Later than one year and not later than five years	15.95	25.00	65.98	61.32
Later than five years	Nil	Nil	Nil	Nil

27.11 Micro, Small and Medium Enterprises:

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

27.12 Earnings per Share (EPS)

(Amount in Rs.)

Particulars	Refer	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	24,50,52,701	24,50,52,701
Profit / (Loss) after Taxes after exceptional items (Rs. in Lakhs)	C	(6206.49)	821.80
Earnings Per Share – Basic and diluted	C*100000/B	(2.54)	0.34

27.13 Deferred Tax

Deferred tax asset has not been recognised on the following items: (Rs in Lakhs)

Particulars	31st March 2018		31st March 2017	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Deductible temporary differences	4,857.04	1,262.83	3,739.92	1,236.42
Tax Losses *	7,174.68	1,865.42	2,377.23	785.91
Total	**12,031.72**	**3,128.25**	**6,117.14**	**2,022.33**

*During the year, the company received favorable order from Hon'ble High Court, Chennai. Accordingly, carry forward losses has been increased.

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31.03.2018.

27.14 Income Taxes

(Rs in Lakhs)

Particulars	31st March 2018	31st March 2017
Current tax	13.66	339.10
Income Tax for earlier years	74.47	22.82
Less: MAT Credit	(13.66)	(83.34)
Net Tax	**74.47**	**278.58**
Mat Credit for Earlier years	83.34	(1,258.58)
Deferred tax	-	-
Total Income tax Expenses	**157.81**	**(980.00)**

Particulars	31st March 2018	31st March 2017
Profit / (Loss) from the operation before income tax expenditure	**(6,048.68)**	**(158.20)**
Less: Profit / (loss) from the operation of foreign subsidiary	1.19	3.83
Add: Intercompany eliminations	(139.42)	(455.08)
Net Profit / (Loss) from the operation before income tax expenditure	(6,186.91)	(609.45)
Applicable Income tax rate	26.00%	33.06%
Tax at statutory income tax rate	(1,608.60)	(201.48)
Effect of expenses not allowed for tax purpose	73.05	31.27
Effect of unrecognized deferred tax	1,810.93	471.00
Differences in tax expenses on account of different tax rates applicable to subsidiary companies	-	38.31
Income tax for Earlier Years *	(187.25)	22.82
MAT Credit	(13.66)	(83.34)
MAT Credit for earlier years	83.34	(1,258.58)
Income tax Expenses charged to Profit or Loss	**157.81**	**(980.00)**

* The company has not recognised deferred tax asset.

27.15 Employee Benefits

Defined Benefit Plan

Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is a funded Gratuity Scheme.

(Amount in Rs.)

Gratuity	31st March 2018	31st March 2017
Gratuity Plan:		
Defined benefit obligation (DBO)	(34,03,087)	(27,78,213)
Fair value of plan assets (FVA)	-	-
Net defined benefit asset/(liability)	**(34,03,087)**	**(27,78,213)**

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2018

Particulars	2017-18	2016-17
Current Service Cost	10,19,031	5,43,758
Net Interest Cost	2,08,366	2,72,123
Total	**12,27,397**	**8,15,881**

Amount recognised in Other Comprehensive Income for the year ended 31st March, 2018

Particulars	2017-18	2016-17
Actuarial (gain) / loss on obligations	(6,02,523)	(15,26,433)

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2018 are as follows:

(Amount in Rs.)

Particulars	2017-18	2016-17
Opening defined obligation	27,78,213	34,88,766
Current service cost	10,19,031	5,43,757
Interest cost on the DBO	2,08,366	2,72,123
Actuarial (gain) / loss – experience	-	-
Actuarial (gain) / loss - Financial assumptions	(6,02,523)	(15,26,433)
Actuarial (gain) / loss - demographic assumptions	-	-
Benefits paid	-	-
Actuarial (gain) / loss on obligations	-	-
Defined benefit obligation	34,03,087	27,78,213

The principal assumptions used in determining gratuity obligation for the Group's plans are shown below:

Particulars	31-Mar-18	31-Mar-17
Discount rate (in %)	7.74%	7.50%
Salary Escalation (in %)	7.50%	7.50%

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

A quantitative sensitivity analysis for significant assumption as at 31st March 2018 is as shown below:

(Amount in Rs)

