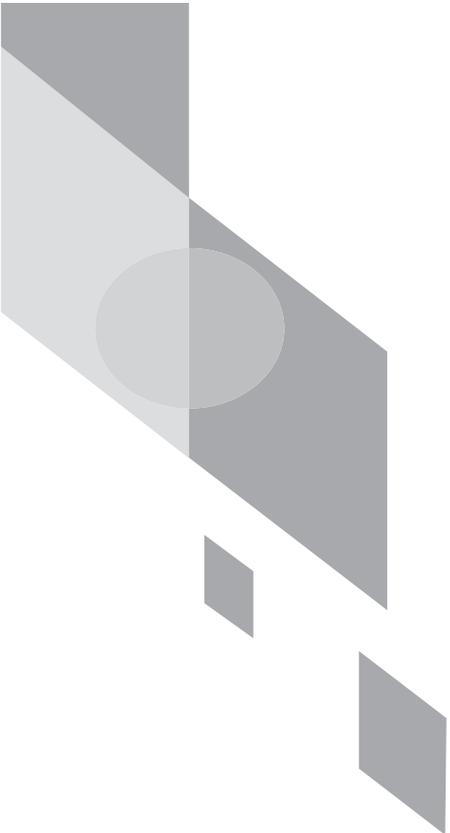




PVP Ventures Limited

CIN: L72300TN1991PLC020122

**ANNUAL
REPORT
2021-22**



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CHAIRMAN'S MESSAGE

Dear Shareholders,

The past couple of years have been one of the most challenging and uncertain times experienced across the globe. As we continue to emerge out of this phase, I hope all of you and your loved ones continue to be safe and well.

Your company has made progress after witnessing tough times post second wave of covid-19 pandemic. During the year all efforts were made to monetize the development of Land Parcel situated at Perambur. M/s. North Town Estates Pvt. Ltd was released from their scope of construction for the six unfinished towers in land parcel of 34 acres situated in North Town and a joint development agreement with M/s. Rainbow Foundations Ltd was entered in the month of March, 2022.

Additionally an outright sale of 8 acres of land parcel was made to M/s. Casagrand Zingo Private Ltd and a joint development agreement was entered with M/s. Casagrand Builders Pvt. Ltd for the development of 12 acres of land parcel.

The expected revenue generation in the next 6 years from this joint development is approximately Rs.500 Crores.

While we ended the year on a strong note, the current year will present its own challenges and opportunities. Your company is making all efforts to reach out to various developers for the development of remaining 16 acres in Perambur.

I would like to thank all the stakeholders for the continued confidence and support reposed on us.

Best Regards,

Sd/-

Prasad V. Potluri

Chairman & Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|------------------------------|--|
| Mr. Prasad V. Potluri | - Chairman & Managing Director |
| Mr. N. S. Kumar | - Independent Director |
| Mr. Sohrab Chinoy Kersasp | - Independent Director |
| Mr. Nandakumar Subburaman | - Independent Director |
| Mrs. P. J. Bhavani | - Non-Executive Non-Independent Director |
| Mr. Subramanian Parameswaran | - Non-Executive Non-Independent Director |

BOARD COMMITTEES

Audit Committee

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

Stakeholders Relationship Committee

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

Nomination and Remuneration Committee

| | |
|------------------------------|---------------------------------|
| Mr. Sohrab Chinoy Kersasp | - Chairman |
| Mr. N. S. Kumar | - Member |
| Mr. Subramanian Parameswaran | - Member (w.e.f August 11,2021) |
| Mrs. PJ Bhavani | - Member (Upto August 10, 2021) |

CSR Committee

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

KEY MANAGERIAL PERSONNEL (KMP)

| | |
|---------------------------|---|
| Mr. Prasad V. Potluri | - Chairman & Managing Director |
| Mr. Karthikeyan Shanmugam | - Chief Financial Officer |
| Mrs. S. Rukmani | - Company Secretary & Compliance Officer (upto August 18, 2022) |

STATUTORY AUDITORS

M/s Sundaram & Srinivasan
Chartered Accountants
23, C.P. Ramaswamy Road,
Alwarpet, Chennai – 600 018

BANKERS

Kotak Mahindra Bank Limited
HDFC Bank

REGISTERED OFFICE

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

REGISTRAR AND SHARE TRANSFER AGENTS

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

DEBENTURES TRUSTEES

Vistra ITCL (India) Limited (Formerly known as IL&FS Trust Company Limited)
The IL&FS Financial Center, Plot No. C-22, G Block, 7th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
T +91 22 2659 3535; F +91 22 2653 3297 E - mumbai@vistra.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF PVP VENTURES LIMITED "COMPANY" WILL BE HELD ON FRIDAY, SEPTEMBER 30, 2022 AT 10.00 A.M., (IST), THROUGH VIRTUAL CONFERENCE/OTHER AUDIO VIDEO MEDIA (OAVM) TO TRANSACT THE FOLLOWING BUSINESS. THE VENUE OF MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT KRM CENTRE, 9TH FLOOR, DOOR NO. 2 HARRINGTON ROAD, CHETPET - 600031, TAMILNADU.

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. The Audited financial statements of the Company for the financial year ended March 31, 2022 with the reports of the Board of Directors' and Auditor's thereon.
 - b. The Audited consolidated financial statements of the Company for the financial year ended March 31, 2022 and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Subramanian Parameswaran (DIN: 09138856) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 at this Annual General Meeting and being eligible offers himself for re-appointment.
3. **Appointment of Statutory Auditor.**

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

"RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) PSDY & Associates, Chartered Accountants, Chennai (Firm's Registration No. 016025S), be and are hereby appointed as Statutory Auditors of the Company in place M/s Sundaram & Srinivasan, Chartered Accountants, Chennai (Firm's Registration No. 004207S), to hold office for a period of five years, from the conclusion of the this Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company on such remuneration as may be fixed by the Board of directors in consultation with them."

"RESOLVED FURTHER THAT remuneration for the financial year 2022-2023 as may be fixed by the Board of directors in consultation with them for conducting statutory audit, tax audit and limited review of quarterly results."

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

SPECIAL BUSINESS:

4. **Approval of continuation of tenure of Mr. N S Kumar (DIN: 00552519) as an independent director for the residual period of his appointment till September 27, 2024.**

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

"RESOLVED THAT in modification of resolution passed by members (hereafter referred as principal resolution) re-appointing Mr. NS Kumar as independent director for a tenure of 5 years on September 27, 2019. Further in pursuant to Section 149,152 schedule IV of the Companies Act, 2013 and Regulation 17(1A), 17(1C) 25(2A) of the Listing Regulations and other applicable provisions, if any, of the Act, including any amendment(s), statutory modification(s) or re-enactment(s) thereof, and on the recommendation of Nomination remuneration committee, approval of the members of the Company be and is hereby granted to Mr. NS Kumar (DIN: 0055219), who has attained the age of 75 (Seventy Five) years, for holding and continue to hold office of Non-Executive Independent Director of the Company, till the conclusion of 33rd AGM of the Company, to be held in the year 2024 being the date of expiry of his current term of office.

RESOLVED FURTHER THAT Mr. NS Kumar as an independent director shall not be liable for retirement by rotation during the tenure of his office.

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

5. **Approve material related party transactions**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "the Listing Regulations"), and section 188 & all applicable provisions of the Companies Act, 2013 (hereinafter called "the Act") and Rules made there under, (including any statutory modification(s) and/or re-enactment thereof for the time being in force), the Company's Policy on Related Party Transactions, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter into arrangements / transactions / contracts with below mentioned related parties ("Related Party"), relating to transactions the details of which are more particularly set out in the explanatory statement of this Notice, provided however that the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with the Related Party

and remaining outstanding at any one point in time shall not exceed the limits mentioned below during any one financial year, on such terms and conditions as may be considered appropriate by the Board of Directors (including any authorised Committee thereof);

| Name of Related Party | Name of Relationship | Nature of Transaction | Amount (INR in Cr.) |
|------------------------------------|--|-----------------------------------|---------------------|
| Dakshin Realities Pvt Ltd | a private company in which a director relative is a member | Inter corporate loans and advance | 500 Crs. |
| BVR malls Pvt Ltd | Promoter group | Inter corporate loans and advance | 500 Crs. |
| Humain Healthtech Private Limited | Promoter group | Inter corporate loans and advance | 500 Crs. |
| PV Potluri Ventures LLP | Promoter group | Inter corporate loans and advance | 500 Crs. |
| PVP Capital Ltd | Step-down Subsidiary | Inter corporate loans and advance | 500 Crs. |
| PVP Cinema Private Ltd | Step-down Subsidiary | Inter corporate loans and advance | 500 Crs. |
| Picturehouse Media Limited | Subsidiary | Inter corporate loans and advance | 500 Crs. |
| New Cyberabad City Project Pvt Ltd | Subsidiary | Inter corporate loans and advance | 500 Crs. |

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee constituted by the Board or any person(s) authorized by the Board in this regard) be and are hereby authorised to do all acts and deeds, things and execute all such documents and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected there with or incidental thereto.”