Particulars	31-Mar-18 (Ind AS -19)		31-Mar-17 (Ind AS-19)	
Defined Benefit Obligation (Base)	**34,03,087**		**27,78,213**	
(% change compared to base due to sensitivity)	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (- / + 1%)	36,83,145	31,60,877	30,09,981	25,78,433
Salary Growth Rate (- / + 1%)	28,00,336	41,47,130	22,75,685	33,49,993
Attrition Rate (- / + 1%)	31,35,580	36,43,796	25,59,459	29,74,530
Mortality Rate (- / + 1%)	33,97,750	34,08,404	27,74,007	27,82,403

The following payments are expected contributions to the defined benefit plan in future years

Particulars	31st March 2018	31st March 2017
Within the next 12 months (next annual reporting period)	2,67,796	2,36,690

a) Compensated Absences

The employees of the group are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The group records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The group measures the expected cost of compensated absence as the additional amount that the group expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on the Actuarial certificate.

b) Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The company recognised Rs. 3.17 Lakhs (Previous Year Rs. 5.23 Lakhs) for provident fund contribution in the statement of profit or loss account.

27.16 Disclosure in Accordance with Ind AS -24 Related Party Transactions

a) Names of related parties and nature of relationship

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	Holding Company
Mr. Prasad V.Potluri, Chairman and Managing Director	Key Managerial Personnel (KMP)
Mr. N S Kumar, Independent Director	
Mr. R Nagarajan, Independent Director	
Mrs. Padma Potluri, Executive Director	
Mrs. Jhansi Sureddi	Relative to Chairman & Managing Director
Bruma Properties Private Limited	Enterprises where KMP exercise significant influence

b) Summary of transactions & Outstanding Balances with the related parties during the year ended 31st March 2018

(Rs. in Lakhs.)

Nature of transactions	Transactions for the year ended		Outstanding balance as at	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Enterprises where significant influence exists				
- Bruma Properties Private Limited	-	-	35.00	35.00
Sitting Fees to Directors				
- Mr. N.S. Kumar	3.13	3.62	-	-
- Mr. R Nagarajan	3.13	3.72	-	-
- Mrs. Padma Potluri	-	0.43	-	-

Compensation of Key Managerial Personnel of the Company (Rs. in Lakhs)

Particulars	31st March, 2018	31st March, 2017
(a) Short-term employee benefits	39.00	30.10
(b) Post employee Benefits	-	-
(c) Other Long term Benefits	-	-
(d) Termination benefits	-	-
(e) Share - Based Payment	-	-

27.17 Disclosure of interest in Material Subsidiaries

Name of the Company	Principal place of business	Principal activities of Business
Picture house Media Limited	India	Movie production and related activities
PVP Capital Limited	India	Movie financing activities

Particulars	As at 31st March 2018	As at 31st March 2017
Ownership interest held by the Group	51.46%	51.46%
Non-Controlling interest	48.54%	48.54%

The summarised separate financial information of subsidiary is as below: (Rs. in Lakhs.)

Balance Sheet	Picture House Media Limited		PVP Capital Limited	
	2017-18	2016-17	2017-18	2016-17
Non-Current Assets	3,231.96	3011.03	0.03	24.50
Current Assets	9361.74	10,275.71	16,293.22	17,542.08
Total Assets	**12593.70**	**13286.74**	**16,293.25**	**17,566.08**
Non-Current Liabilities	5,820.10	3,612.07	1,908.52	3.95
Current Liabilities	3,858.46	6,258.92	14,039.67	12,495.11
Total Liabilities	**9,678.56**	**9,870.99**	**15,948.19**	**12,499.06**
Total Equity	**2,915.14**	**3,415.75**	**345.06**	**5,067.52**

Profit & Loss account: (Rs. in Lakhs.)

Particulars	Picture House Media Limited		PVP Capital Limited	
	2017-18	2016-17	2017-18	2016-17
Total Income	2,367.11	9,690.75	816.45	2,125.26
Profit / (Loss) for the year	(502.71)	(1,199.01)	(4,726.17)	33.41
Other comprehensive income	2.10	(3.08)	3.72	7.59
Total comprehensive Income	(500.61)	(1202.10)	(4,722.45)	41.00

Summarised Cash flow: (Rs. in Lakhs.)