6. To approve transactions under Section 185 of the Companies Act, 2013

To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution

“RESOLVED THAT subject to the provisions of Section 185, and such other provisions, as may be applicable, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution), to give loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company, (in which any director is deemed to be interested) up to a sum not exceeding Rs. 500 crores at any point in time, in their absolute discretion deem beneficial and in the interest of the Company.

“RESOLVED FURTHER THAT any one of the Directors of the Company, Chief financial officer of the company and the Company Secretary of the Company be and are hereby jointly and or severally authorized to do all such acts, deeds and matters including but not limited to making requisite filings with Ministry of Corporate Affairs, Stock Exchanges or any other statutory / regulatory bodies as the case may be, from time to time, that may be required in connection with the above resolution.

7. Change of Object Clause of the Memorandum of Association of the Company

To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Rules made there under including any amendment, modification or re-enactment thereof and subject to such permission(s), sanction(s) or approval(s) as may be required under the provisions of the said Act or under any other Law for the time being in force or any statutory modification(s) or amendment(s) thereof and subject to the approvals, consents, sanctions and permissions of the Stock exchange(s)/appropriate regulatory and statutory authorities/departments as may be necessary, consent of the members be and is hereby accorded to insert the following clauses in the Memorandum of Association of the company after the existing clause III (A) (2)

To establish, run and provide all kinds of services to pathological, microbiological and immuno - biological laboratories and conduct other medical tests, analysis and research, formulation of medicare and provide all kinds of health maintenance plans and carry on the business of Chemists, druggist and to run chemist shop, nursing home and hospitals.

To construct, build, establish, acquire, assist, maintain, run, purchase, get, sell convert, develop, improve, hold with absolute or limited rights or on lease and sublease, on franchise or otherwise hospitals including Multi Specialty Hospitals, nursing homes, medical colleges, nursing colleges, sanitariums, medical centres and institutions, clinics, dispensaries, child welfare centres, health centres, health farms, therapies centres, operation theatres, maternity home, rehabilitation centres, pathological, analytical, testing and diagnostic laboratories, research, invention and development centres family planning and welfare centres, X - ray, convalescence centres, MRI , C T scan centres, bioimaging centres, magnetic resonance imaging centres and radiological or any other type of facilities for the practice of any field, branch, discipline or system of medicines and surgeries and to work as dispensing chemist and manufacturers, suppliers, traders, distributors of medicines, drugs, pharmaceuticals, chemicals, cosmetics and general merchandise of all types and to manufacture, buy, sell, rent, lease, import ,export trade, take on hire, repair, maintain, develop and to acquire all, types of medical and surgical appliances and equipments.

To effectively develop / offer and put to use the various facets of technology and specialised hardware and / or software in order to provide and enable distribution of goods and services within the healthcare domain. This facet, combined with technologically offering of financial solutions for providing of the healthcare goods and / or services as listed earlier, thereby making available to the end consumer, an affordable and easy to access solution for his / her healthcare needs.

“RESOLVED FURTHER THAT any one of the Directors of the Company, Chief financial officer of the company and the Company Secretary of the Company be and are hereby jointly and or severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**By order of the Board of Directors
For PVP VENTURES LIMITED**

Sd/-

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

Place : Chennai
Date : September 06, 2022

NOTES

1. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 2/2022 dated May 5, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to 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 Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020 and May 5, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.pvpglobal.com. The Notice and the Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility i.e. www.evoting.nsdl.com).
7. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Register of the Company will remain closed from **Monday, September 26, 2022 to Friday, September 30, 2022** (both days inclusive).
8. Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the members in electronic mode. Members can send an e-mail to investorrelations@pvpglobal.com requesting for inspection of the Registers.
9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 5, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and MCA Circular No. 2/2022 dated May 5, 2022.
10. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-2022 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. The Notice and the Annual Report of the Company is uploaded on the Company's website www.pvpglobal.com.
11. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **Friday, September 23, 2022** only shall be entitled to avail the remote e-voting facility as well as voting in the AGM.
12. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **Friday, September 02, 2022** ("Incremental Members") may obtain the User ID and Password by either sending an e-mail request to evoting@nsdl.co.in or calling on Toll Free No. 1800 1020 990 and 1800 22 44 30. If the member is already registered with NSDL e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
13. Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 25th January 2022, any request for effecting transfer, transmission or transposition of shares will be processed only in demat form. Therefore, the Company advises you to take steps for dematerializing your shareholding in the Company.

14. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's Registrar & Transfer Agents. The nomination forms can be downloaded from the company's website www.pvpglobal.com. In respect of shares held in Electronic / Demat form, the nomination form may be filed with the respective Depository Participant.
15. As required in terms of SEBI (LODR) Regulations, 2015, the information (including profile and expertise in specific functional areas) pertaining to Directors recommended for reappointment in the AGM is appended to this Notice along with a statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their DPs with whom they are maintaining their Demat accounts and members holding shares in physical form to the Company / Registrar & Transfer Agents.
17. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Company / Depository Participant(s) for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Monday, September 26, 2022 at 09:00 A.M. and ends on Thursday, September 29, 2022 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 23, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 23, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

| | |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <p style="text-align: center;">  App Store  Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|--|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***. |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **dh300@gmail.com** with a copy marked to **evoting@nsdl.co.in**. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorrelations@pvpglobal.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investorrelations@pvpglobal.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder / members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting. Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting.
2. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. All grievances connected with the facility for voting by electronic means may be addressed to Miss. Soni Singh, Asst. Manager, (NSDL) or send an e-mail request to evoting@nsdl.co.in or calling on Toll Free No. 1800 1020 990 and 1800 22 44 30.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC / OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request alongwith the questions in advance on September 12, 2022 @ 09.00 am IST to September 23, 2022 upto 05.00 pm IST prior to the meeting mentioning their name, demat account number / folio number, email id, mobile number at investorrelations@pvpglobal.com. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting
6. The shareholders who do not wish to speak during the AGM but have queries may send their queries on September 12, 2022 @ 09.00 am IST to September 23, 2022 upto 05.00 pm IST prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at investorrelations@pvpglobal.com. These queries will be replied to by the company suitably by email.
7. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

General :

1. Mr. CS Mohit Kumar Goyal , Partner of D. Hanumanta Raju & Co., Company Secretaries, (Membership No. FCS : 9967, and CoP No. 12751) of D. Hanumanta Raju & Co., Practicing Company Secretaries, Hyderabad has been appointed as the Scrutinizer to scrutinize the e-voting and remote e-voting process in a fair and transparent manner.
2. The remote e-voting period commences on Monday September 26 2022 at 9.00 A.M. and ends on Thursday, September 29, 2022 at 5.00 P.M. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting. The remote e-voting module shall be blocked by CDSL for e-voting thereafter. Once the vote on a Resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
3. The Scrutinizer shall after the conclusion of voting at the annual general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith
4. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.pvpglobal.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, Mumbai.

**By order of the Board of Directors
For PVP VENTURES LIMITED**

Sd/-

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

Place : Chennai

Date : September 06, 2022

Annexure to the Notice

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

Item No. 2

| | |
|---|---|
| Name | Subramanian Parameswaran |
| Date of Birth / Age | April 30, 1976; 46 years |
| Date of Appointment | July 10, 2021 |
| Brief resume and Expertise of the director | <ul style="list-style-type: none">• Mr. Subramanian Parameswaran ("Subbu") is a corporate consultant, advisor in various matters like Business consulting, people management.• He is also associated with socio-charitable entities which are focused into educational development.• He also bears 16 years' experience in sales, operation managements in UK and India.• He is a Co-founder of Learning Curve Life Skills Foundation. |
| Qualification | B. Pharm., and M.Sc., |
| Chairmanship / Membership of the Committees of the Board of Director of the Company | Member of Nomination and Remuneration Committee |
| List of other Public Companies in which Directorship held | NA |
| Chairmanship / Membership of the Committee of other companies in which he / she is a Director | NA |
| Board and Committee Membership of other listed companies as on March 31, 2022 along with listed entities from which the person has resigned in the past three years | NA |
| Number of Shares held in the Company (both own or held by/for other persons on a beneficial basis) as on March 31, 2022 | NA |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | NA |
| Terms and conditions of re-appointment along with details of remuneration sought to be paid | Re-appointment is as per the provisions of section 152(6) of the companies Act, 2013. The proposed director being a Non-executive non independent director he is not being paid any remuneration. |
| Number of meetings attended during the year. | Please refer Corporate Governance Section of the 31 st Annual Report 2021-2022. |

Except Mr. Subramanian Parameswaran (DIN 09138856), being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested, financial or otherwise, in the Ordinary Resolution set out at Item No.2 of the Notice.

Item No. 3

In terms of Section 139 and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, made thereunder, consequent to resignation of present Statutory Auditors of the Company, M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai (Firm's Registration No. 004207S), vide their letter dated August 10, 2022, the proposal for appointment of PSDY & Associates, Chartered Accountants, Chennai (Firm's Registration No. 016025S) is placed before the members for their approval. The Company is required to appoint another Statutory Auditor for a period of five years to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 36th Annual General Meeting.

The Board of Directors at its meeting held on September 06, 2022 after considering the recommendations of the Audit Committee had appointed M/s. PSDY & Associates, Chartered Accountants, Chennai (Firm's Registration No. 016025S), as the Statutory Auditors of the Company subject to the approval of the members.

The Audit Committee has recommended appointment of PSDY & Associates, Chartered Accountant as Statutory Auditor of the Company. The new auditors will hold office for a period of five consecutive years from the conclusion of the 31st Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors.

M/s. PSDY & Associates, Chartered Accountants, Chennai have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as the Statutory auditors in terms of the Act and the Rules made thereunder. Pursuant to provisions of section 139 of the Act approval of the members is required for appointment of the Statutory auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. PSDY & Associates, Chartered Accountants, Chennai as the Statutory Auditors of the Company and the remuneration as decided and fix by the Board of Directors of the Company.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the in the Ordinary Resolution set out at Item No.3 of the Notice.

Item No. 4

Mr. N S Kumar was originally appointed as an Independent Director on 27.04.2006 and was appointed as Independent Director on its 15th Annual General Meeting dated September 26, 2014. A hardcore technocrat, he holds over 25 years of experience in information technology, project management and is aware of best business practices. Also, he has been actively involved in multiple international assignments and managed several initiatives in development, project development and quality assurances. He earned his M.S., in Computer Science Operations from Ohio University, USA and BE from Guindy College of Engineering, Chennai. Further, he has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act and Regulation 17(IA) of the Listing Regulations, Mr. N S Kumar Independent Director of the Company has attained 75 year of age on January 06, 2022. For continuation of his remaining tenure requires approval from the shareholders of the Company through Special Resolution.

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

Item No. 5

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "the Listing Regulations"), all Related Party Transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the Members of the Company through a resolution and all related parties shall abstain from voting on such resolution.

"Material Related Party Transaction" under the Listing Regulations means any transaction(s) entered into individually or taken together with previous transactions during a financial year exceeding 10% of the annual consolidated turnover of a company as per its last audited financial statements.

The annual consolidated turnover of the Company for the financial year 2021-22 is INR 49.51 Crores. Accordingly, any transaction(s) by the Company with its related party exceeding INR 4.95 Crores (10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members will be required for the same. It is therefore proposed to obtain the Members' approval for the following arrangements/ transactions/ contracts which may be entered into by the Company with its related parties from time to time:

| Name of Related Party | Name of Relationship | Nature of Transaction | Amount (INR in Cr.) |
|-----------------------------------|--|-----------------------------------|---------------------|
| Dakshin Realities Pvt Ltd | a private company in which a director relative is a member | Inter corporate loans and advance | 500 Crs. |
| BVR malls Pvt Ltd | Promoter group | Inter corporate loans and advance | 500 Crs. |
| HumainHealthtech Private Limited | Promoter group | Inter corporate loans and advance | 500 Crs. |
| PV Potluri Ventures LLP | Promoter group | Inter corporate loans and advance | 500 Crs. |
| PVP Capital Ltd | Step-down Subsidiary | Inter corporate loans and advance | 500 Crs. |
| PVP Cinema Private Ltd | Step-down Subsidiary | Inter corporate loans and advance | 500 Crs. |
| Picturehouse Media Limited | Subsidiary | Inter corporate loans and advance | 500 Crs. |
| New Cyberabad City Project PvtLtd | Subsidiary | Inter corporate loans and advance | 500 Crs. |

The ceiling on the amounts of the transactions specified as above would mean the transactions entered into and the remaining outstanding at any point of time

In terms of Regulation 23 of the SEBI Listing Regulations and section 188 of the Companies Act, 2013 the approval of the Shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid Related Party Transactions at their meetings held on May 25, 2022, in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 With respect to the above matter, the Shareholders/Members are requested to note following disclosures of Interest:

| S. No. | Name of the Related Party | Name of the director or key managerial personnel who is related, if any; | Nature of Concern or Interest |
|--------|------------------------------------|--|--|
| 1. | Dakshin Realities PvtLtd | Ms.Jhansi Sureddi, (promoter and wife of Managing Director, Mr.Prasad V. Potluri | a private company in which a director relative is a member |
| 2. | BVR malls Pvt Ltd | Ms.Jhansi Sureddi, (promoter and wife of Managing Director, Mr.Prasad V. Potluri | Promoter group |
| 3. | PVP Capital Ltd | Not applicable | Step-down Subsidiary |
| S. No. | Name of the Related Party | Name of the director or key managerial personnel who is related, if any; | Nature of Concern or Interest |
| 4. | PVP Cinema Private Ltd | Not applicable | Step-down Subsidiary |
| 5. | Picturehouse Media Limited | Not applicable | Subsidiary |
| 6. | HumainHealthtech Private Limited | Ms.Jhansi Sureddi, (promoter and wife of Managing Director, Mr.Prasad V. Potluri | Promoter group |
| 7. | PV Potluri Ventures LLP | Ms.Jhansi Sureddi, (promoter and wife of Managing Director, Mr.Prasad V. Potluri | Promoter group |
| 8. | New Cyberabad City Project Pvt Ltd | Not applicable | Subsidiary |

Further, in terms of applicable SEBI Circulars the members are requested to take note of the following:

| S. No. | Particulars | Details |
|--|--|--|
| 1. | A summary of the information provided by the management to the Audit Committee | The details of the proposed transactions including the nature, terms, value percentage of the Company's annual consolidated turnover, tenure and proposed limits etc. were placed to the Audit Committee at its meeting held on May 25, 2022 |
| 2. | Justification for why the proposed transactions is in the interest of the Company | The company being a holding company, it will funding its subsidiaries, joint ventures and associates and it may also take intercorporate loans. The end use by the recipient would be for their business requirements, repayment of existing loans and general corporate purposes and investments would be made for maximizing the yield on available surplus funds which is in the interest of the Company. |
| Transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary | | |
| 3. | Details of the source of funds in connection with the proposed transaction; | Through company's cash flow |
| 4. | where any financial in debtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> • nature of indebtedness • tenure; and • Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security | <ul style="list-style-type: none"> • Inter Corporate Deposit • upto 1 year • Unsecured, repayable on demand. Interest rate as mutually agreed |

| | | |
|----|--|--|
| 5. | The purpose for which the funds will be utilized by the ultimate beneficiary of such funds. | For the Company: Onward lending, repayment of existing loans and general corporate purpose For Other Companies: Repayment of existing loans and general corporate purpose |
| 6. | Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders; | No such reports |

The Board recommends the resolution set out at Item No. 3 of the AGM Notice to the Members for their consideration and approval, by way of Ordinary Resolution. Except to the extent of shareholding of the Promoters / Directors their Relatives and Key Managerial Personnel in the abovementioned related parties which is duly disclosed above, none of the other Directors/ Key Managerial Personnel/ their Relatives is, in any way, concerned or interested, financially or otherwise in the Ordinary Resolution set out at Item Nos. 4 respectively.

Item No. 6

The Company being the holding company of PVP Group is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in the

PVP Group. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities

The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time

The board recommends passing the resolution as set out at item no. 5 of this notice as a special resolution

None of the directors or Key Managerial Personnel and / or their relatives is deemed to be interested or concerned financial or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

Item No. 7

Currently, the Memorandum of Association of the Company provides for the main objects of the Company related to Infrastructure and Entertainment Activities. The Company is planning to foray into the Diagnostic Industry, considering the emerging opportunities available in the sector leading to the value addition to the company. In view of this the Company proposes to add the Diagnostic business as one of the Main Objects of the Company.

In this regard, after the Clause III(A) (2) of the Memorandum of Association new clause are being adding as mentioned in the notice.

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 shareholding / directorship, if any.

DIRECTORS' REPORT

To the Members,

Your Directors present the 31st Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2022.

1. Financial Results

[RS. IN LAKHS]

| PARTICULARS | STANDALONE | | CONSOLIDATED | |
|---|--------------------|------------------|------------------|------------------|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Total Income | 3286.71 | 1805.18 | 4951.86 | 1973.40 |
| Operational Administration and other expenses | 796.07 | 428.59 | 4152.15 | 4354.21 |
| Profit/(Loss) Before Depreciation Interest And Tax | 2490.64 | 1376.59 | 4152.15 | (2380.81) |
| Depreciation | 56.56 | 70.89 | 86.63 | 196.33 |
| Interest and Finance Charges | 2817.69 | 2781.08 | 6815.35 | 6131.28 |
| Profit / (Loss) Before Exceptional Items | (383.61) | (1475.38) | (6102.27) | (7493.05) |
| Exceptional Items | 49850.66 | - | 3420.08 | 569.08 |
| Profit / (Loss) Before Tax | (50234.270) | (1475.38) | (9522.35) | (8062.13) |
| Tax Expense | - | - | 0.20 | - |
| Profit/ (Loss) after Tax | (50234.270) | (1475.38) | (9522.55) | (8062.13) |
| Other Comprehensive Income | 2.15 | 4.38 | 10.00 | 7.01 |
| Total Comprehensive Income | (50232.12) | (1471.00) | (9512.55) | (8055.12) |
| Basic and Diluted | (20.50) | (0.60) | (3.89) | (3.29) |

2. State of the Company's Affairs

During the financial year 2021-22, the Company did not make profits. However, the turnover of the company has increased both on standalone and consolidates basis when compared to the previous year. On June 30, 2022, the company has entered into a definitive agreement with Casagrand Builders Private Limited to develop residential community on portion of its land parcel situated at Perambur, Chennai on a joint development basis and have also executed a definitive sale agreement to sell a portion of its land parcel. Further the company had given a financial guarantee to one of its step-down subsidiaries, PVP Capital Limited ("PCL"). PCL had entered in to a onetime settlement ("OTS") with Canara Bank for a settlement amount of INR 95 Crores on March 15, 2022 and the same was paid on June 30, 2022. Thus the liability burden of the company has reduced

3. Dividend

In view of the losses occurred in so many years and in order to conserve the resources of the Company, for future Business operations, the Board of Directors did not recommend any dividend for the financial year ended March 31, 2022.