Particulars	Picture House Media Limited		PVP Capital Limited	
	2017-18	2016-17	2017-18	2016-17
Cash flows from Operating activities	169.22	3,679.04	(2,155.82)	3,890.60
Cash flows from Investing activities	57.85	202.37	-	-
Cash flows from Financing activities	(199.79)	(3,925.50)	1,734.55	(3471.42)
Net Increase in Cash and Cash Equivalents	27.28	(44.09)	(421.27)	419.19

27.18 Financial risk management objectives and policies

The Group's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the group's operations. The group's principal financial assets comprises of investments, loans, cash and bank balance, trade and other receivables.

The group is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's Long Term borrowings of the company bearing floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The group`s exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An Increase / Decrease of 100 basis points in interest rate at the end of the reporting period of the variable financial instruments would (Decrease) / Increase profit after taxation for the year by the amounts shown below. This analysis assumes all other remain constant.

Profit / (Loss) After taxation (Rs. in Lakhs.)

Particulars	31st March 2018	31st March 2017
Financial liabilities – Borrowings		
+1% (100 basis points)	99.76	69.78
-1% (100 basis points)	(99.76)	(69.78)

There are no hedging instruments to mitigate this risk.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group does not undertake transactions denominated in foreign currencies; consequently group activities are not exposed to exchange rate fluctuations.

c) Equity price risk

The equity price risk is the risk arising from uncertainties about future values of the investment securities. The Group does not have exposure to Equity price risk in investment except investments in mutual funds which are subject to minimal risk.

ii) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily for trade receivables, loans and other financial assets).

Credit risk related to financial services business:

The following table sets out information about credit quality of loan assets measured at amortised cost based on the months past due information. The amount represents gross carrying amount.

Particulars	2017-18	2016-17
Gross carrying value of loan assets		
Neither Past due nor impaired	3,719.39	17,119.59
Past Due but not impaired		
1 month past due	-	-
2-3 months past due	12,397.87	-
Impaired (above 3 months)	-	-
Total Gross carrying value as at reporting date	**16,117.26**	**17,119.59**

Credit Quality of Financial Loans:

Financial services business has a comprehensive framework for monitoring credit quality of its film production based on the status of the film production. Repayment by film producers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

The Group applies the simplified approach for providing expected credit losses prescribed by Ind AS 109, which permits the use of lifetime expected loss provision for all loans & advances. The group has computed expected credit losses based on the current information of the borrowers and status of the film production and during the year, the group has provided expected credit loss amounting to Rs. 3,099.47 lakhs.

The Group has adopted a policy of only dealing with creditworthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

The nature of collateral security is in the form of personal guarantee of the borrowers. Further this personal guarantee is backed up with the list of immovable properties held by the borrower with the original title deeds.

The maximum exposure to credit risk of loans and advances is their carrying amount. The maximum exposure is before considering both the effect of mitigation through collateral security.

Trade receivables:
The company from time to time will have significant concentration of credit risk in relation to individual theatrical releases and digital rights. The risk is mitigated by contractual terms which seek to stagger receipts and/or the release or airing of content.

Customer credit risk is managed by requiring customers to pay advances through progress billings done by developer before transfer of ownership, therefore substantially eliminating the company's credit risk in respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit provision is required and also the company does not have any significant concentration of credit risk.

There have been no material impairments to trade or other receivables in the two years included within these financial statements and no indication of enhanced customer credit risk.

Credit risk on cash and cash equivalents is considered to be minimal as the counter parties are all substantial banks with high credit ratings.

iii) Liquidity risk
Liquidity risk is the risk that the group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The management is responsible for liquidity, funding as well as settlement management. The Group manages the liquidity and fund requirements for its operations through borrowings. Further, certain interest bearing liabilities carry different interest rates.

The table below provides details regarding the contractual maturities of Financial Liabilities: (Rs. in lakhs)

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at 31st March 2018					
Borrowings	-	14,536.07	18,780.54	1,570.69	34,887.30
Trade payables	-	440.74	-	-	440.74
Interest accrued	-	4,248.79	-	-	4,248.79
Other Financial Liabilities	-	92.76	-	-	92.76
Total	**-**	**19,318.36**	**18,780.54**	**1,570.69**	**39,669.59**

Particulars	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at 31st March 2017					
Borrowings	-	11,730.14	18,510.10	-	30,240.24
Trade payables	-	648.79	-	-	648.79
Interest accrued	-	4,903.60	-	-	4,903.60
Other Financial Liabilities	-	85.19		-	85.19
Total	**-**	**17,367.72**	**18,510.10**	**-**	**35,877.82**

27.19 Financial Instruments
The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

Financial Assets and Liabilities
The carrying value and fair value of financial instruments by categories were as follows: (Rs. in Lakhs)

Particulars	Amount as on 31st March, 2018	Amount as on 31st March, 2017
Financial assets:		
Fair value through Profit or Loss		
Investments	1,071.14	1,868.73
Investments carried at cost	3,316.52	3,316.52

Amortised Cost		
Cash and cash equivalents	1.61	0.84
Bank balance other than cash and cash equivalents	129.26	589.39
Trade Receivables	1,267.61	2,262.52
Loans	14,984.36	17,278.04
Other Financial Assets	2,035.87	1,747.70
Financial liabilities:		
Amortised Cost		
Borrowings	34,887.30	30,240.24
Trade Payables	440.74	648.79
Other Financial Liabilities	4,341.55	4,988.79

The Carrying amounts of all financial assets and liabilities appearing in the financial statements are reasonable approximation of fair values.

27.20 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimise cost of capital.

The Group monitors capital using the debt-equity ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, Bank balance other than cash and cash equivalents.

(Rs in Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017
Borrowings	34,887.30	30,240.24
Cash & Cash Equivalents	(1.61)	(0.84)
Bank Balances other than Cash & Cash Equivalents	(129.26)	(589.39)
Net Debt	**34,756.43**	**29,650.01**
Total Equity	**22,221.83**	**28,421.20**
Debt Equity Ratio	**1.56**	**1.04**

No changes were made in the objectives, policies or processes during the year ended 31st March 2018.

27.21 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is engaged in Real Estate / Urban Infrastructure, Media Production and Movie Financing related activities. These are reportable segments for the year. Entire Operations of the Group is only in domestic hence reportable geographical segment does not arise except for one step down subsidiary of PHML Singapore which does not warrant geographical segment reporting. Segment wise income, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of cost plus margins. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

Ind AS 108 establishes standards for the way that public business enterprise report information about operating segments and related disclosures.

The segment revenue, segment expenses, segment assets and segment liabilities include respective amounts identifiable to each of the segment and also amounts allocated on a reasonable basis.

(Rs. in Lakhs.)

Particulars	Real Estate	Media Production & Finance related activities	Others	Eliminations	Total
Segment Revenue	2,839.18	2,974.29	-	-	5,813.47
Inter Segment revenue	-	-	-	-	-
Total	**2,839.18**	**2,974.29**	**-**	**-**	**5,813.47**
Results					
Segment profit/(loss) before finance and tax	778.33	5,167.91	-	-	5,946.24
Unallocable Expenditure	-	-	1,051.87	(139.42)	912.45
Interest Cost	-	-	5,085.18	-	5,085.18
Exceptional Items	-	-	(0.48)	-	(0.48)
Unallocable Income	-	-	(81.24)	-	(81.24)
Income tax expenses	-	-	-	-	157.81

Profit/(loss) after tax					**(6,206.49)**
Other Information					
Segment Assets	**91,497.50**	**22,323.28**	**43,144.64**	**(84,211.91)**	**72,753.51**
Segment Liabilities	**29,113.69**	**21,588.05**	**841.16**	**(1,011.22)**	**50,531.68**
Depreciation and Amortisation expenses	**57.75**	**39.79**	**11.13**		**108.67**
Other Non Cash Expenses	**-**	**3,099.47**	**939.79**	**(139.42)**	**3,899.84**