4. Transfer to Reserves

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

5. Capital Structure

The paid-up equity share capital of the Company as on March 31, 2022 was Rs. 24505.27 Lakhs. The Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity.

6. Debenture

The total debentures outstanding as on the March 31, 2022 is 5000, 14.5% Redeemable fully convertible Debentures (FCD's) of Rs. 1,00,000/- each and 1215, 18% Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCD's) comprising of 386 debentures of face value of Rs. 643653.00 each in Tranche A and 829 debentures of face value of Rs 10,00,000 each in tranche B. On June 30, 2022, the company has made around 102.06 crores payment towards the principal of the outstanding NCD's. Thereby the liability of the company has been reduced to great extent .

7. Particulars of Loans, Guarantees and Investments

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

8. Public Deposits

The Company has not accepted deposits either from the members or public falling within the ambit of Chapter V of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014 during the year, hence, there were no outstanding deposits during and at the end of the financial year 2021 - 2022.

9. Insurance

All the properties of your Company have been adequately insured.

10. Related Party Transactions

There were no 'material' contracts or arrangements or transactions, and therefore disclosure in form AOC-2 is not required. All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and repetitive in nature. For all the transactions entered pursuant to the omnibus approval so granted, a statement giving details of all such transactions is placed before the Audit Committee for their approvals on a quarterly basis. The policy on Related Party Transactions as approved by the Board is posted on the Company's website www.pvpglobal.com. In accordance with Accounting Standard 18, the Related Party Transactions are disclosed in the notes to accounts of the Standalone Financial Statements.

11. Significant Orders and Matters

The details of significant order passed forms part of the corporate governance report

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

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

13. Subsidiary Companies

The Company along with its subsidiaries is operating in the verticals of Urban Infrastructure, Media and Entertainment and retail customer services. As on March 31, 2022, 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 3 stepdown wholly-owned subsidiaries viz., Adobe Realtors Private Limited, Arete real estate developers Private Limited and Expression Real Estate developers Private Limited, which is a wholly-owned subsidiary of PVP Global Ventures Private Limited and 2 stepdown subsidiaries PVP Capital Limited and PVP Cinema Private Limited, which are wholly-owned subsidiaries of Picturehouse Media Limited. Further, as on March 31, 2021, the company did not have any Associate Companies.

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

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

14. Management Discussion and Analysis Report

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

15. Corporate Governance

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

16. Board of Directors and Key Managerial Personnel

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

- Mr. Subramanian Parameswaran (DIN 09138856) Non-Executive Non-Independent Director was appointed as an additional director to the board on July 10, 2021 and was confirmed at the annual general meeting held on September 27, 2021. Further he is liable to retirement by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.
- Mr. Prasad V Potluri, (DIN 00179175) was reappointed as Managing Director with effect from August 11, 2021 to August 10, 2026 at the Annual General Meeting held on September 27, 2021
- Mrs. S.Rukmani was appointed as the company secretary of the company with effect from November 11, 2021.

16.2 Resignation:

- Mrs.Ramyanka Yadav resigned as the company secretary of the company with effect from November 11, 2021.
- Mrs. S. Rukmani resigned as the company secretary of the company with effect from August 18, 2022.

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

17. Annual Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the Annual Performance Evaluation of the Board, its Committees and of individual directors as prescribed by the Nomination and Remuneration Committee of the Company. The Performance Evaluation covers various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc. The performance evaluation of the Directors (without participation of the relevant Director) was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

18. Separate Meeting of Independent Directors

The Independent Directors of the Company had met during the year on February 11, 2022 to review the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairperson of the Company and also assessed the quality, quantity and timeliness of flow of information between the company management and the Board without the presence of the Non-Independent Directors and members of the Management.

19. Declaration from Independent Directors

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015 that the Independent Directors of the Company meet the criteria of their Independence laid down in Section 149(6) including the confirmations that their names inclusion in the Data Bank.

20. Compositions of Board Committees.

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

| Nomination and Remuneration Committee | |
|---------------------------------------|----------|
| Mr. Sohrab Chinoy | Chairman |
| Mr. N. S. Kumar | Member |
| *Mr. Subramanian Parameswaran | Member |
| **Mrs. P J Bhavani | Member |

* Became a Member w.e.f 11.08.2021

**Ceased to be a member w.e.f 11.08.2021

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

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

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

21. Board Meetings

During the year five (5) Board Meetings and four (4) Audit Committee Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between two meetings was within the period as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA circulars thereon.

22. Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, the Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (b) the directors had 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;
- (c) the directors had 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.
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. Auditors

23.1 Statutory Auditor

As per provision of Section 139 of the Act, M/s. Sundaram & Srinivasan, Chartered Accountants, (FRN : 004207S) ("the firm") were appointed on December 11, 2020 as Statutory Auditors ("the Auditors") of your Company for term of five (5) years till the conclusion of 34th 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 qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Auditors resigned from the position of the Statutory Auditor of the Company vide letter dated August 10, 2022.

PSDY & Associates, Chartered Accountants, Chennai (Firm's Registration No. 016025S), is appointed as Statutory Auditors of the Company to fill in the casual vacancy created by resignation of Sundaram & Srinivasan, Chartered Accountants, in the board meeting held on September 06, 2022 for the term of five (5) years subject to the approval of the Shareholders of the Company in the forthcoming Annual General Meeting.

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

The Auditors' Report for the financial year 2021-22 is a "qualified report" for the both standalone and consolidated financial statements.

Auditors Qualification:

Standalone:

1. *The Company has mortgaged its land situated at Perambur, Chennai as a security and also furnished corporate guarantee to a bank for the borrowings made by PVP Capital Limited, Chennai (i.e., wholly owned step-down subsidiary company) amounting to Rs. 10,000 lakhs. The outstanding amount as per the books of accounts as on March 31, 2022 including interest due is Rs 23,856.85 lakhs. The loanee i.e., PVP Capital Limited has not adhered to repayment schedule of principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the lender bank has taken possession of mortgaged lands and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee, but there were no bidders. We were informed by the Board that the subsidiary viz. PVP Capital Limited has negotiated with the lender bank for one time settlement (OTS) and the lender Bank has also agreed for OTS of Rs. 9500 lakhs as full and final settlement vide letter from the Bank dated March 15, 2022. PVP Capital Limited has to remit the said sum of Rs. 9500 lakhs on or before September 14, 2022. PVP Capital Limited has deposited a sum of Rs. 900 lakhs in an earmarked bank account as on date. The Board of PVP Ventures Ltd also asserts that no provision is required to be made to the carrying value as it is confident that the payment obligation on PVP Capital Limited will be met on or before September 14, 2022 as stipulated by the lender Bank. However, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. Under these circumstances, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the loanee has already defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company in case the corporate guarantee is invoked. Accordingly, the company should have considered reduced carrying value of the said asset and / or guarantee furnished as an obligation as per Ind AS 109 while preparing the financial statements.*

On the basis of above facts, the loss for the year ended March 31, 2022 is understated to this extent. However, it is difficult to measure the extent of under statement of loss in the circumstances obtaining. (Refer note no.58

(ii) (a))In addition to the above, we invite attention to point no. (f) under report on other Legal and Regulatory requirements.

2. Attention is invited to note nos. 43 (a) & 43(b) to the standalone financial statements, regarding section 164(2) (b) of the Act, which explains the Board's view regarding defaults committed in redeeming the debentures and repayment of interest as per the schedule of redemption / payment.

Though the Board has obtained an extension till 30th June, 2022 from the debenture holder vide letter dated 24th May 2022 to pay the outstanding (covering all the defaults happened up to 31st March, 2021) and is of the opinion that as extension of time has been obtained from the debenture holder there is no delay as regards repayment of debenture and interest thereon. However, we do not agree with the Board's view.

Consolidated:

1. The Parent Company has mortgaged its land situated at Perambur, Chennai as a security and also furnished corporate guarantee to a bank for the borrowings made by PVP Capital Limited, Chennai (i.e., wholly owned step-down subsidiary company) amounting to Rs. 10,000 lakhs. The outstanding amount as per the books of accounts as on March 31, 2022 including interest due is Rs 23,856.85 lakhs. The loanee i.e., PVP Capital Limited has not adhered to repayment schedule of principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the lender bank has taken possession of mortgaged lands and issued sale notice for e-auction of the property given by the Parent company as corporate guarantee, but there were no bidders. We were informed by the Board that the subsidiary viz. PVP Capital Limited has negotiated with the lender bank for one time settlement (OTS) and the lender Bank has also agreed for OTS of Rs. 9500 lakhs as full and final settlement vide letter from the Bank dated March 15, 2022. PVP Capital Limited has to remit the said sum of Rs. 9500 lakhs on or before September 14, 2022. PVP Capital Limited has deposited a sum of Rs. 900 lakhs in an earmarked bank account as on date. The Board of PVP Ventures Ltd also asserts that no provision is required to be made to the carrying value as it is confident that the payment obligation on PVP Capital Limited will be met on or before September 14, 2022 as stipulated by the lender Bank. However, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. Under these circumstances, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the loanee has already defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company in case the corporate guarantee is invoked. Accordingly, the company should have considered reduced carrying value of the said asset and / or guarantee furnished as an obligation as per Ind AS 109 while preparing the financial statements.

On the basis of above facts, the loss for the year ended March 31, 2022 is understated to this extent. However, it is difficult to measure the extent of under statement of loss in the circumstances obtaining. (Refer note no.51).

2. Attention is invited to note no. 49 to the Consolidated Financial Statement, in relation to advances made for film production (including interest accrued of Rs. 509.94 lakhs) amounting to Rs.1633.14 lakhs, by one of its subsidiaries whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. The holding company's Board is of the view that advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We are not provided with any documentary evidence as regards Board's assertion that the carrying amount of loans made have not suffered any erosion as on March 31, 2022. No evidence was adduced regarding the status of production of films nor was confirmation produced from the loan debtors.
3. Attention is invited to note no. 50 to the Consolidated Financial Statement, in relation to inventory i.e., films production expenses amounting to Rs. 3,861.90 lakhs, mainly consists of advances granted to artists and co-producers As represented by the Board of the Holding company the film production is under progress with respect to production of 3 movies costing Rs 1009.78 lakhs. In respect of the balance inventory of Rs 2852.12 lakhs the Board is confident of recovering the amount from the production houses. In the absence of documentary evidence as well as the confirmation of balance from the parties relating to the status of the inventory amounting to Rs 2852.12 lakhs, we are unable to agree with the views of the Board . We are of the opinion that realization of inventories is doubtful but we are also unable to decide the quantum of loss that may arise on account of write down of inventory.
4. The independent auditor of subsidiary company viz. PVP Capital Limited in their auditor's report on the financial statements for the year ended 31st March, 2022 have drawn Qualified conclusion .The same is reproduced below :
 - a. Note No. 16.6 in the financial statements which indicates that the Company has not adhered to the repayment schedule for the principal and interest dues to the Bank, consequent to which the Bank has filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFESI Act, 2002). Further the Bank has taken over symbolic possession of the immovable property and issued sale notice for

e-auction of the property given by the ultimate holding company as corporate guarantee. The outstanding amount is Rs. 238.56 crores as per the books of account as at March 31, 2022.

- b. The company proposed to the bank for OTS and the same is accepted and agreed by the bank letter dated 15th March 2022 giving option for one time settlement (OTS) as full and final for Rs. 95.00 crore Out of which the company had already made payment Rs.9.00 crore and the balance OTS amount Rs.86.00 crore should be payable on or before 14th September 2022.
 - c. Further the Company is currently pursuing the realization of dues to the Company and created provisions for unrealizable amounts . Apart from this the Company is not carrying any business activity. The regulatory authority may cancel the registration to carry the principal business activity as a Non-Banking Finance Company due to non-maintenance of minimum net owned fund of Rs. 2 crores as stated in the said note to the financial statement. The Company's inability to meet its financial statements, non-payment of statutory dues and in absence of visual cash flows, doubts are cast on the ability of the Company to continue as a going concern to achieve its future business plans. Taking into consideration the pending legal outcomes of the legal proceedings as well as liquidity constraints, we are unable to express our view whether it is appropriate to treat the Company as a going concern. However based on the management's assertions the Company's financial statements have been prepared on the basis of going concern and the impact, if any, if it were to be treated as a going concern, is not ascertainable at this stage.
5. The independent auditor of subsidiary company viz. PVP Global Ventures Private Limited has drawn Qualified conclusion which is reproduced below

We invite attention to Note No. 11.2 regarding advance of Rs. 10,366.39 lakhs (PY: Rs. 10,366.39 lakhs) given for acquisition of land. The long duration of outstanding of these advance and other factors like low probability of availability of a big chunk of land indicate the existence of uncertainty on the eventual realizability of these advances.

6. According to the information and explanations given to us and based on our audit, the following weaknesses have been identified in the operating effectiveness of the group's internal financial control over financial reporting with reference to the consolidated financial statements as at 31st March, 2022:
 - a. "The group's internal financial control with regard to realizability of loans and advances and inventory as more fully explained in note no.49 and 50 to these financial statements were not operating effectively and could potentially result in the understatement to the carrying value of such assets and also company needs to strengthen its documentation relating to disbursement of loans".
 - b. Assessment of expected cash shortfall and resultant loss allowance that may be required in respect of invocation of corporate guarantees and demand against the company in respect of such guarantees executed for its subsidiary in favour of lender.
7. Attention is invited to note no. 48(a) & (b) to the Consolidated Financial Statements, regarding section 164(2) (b) of the Act, which explains the Board's view regarding defaults committed in redeeming the debentures and repayment of interest as per the schedule of redemption / payment pertaining to the holding company.

Though the Board has obtained an extension till 30th June, 2022 from the debenture holder vide letter dated 24th May 2022 to pay the outstanding (covering all the defaults happened up to 31st March, 2021) and is of the opinion that as extension of time has been obtained from the debenture holder there is no delay as regards repayment of debenture and interest thereon. However, we do not agree with the Board's view.

Management Comments on the above qualification:

Standalone:

1. PVP Capital Limited had already paid Rs.9.00 crores upfront as per the One Time Settlement ("OTS") letter dated March 15, 2022 and it is mobilizing the funds to make the balance repayment. Thus there is no understatement of loss in the books of the holding company.
2. As per the legal advice, management is of the view that even though the repayment has not been made within the period contemplated, the delay has been ratified by the debenture holder with retrospective effect by virtue of which the management contents this would not come under the ambit of default as defined under explanation 2 to regulation 49 of the SEBI (LODR) Regulations, 2015

Consolidated:

1. PVP Capital Limited had already paid Rs.9.00 crores upfront as per the One Time Settlement ("OTS") letter dated March 15, 2022 and it is mobilizing the funds to make the balance repayment. Thus there is no understatement of loss.

2. Realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. Management is of the view that loans and advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. The management is confident of realising the value at which they are carried notwithstanding the period outstanding.
3. The films under production expenses mainly comprising payments to artists and co-producers the company is evaluating options for optimal utilization of these payments in production and release of films. The management does not foresee any erosion in carrying value.
4. PVP Capital Limited ("PVPCAL") had applied for One Time Settlement (OTS) to the bank and the same was agreed by the bank vide letter dated March 15, 2022. The lender Bank has agreed for Rs.9500 lakhs as OTS. PVPCAL has remitted Rs. 900 lakhs and the balance of Rs. 8600 lakhs would be remitted on or before September 14, 2022. Further, PVPCAL has remitted Rs. 8600 lakhs in June 30, 2022.
5. The Company internally evaluating and providing in the books for any possible financial loss. Also various option is being pursued for exiting the investment to other suitors or recovering from the parties who took advances.
6. The qualification under internal control is mainly w.r.t number of employees. The subsidiaries company are in the face of post COVID. Thus it has reduced the employees. There is slow recovery and the management is taking all necessary steps to strengthen the internal control frame work.
7. As per the legal advice, management is of the view that eventhough the repayment has not been made within the period contemplated, the delay has been ratified by the debenture holder with retrospective effect by virtue of which the management contents this would not come under the ambit of default as defined under explanation 2 to regulation 49 of the SEBI (LODR) Regulations, 2015.