27.22 Financial information pursuant to Schedule III of Companies Act, 2013: (Rs. in Lakhs)

Name of the Entity	Net Assets (Total assets less total liabilities)		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	As at 31st March 2018		Year ended 31st March 2018		Year ended 31st March 2018		Year ended 31st March 2018	
Holding Company								
PVP Ventures Limited	268.48%	62,383.78	0.45%	(39.53)	13.27%	1.32	0.44%	(38.21)
Indian Subsidiaries								
PVP Media Ventures Private limited	1.75%	407.43	0.19%	(16.22)	1644.12%	(163.59)	2.06%	(16.22)
Safetrunk Services Private Limited	2.48%	576.74	0.46%	(40.6)	0.00%	-	0.46%	(40.6)
PVP Corporate Parks Private Limited	7.29%	1,694.87	0.01%	(1.13)	0.00%	-	0.01%	(1.13)
New Cyberabad City Projects Private Limited	108.93%	25,312.44	0.07%	(5.88)	0.00%	-	0.07%	(5.88)
PVP Global Ventures Private Limited	61.74%	14,345.71	11.20%	(981.01)	0.00%	-	11.21%	(981.01)
Adobe Realtors Private Limited	-0.14%	(32.29)	0.05%	(4.47)	0.00%	-	0.05%	(4.47)
Picturehouse Media Limited	12.55%	2,915.13	5.74%	(502.7)	21.11%	2.1	5.72%	(500.61)
PVP Capital Limited	1.49%	345.07	53.96%	(4,726.17)	37.29%	3.71	53.98%	(4,722.45)
PVP Cinema Private Limited	-0.03%	(5.98)	0.32%	(27.77)	0.00%	-	0.32%	(27.77)
Foreign Subsidiaries								
Picturehouse Media Private Limited, Singapore	0.01%	1.27	0.01%	(1.19)	0.00%	-	0.01%	(1.19)
Non Controlling Interest	4.37%	1014.5	29.13%	2,551.64	28.34%	2.82	29.14%	(2,548.82)
* Consolidation Adjustments/ Eliminations	-368.92%	(85,722.2)	-1.60%	140.14	1644.12%	163.59	-3.47%	303.73
Total	**100.00%**	**23,236.28**	**100.00%**	**(8,758.17)**	**100.00%**	**9.95**	**100%**	**8,748.22**

*Consolidation adjustments/Eliminations include intercompany eliminations.

27.23 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Rs. 51.00 Lakhs in the Previous Year 2016-17)

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

For and on behalf of the Board of Directors

Sd/-
K. JITENDRA KUMAR
Partner
Membership No. 201825

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director

Sd/-
R. NAGARAJAN
Director

Place : Chennai
Date : 30th May, 2018

Place : Chennai
Date : 30th May, 2018

PVP Ventures Limited

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]

CIN	**L72300TN1991PLC020122**
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. Name: ____
   Address: ____
   Email Id: ______________________ Signature:______________ or failing him/her.
2. Name: ____
   Address: ____
   Email Id: ______________________ Signature:______________ or failing him/her.
3. Name: ____
   Address: ____
   Email Id: ______________________ Signature:______________ or failing him/her.

as may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Monday, September 10, 2018 at 10.00 a.m. at Sri P. Obul Reddy Hall, Vani Mahal, No. 103, G N Road, T. Nagar, Chennai, Tamil Nadu – 600 017 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 for the financial year ended March 31, 2018		
2	To ratify appointment of M/s. Brahmayya & Co. as Statutory Auditors		
Special Business:			
3	Issuance of Secured, Rated, Listed Redeemable, Non-Convertible Debentures by way of private placement		

Signed this...day of 2018

Signature of Shareholder...

Signature of Proxy holder(s)..

Please Affix Re.1/- Revenue Stamp and sign across

Notes:

1. The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 hours (forty eight hours) before the time fixed for holding the meeting.
2. A proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. ** This is only optional. Please put 'X' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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PVP Ventures Limited

CIN: L72300TN1991PLC020122
Regd. Office: KRM Centre, 9th Floor, Door No.2, Harrington Road, Chetpet, Chennai - 600 031

ATTENDANCE SLIP

I hereby record my presence at the 27th Annual General Meeting of the company being held on Monday, September 10, 2018 at 10.00 a.m. at Sri P. Obul Reddy Hall, Vani Mahal, No. 103, G N Road, T. Nagar, Chennai, Tamil Nadu – 600 017

Name of the Shareholder :

Name of the Proxy :

Signature of member/proxy :

Regd. Folio/*Client ID :

*Applicable for members holding shares in electronic form

Note: To be signed and handed over the entrance of the meeting venue.

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KRM Centre, 9th Floor, Door No. 2, Harrington Road, Chetpet, Chennai - 600031.
T: +91 44 3028 5570 E: investorrelations@pvpglobal.com