23.2 Secretarial Auditor and Secretarial Audit report:

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

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

Secretarial Auditors Qualifications:

- a. The Company did not submit statement of Investor Complaints as per Regulation 13(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31.12.2021 with the stock exchanges within 21 days from the end of the quarter. However, the Company submitted the same on 05.02.2022.
- b. The Company did not submit Annual Secretarial Compliance Report as per Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31.03.2021 with the stock exchanges within prescribed / extended timelines. However, the Company submitted the same on 12.07.2021.
- c. The Company did not submit Shareholding Pattern as per Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31.12.2021 with the stock exchanges within 21 days from the end of the quarter. However, the Company submitted the same on 21.02.2022.
- d. As per Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 company was required to submit financial results with limited review report to the stock exchanges but for the quarter ended 30.06.2021 Company has submitted Financial Results without attaching limited review report. However, the Company submitted the same to BSE on 14.09.2021 and to NSE on 15.09.2021.
- e. The Company has not included part of the information in Management Discussion and Analysis Report forming part of Annual Report for the year ended 31st March, 2021 as required under Regulation 34 read with Para B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f. As per Regulation 50(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to stock exchange at least 11 working days before the date on which the amount of interest / redemption of Non - Convertible Debentures (NCDs) is due but the same was intimated on 29.06.2021 for 386 NCD's which was due for payment on 30.06.2021.
Further, the same was not intimated for 829 NCD's which was due for payment on 30.04.2021 and 31.07.2021.
- g. As per Regulation 50(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to stock exchange at least two working days

- in advance, excluding the date of the intimation and the date of the meeting of the Board of Directors, about the Board meeting in which the proposal is considered to make an alteration in the date of interest/redemption payment of non-convertible securities. However, the same was not intimated to the Stock Exchange.
- h. As per Regulation 52(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to submit a certificate obtained from debenture trustee to stock exchange within 7 working days from the submission of Half year financial results but the same was submitted on 04.08.2021 for the half year ended 31.03.2021.
 - i. As per Regulation 54(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to submit Asset Cover details along with Financial Results. However the same was submitted on 10.12.2021 to the Stock Exchange.
 - j. As per Regulation 55 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to review the credit rating obtained at least once a year by a credit rating agency with respect to listed NCD's. However, the same was not obtained during the review period.
 - k. As per Regulation 57(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to submit a certificate to the Stock Exchange within two days or one working day (post amendment dated 07.09.2021) of payment of interest/ principal of the NCDs becoming due regarding status of payment in case of non-convertible securities. However, the same was not submitted to the Stock Exchange during the review period except the certificate submitted on 08.10.2021 and 08.11.2021.
 - l. As per Regulation 57(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to the Stock Exchange within five working days from the beginning of the quarter providing details for all the non-convertible securities for which interest/principal obligations shall be payable during the quarter. However, the same was not intimated to the Stock Exchange during the review period.
 - m. As per Regulation 57(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to the Stock Exchange within seven working days from the end of the quarter providing a certificate confirming the payment of interest/principal obligations for non-convertible securities which were due in that quarter and the details of all unpaid interest/principal obligations in relation to non-convertible securities at the end of the quarter. However, the same was not submitted to the Stock Exchange during the review period.
 - n. As per Regulation 60 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give intimation to the stock exchange about the record date at least 7 working days in advance (excluding the date of intimation and the record date). However, the same was not duly intimated to the Stock Exchange during the period under review.
 - o. The Company did not submit Reconciliation of Share Capital Audit Report as per Regulation 76 of SEBI (Depository Participants) Regulations, 2018 for the quarter ended 31.12.2021 with the stock exchanges within 30 days from the end of the quarter. However, the Company submitted the same on 22.02.2022.
 - p. The Company did not file the annual disclosure with regard to entity identified as a Large Corporate as per Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 with the stock exchanges within prescribed / extended timelines. The Company filed the same on 30.06.2021.
 - q. The Company did not report the CSR activities in the Annual Report for the year ended 31st March, 2021 in the prescribed format issued by Ministry of Corporate Affairs vide Notification dated 22.01.2021 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.
 - r. The Company has not made transfer of 5000 Fully Convertible Debentures of face value of Rs. 1,00,000 each in dematerialised form as required under Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further it is observed that consideration paid for the said transfer is 1 USD and stamp duty paid is Rs. 5.

Management Response on Secretarial Auditor's Qualification:

- a. Non compliance with respect to a,c,o was due to serious cash crunch faced by the company during the reported period. The company was unable to make annual custodian fees to NSDL & CDSL. Further the custodians did not release the shareholding data to the RTA. Therefore there was a delay in filing the report.
- b. The qualifications of Secretarial Auditors pertaining to delay/ missing in filing of reports and submissions have been noted by the Company and the Company assure to follow the same in future.
- c. For point m, there is only one debenture holder, we have already intimated the record date which stands still as there is no change.
- d. For point r, the FCD's are not listed with exchanges, once they are converted, the underlying shares would be in demat form. Further consideration paid are between the FCD holders and the company do not have say over it.

24. Cost Records

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

25. 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.

26. Stock Exchange Listing/ Listing Fees Payment

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

27. Chairman & Managing Director and Chief Financial Officer Certification

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

28. 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 placed on www.pvpglobal.com.

29. Internal Financial Control

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

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

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

30. Vigil Mechanism / Whistle Blower Policy

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

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

31. Corporate Social Responsibility (CSR)

Since the average three year's profit of the company is negative, the company is not mandated o contribute

towards corporate social responsibility. Till January 22, 2021 the companies were allowed to either explain or comply with CSR provision. Thereafter, the companies were mandated to make CSR contributions. Wherein if the Unspent amount pertains to 'ongoing projects', the companies shall transfer such unspent amount to a separate bank account of the company to be called as 'Unspent CSR Account' within 30 days from the end of the financial year or if Unspent amount pertains to 'other than ongoing projects' the companies shall transfer unspent amount to any fund included in Schedule VII of the Act within 6 months from the end of the financial year.

Further in terms of the FAQ released by ICSI on April 29, 2021, it could be understood that the new amendments are prospective in nature i.e. effective only from January 22, 2021. In FAQ 23 it is stated that "The applicability of this amendment is prospective". The company had unspent CSR contribution in past pertaining to the financial year 2015-2019 which the company based on the recommendation of committee spent directly. The details of the same is given as **Annexure - 3**.

32. Particulars of Employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 4** to the Board's Report.

33. 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.

34. Details of Application made or proceedings pending under Insolvency and Bankruptcy Code 2016.

During the year under review, there were no applications made or proceedings pending in the name of the company under the Insolvency Bankruptcy Code, 2016.

35. Details of difference between valuation amount on One Time Settlement and Valuation while availing loan from Banks and Financial Institutions.

The Company has given the Corporate Guarantee and had given the immovable property of the Company as Collateral to Step down Subsidiary of the Company PVP Capital Limited ("PVPCPL") for the loan availed by PVPCPL with Canara Bank. PVPCPL had entered into One Time Settlement with Canara Bank for a settlement amount of Rs.95 Cr., on March 15, 2022.

36. 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.

37. Conservation of energy, technology absorption and Foreign exchange earning/outgo

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

38. Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those either expressed or implied in the statement depending on the circumstances.

39. 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

Place : Chennai
Date : September 06, 2022

Sd/-
Prasad V. Potluri
Chairman & Managing Director

Sd/-
N S Kumar
Director

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Overview

The global economy in FY 2021-22 faced significant headwinds amid new waves of COVID-19 infections, persistent labour market challenges, lingering supply-chain challenges and rising inflationary pressures. Despite many such challenges, global economy expanded by 5.5% in 2021.

This robust growth in global economy in 2021 was driven by strong consumer spending and some uptake in investment, with trade in goods surpassing pre-pandemic levels and even marked the highest growth rate in more than four decades. Despite the momentum for growth, the United States and the European Union slowed considerably by the end of 2021, as the effects of monetary and fiscal stimulus began to recede and major supplychain disruptions emerged. Rising inflationary pressures in many economies are posing additional risks to recovery.

Indian Economy

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Government of India has launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally and increasing digital literacy.

Industry Review

India's real estate sector is witnessing a healthy increase in demand in 2022 and this momentum is expected to hold for the rest of the year. From commercial spaces to the residential market, the overall market outlook is a bright one for the real estate industry.

Despite pandemic exigencies, the sector has continued to show resilience and steady growth in 2021. India's first wave of COVID-19 brought the sector to a relative standstill for a while. However, by the last quarter of 2020, the market had begun to pick pace, particularly owing to an increase in demand for residential spaces. The second wave of COVID-19 hit the sector just as it had begun to revive itself. Unlike the first wave, the ramifications of the second wave were not as prolonged or prominent. Vaccination drives and lowered infection rates infused optimism in the market. In addition, the festive season fed the sector's growth. Buoyed by these factors, the sector made a strong comeback.

Chennai Real Estate Market Analysis

The Chennai real estate market is driven by targeting the end-users and is supported by the growth and development of several industries and other commercial activities. Dominant market players such as Indian Oil, Chennai Petroleum Corporation, and Manali Petrochemicals, and IT and ITeS corporate houses have been large contributors to the real estate market in North Chennai. The research report of ANAROCK showed the launch of 5,150 housing units between 2015 and 2019. The development made in the infrastructure and connectivity, such as metro rails has also fueled the real estate sector's growth.

Chennai is one of the leading markets for the real estate sector. In 2019, Chennai witnessed a yearly rise of 8% in residential property sales with south Chennai seeing the maximum sales number. The primary demand in the Chennai market arose for Ready to move-in homes and nominal housing units. In the year 2019, the office space rentals also showed prominent growth of 50% year-on-year sales.

However, the year 2020 led to the decline of the real estate market, which resulted from the pandemic and lockdown induced by it. The government has taken several measures to ensure that the real estate market is revived. The Tamilnadu RERA has extended the deadline for the completion of projects by five months to bring the developers certain relief. Relaxations were also granted to the mandate of submitting a completion certificate for availing permanent electricity connection. Relations were granted to any property that was up to 12 m in height, 750 sq. m in area, and less than three units. The registration department also announced that the completed ready-to-move-in flats would not be levied stamp duty tax and registration fee on the first sale of the property.

It is to be noted that there was no remarkable development in the price in 2020. However, the rental graph showed a hike of 1% on average year-on-year. The tenants preferred localities with better infrastructure and connectivity in both the northern and southern regions of Chennai. The real estate highlights of Chennai showed that there had been a

remarkable change in the demand and supply graph of affordable segment properties in comparison to other segments as the demand surpassed the supply by almost 20%. However, the Rs.40-60 lakhs bracket portrayed minimum disequilibrium.

Opportunities and Challenges

Opportunities

As India awaits policy reforms to pick up speed, your Company firmly believes that the demand for Real Estate in a country like India should remain strong in the medium to long term. Your Company's is the process of developing 20 acres of its land parcel situated in North Chennai and many developers are being approaching the company. The company believes that it would have a better opportunity in terms of growth in the upcoming financial year

Challenges

While the management of your Company is confident of creating and exploiting the opportunities, it also finds the following challenges:

- Unanticipated delays in project approvals;
- Availability of accomplished and trained labour force;
- Concerns due to ongoing pandemic situation;
- Increased cost of manpower;
- Rising cost of construction lead by increase in commodity prices; • Growth in auxiliary infrastructure facilities; and
- Over regulated environment

Company Strengths

Your Company continues to capitalize on the market opportunities by leveraging its key strengths.

These include

- Brand Reputation: Enjoys higher recall and influences the buying decision of the targeted customer.
- Execution: Possesses a successful track record of quality execution of projects with contemporary architecture.
- Transparency: Follows a strong culture of corporate governance and ensures transparency and high levels of business ethics.

Discussion on financial performance with respect to operational performance.

During the financial year, Rainbow Foundation Limited had approached the company to undertake the development of 'Chetna' and 'Ekanta at North Town'. Further Casagrind Builders had also approached the company for development of its land parcel; All the efforts of the company would be ripening in the financial year 2022-2023. The exact improvement in the financials can be seen in the coming year

Outlook

In 2022, we expect the sector to leverage the government's continued focus on infrastructure development and industrial growth. Capital values across both the mid-end and high-end residential segments are expected to witness an uptick in 2022 due to factors such as robust sales momentum and rising input material cost that could force developers to pass on the increase to homebuyers.

Risks and Concerns

Market Price Fluctuation

The performance of your Company may be affected by the sales and rental realizations of its projects. These prices are driven by prevailing market conditions, the nature and location of the projects and other factors such as brand and reputation and the design of the projects. Your Company follows a prudent business model and tries to ensure steady cash flow even during adverse pricing scenario.

Sales Volume

The volume of bookings depends on the ability to design projects that will meet customer preferences, getting various approvals in time, general market factors, project launch and customer trust in entering into sale agreements well in advance of receiving possession of the projects.

Pandemic Risk

The outbreak of a novel strain of coronavirus (i.e. COVID-19), which commenced in December 2019 has now spread across the world and India being no exception. At the same time, the country is progressing well in its vaccination program. All prominent rating companies and experts, including Reserve Bank of India have projected a healthy recovery of economic activities in India. However, the COVID-19 outbreak could become more severe and result in a more widespread health crisis and/or result in a global recession because of disruptions of economic activity. Any of these factors may have a material adverse effect on your Company's financial condition and results of operations.

Human Resources

Human resources are the most important resources in an organization and need to be used efficiently, because success, stability and growth of an organization depend on its ability in acquiring, utilizing and developing the human resources for the benefit of the organization.

Your Company has a robust Career Development framework that gives employees the power to define aspirations and take charge of their career. They can discuss their development needs and aspirations with their managers and carve a development plan for the future. Your Company extends the required assistance to employees and provide them with opportunities that can facilitate employees to grow both personally and professionally. This enables employees to achieve their career goals and in turn creates a set of motivated, valuable and skilled workforce.

Total number of employees in the company as on March 31, 2022 was Sixteen(16).

Key Financial Ratios

| Description | 2021-22 | 2020-21 |
|-------------------------|---------|----------|
| Debtors Turnover | 36.11 | 12.40 |
| Inventory Turnover | 0.04 | 0.02 |
| Interest coverage ratio | 0.88 | 0.33 |
| Current ratio | 0.24 | 0.35 |
| Debt Equity ratio | (1.13) | 0.30 |
| Operating Profit Margin | 0.77 | 0.79 |
| Net Profit Margin | (15.60) | (0.84) |
| Return on Net worth | 7941.73 | 58173.85 |

Internal Control Systems

The Company has established a system of internal control across all its business operations and for safeguarding the Assets. The Board, Audit Committee and the Management ensure that the internal financial control system operates effectively, and they periodically review the effectiveness of internal control system in order to ensure due and proper implementation and due compliance with applicable laws, accounting standards and regulatory norms

The Internal Auditors review the adequacy of internal control systems and suggest necessary checks and balances to ensure and increase the effectiveness of the system and that the policies are in place for approval and control of expenditure.

By order of the Board of Directors
For PVP VENTURES LIMITED

Sd/-

Prasad V. Potluri
Chairman & Managing Director

Place : Chennai
Date : September 06, 2022

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance :

PVP Ventures Limited ("the Company") is committed to maintaining standards of Corporate Governance, protecting Customers', Shareholders', and other Stakeholders' interests. In line with this philosophy, the Company endeavors to maintain transparency at all levels through adoption of best Corporate Governance Practices. The following is a report on the status and progress on the major aspects of Corporate Governance.

Board of Directors:

The Board consists of Six (6) Directors comprising one (1) - Executive Director and three (3) Independent Directors and Two (2) Non-Executive Non-Independent Directors which includes Non-Executive Non-Independent Woman Director, as on March 31, 2022.

| Name of the Director | Director Category | No. of Board Meetings attended | Attendance at previous AGM held on September 27, 2021 | No. of Directorships in other companies | No. of Committee Memberships in other companies | | No. of shares /convertible instrument held by the director |
|-------------------------------|---|--------------------------------|---|---|---|---------|--|
| | | | | | Chair-man | Mem-ber | |
| Mr. Prasad V. Potluri | Chairman and Managing Director | 5 | Yes | 1 | Nil | 2 | Nil |
| Mr. N S Kumar | Non-Executive and Independent Director | 5 | Yes | 4 | 2 | 4 | Nil |
| Mr. Sohrab ChinoyKersasp | Non-Executive and Independent Director | 5 | Yes | 7 | 2 | 4 | Nil |
| Mrs. PJ Bhavani | Non-Executive Director Non Independent Director | 4 | Yes | 1 | Nil | Nil | 1650 equity shares |
| Mr. Nandakumar Subburaman | Non-Executive and Independent Director | 5 | Yes | 3 | Nil | 1 | Nil |
| @Mr. Subramanian Parameswaran | Non-Executive Director Non Independent Director | 3 | Yes | 3 | Nil | Nil | Nil |

@Mr. Subramanian Parameswaran was appointed as Additional Director under the category of Non-Executive Non-Independent Director with effect from July 10, 2021 and his appointment was regularized in the Annual General Meeting held on September 27, 2021.

Note:

- Other directorships also include Private Limited Companies.
- Only membership in Audit Committee, Stakeholders' Relationship Committee have been reckoned for Committee Memberships
- The time gap between the Board Meetings was within the prescribed time limits.
- None of the other Directors are related inter se in any manner.
- The Board of Directors met five times during the year on June 22, 2021, July 10, 2021, August 11, 2021, November 11, 2021 and February 11, 2022.
- None of the Directors on the Board is a member of more than 10 committees or act as Chairman of more than 5 committees across all Listed Companies and Unlisted Public Limited Companies in which he / she is a Director.

Names of other Listed Companies in which the Directors of the Company is a Director and their category:

| S. No. | Name of the Director | Name of Other Listed Company | Category of Directorship |
|--------|---------------------------|--|--|
| 1. | Mr. Prasad V. Potluri | Picturehouse Media Limited | Managing Director |
| 2. | Mr. N S Kumar | Picturehouse Media Limited | Non-Executive Independent Director |
| 3. | Mr. Sohrab Chinoy Kersasp | Picturehouse Media Limited | Non-Executive Independent Director |
| 4. | Mrs. PJ Bhavani | Picturehouse Media Limited | Non-Executive Non-Independent Director |
| 5. | Mr. Nandakumar Subburaman | Picturehouse Media Limited and Bharat Dynamics Limited | Non-Executive Independent Director in both the companies |

Familiarisation programme for Independent Directors

A Familiarisation programme for Independent Directors of the Company was being conducted on or before completion of Board Meetings and the details of such familiarisation programmes are disseminated on the website of the Company <http://www.pvpglobal.com/other-statutory-information/>. were also made at the meeting of the Board of Directors/ Committees by KMP's/Senior Executives of the Company on Company's financial and operational performance, industrial relations prevailing during the period, marketing strategies, etc.

General Director Qualification Criteria

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

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

Skills / Expertise / Competencies of the Board of Directors:

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

The following are the core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and the said skills are available with the Board Members;

Skills and its description

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

Independence of Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013 ("Act") along with rules framed thereunder. In terms of Regulation 25(8) of SEBI (LODR) Regulations, 2015, they have confirmed that they are not aware of any circumstance or situation

which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further during the Financial year ended March 31, 2022 none of the Independent Director resigned.

Committees of the board

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee. The Minutes of the Committee Meetings are tabled at the subsequent Board Meetings.

Audit Committee

The Audit Committee met Four (4) times during the financial year 2021-22 i.e., on June 22, 2021, August 11, 2021, November 11, 2021 and February 11, 2022 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 Directors | Designation | No. of Meetings held | No. of Meetings attended |
|---------|---------------------------|-------------|----------------------|--------------------------|
| 1. | Mr. Sohrab Chinoy Kersasp | Chairman | 4 | 4 |
| 2. | Mr. N S Kumar | Member | 4 | 4 |
| 3. | Mr. Prasad V. Potluri | Member | 4 | 4 |

The Audit Committee acts as a link between the Board of Directors and the Statutory and Internal Auditors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The role and terms of reference of the Audit Committee are governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As on March 31, 2022, the Audit Committee comprised of two Independent Director and Managing Director, all of whom are financially literate and have relevant finance / accounting exposure. The Chief Financial Officer is the permanent invitee to the meetings of the committee. The Statutory Auditor and Internal Auditors were present at Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as per Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief description of terms of reference

The Audit Committee reports to the Board and its terms of reference are as under:

- 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.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Non-Executive and Independent Directors. Mr. Sohrab ChinoyKersaspis the Chairman of the Committee. Mr. N S Kumar and Mr. Subramanian Parameswaran are the other members. The Company Secretary is the Secretary to the Committee. The Chairman of Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on September 27, 2021. Further, the Committee was re-constituted in the Board Meetings held on August 11, 2021. The Nomination & Remuneration Committee met Four (4) time during the financial year 2021-2022 on June 22, 2021, July 10, 2021, August 11, 2021 and November 11, 2021. The necessary quorum was present for all the Nomination and Remuneration Committee Meetings.

| Sl. No | Name of the Directors | Designation | No. of Meetings held | No. of Meetings attended |
|--------|-------------------------------|-------------|----------------------|--------------------------|
| 1. | Mr. Sohrab ChinoyKersasp | Chairman | 4 | 4 |
| 2. | Mr. N S Kumar | Member | 4 | 4 |
| 3. | *Mrs. PJ Bhavani | Member | 3 | 2 |
| 4. | #Mr. Subramanian Parameswaran | Member | 1 | 1 |

*Mrs. PJ Bhavani ceased to be a Member w.e.f August 11, 2021.

#Mr. Subramanian Parameswaran became member w.e.f August 11, 2021.

The role and terms of reference of the Nomination and Remuneration Committee are governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (iii) Formulate criteria for evaluation of each Director's performance and performance of the Board as a whole;
- (iv) Devising a policy on diversity of board of directors;
- (v) 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.
- (vi) 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.
- (vii) Determine/recommend the criteria for appointment of Executive, Non-executive and Independent Directors to the Board;

Remuneration Policy

The Nomination and Remuneration (N&R) Committee has framed a policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director / KMP's and their remuneration.

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.

Remuneration of Directors:

- a) There is no pecuniary relationship or transaction of Non-Executive Directors with the Company during the year 2021 - 2022.
- b) No remuneration is paid to Non-Executive Directors, apart from sitting fee for attending the Board & Committee meetings.
- c) Disclosures with respect to remuneration.

The Non-executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission of such sum as may be approved by the Board of Directors within the limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Managing Director is not drawing any remuneration. Currently, the Non-executive Directors of the Company are not being paid any commission. Details of sitting fees paid to the Directors are as follows:

| S. No | Name of the Directors | Category of Directorship | Salary | Commission | Sitting Fees | Stocks Option | Other Perquisites |
|-------|-------------------------------|--|--------|------------|--------------|---------------|-------------------|
| 1 | Mr. Prasad V. Potluri | Chairman & Managing Director | 0 | 0 | 0 | 0 | 0 |
| 2 | Mr. N S Kumar | Non-Executive Independent Director | 0 | 0 | 1,55,000 | 0 | 0 |
| 3 | Mr. Shohrab Chinoy Kersasp | Non-Executive Independent Director | 0 | 0 | 1,55,000 | 0 | 0 |
| 4 | Mr. Nanadakumar Subburaman | Non-Executive Independent Director | 0 | 0 | 1,00,000 | 0 | 0 |
| 5 | Mrs. P J Bhavani | Non-Executive Non-Independent Director | 0 | 0 | 90,000 | 0 | 0 |
| 6 | Mr. Suburamanian Parameswaran | Non-Executive Non-Independent Director | 0 | 0 | 70,000 | 0 | 0 |

- d) Details of fixed component and performance linked incentives, along with the performance Criteria: NA
e) Service contracts, notice period, severance fees: Nil
f) Company has not granted any Stock options during the year

Stakeholders' Relationship Committee

The Stakeholders Relationship Committee carries out the functions of transmissions, issue of duplicate share certificates, dematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, non-receipt of annual reports etc.

The Committee met Two (2) times during the financial year 2021 - 22 on June 22, 2021, August 11, 2021.

| S. No | Name of the Directors | Designation | No. of Meetings held | No. of Meetings attended |
|-------|---------------------------|-------------|----------------------|--------------------------|
| 1 | Mr. Sohrab Chinoy Kersasp | Chairman | 2 | 2 |
| 2 | Mr. N S Kumar | Member | 2 | 2 |
| 3 | Mr. Prasad V. Potluri | Member | 2 | 2 |

Mrs. Ramyanka Yadav K., Company Secretary and Compliance Officer resigned with effect from November 10, 2021. Mrs. S. Rukmani was appointed as Company Secretary and Compliance Officer with effect from November 11, 2021.

- a. Number of shareholders complaints received during the financial year – NIL
b. Number of complaints not resolved to the satisfaction of shareholders is NIL
c. There were no pending complaints as at the year end

General Body Meetings

The details of the Annual General Meetings held in the last three years are as follows:

| Year | Venue | Date & time | Special resolutions passed |
|---------|---|---------------------------------|---|
| 2020-21 | Deemed place of meeting is Registered office i.e., KRM Centre, 9 th Floor, Door No. 2 Harrington Road, Chetpet - 600031, Tamil Nadu, India through Video Conference. | September 27, 2021 10.00 A.M | Nil |
| 2019-20 | Deemed place of meeting is Registered office i.e., KRM Centre, 9 th Floor, Door No. 2 Harrington Road, Chetpet - 600031, Tamil Nadu, India through Video Conference. | December 11, 2020 10:00 A.M | Nil |
| 2018-19 | Sri. P. Obul Reddy Hall", Vani Mahal, 103, G N Road, T. Nagar, Chennai - 600 017, Tamil Nadu. | September 27, 2019 10:00 A.M | 1. Re-appointment of Mr. N S Kumar as an Independent Director |

During the year 2021-22, the Company has passed no resolution through Postal Ballot and by way of Extraordinary General Meeting. Further the company does not propose to pass resolution through postal ballot. In case, any resolution needs to be passed through Postal Ballot during the year 2022-23, the procedure laid down under Section 110 of the Companies Act, 2013 and the Rules made thereunder will be complied.

Means of Communication:

- The Unaudited Quarterly Financial Results and Audited Annual Financial Results of the company are published in The Financial Express and Makkal Kural.
- 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
- 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/official news releases if any and such other like.
- No presentations have been made to institutional investors or to analysts.

General Shareholder information:

- Annual General Meeting

| | |
|--------------------|--|
| Day, Date and Time | Friday, September 30, 2022 @ 10.00 A.M. |
| Venue | The Annual General meeting will be held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). The Registered office i.eKrm Centre, 9 th Floor, Door No. 2 Harrington Road, Chetpet – 600031, Tamilnadu |

- Financial Calendar of the Company

The Financial year covers the period from April 01 to March 31

| | |
|---|-----------------------------------|
| Results for Quarter ending June 30, 2022 | First fortnight of August, 2022 |
| Results for Quarter ending September 30, 2022 | First fortnight of November, 2022 |
| Results for Quarter ending December 31, 2022 | First fortnight of February, 2023 |
| Results for Quarter ending March 31, 2023 | Last Week of May, 2023 |

- Dividend payment date - Not Applicable

- Listing of Shares

The shares of the Company are listed at The National Stock Exchange of India Limited (NSE), Mumbai and BSE Limited (BSE) the Listing Fees for the Financial Year 2022 - 2023 has been paid. The Company's scrip is PVP for NSE and 517556 for BSE.

- Details of the outstanding ADRs / GDRs / Warrants or Convertible Instruments: Nil

- Stock Market Data

- PVPVL share price on BSE vis-à-vis BSE Sensex July - March 2022.

| Month | BSE Sensex Close | High (Rs.) | Low (Rs.) | Close (Rs.) | No. of shares traded during the month (in lakhs) | Turnover (in lakhs) |
|---------|------------------|------------|-----------|-------------|--|---------------------|
| *Jul-21 | 52586.84 | 8.8 | 6.18 | 6.18 | 9.78 | 63.24 |
| Aug-21 | 57552.39 | 9.6 | 4.71 | 4.94 | 74.51 | 577.61 |
| Sep-21 | 59126.36 | 5.13 | 4.18 | 4.51 | 95.86 | 44.55 |
| Oct-21 | 59306.93 | 6.43 | 4.45 | 5.06 | 18.81 | 103.23 |
| Nov-21 | 57064.87 | 5.83 | 4.65 | 5.29 | 9.57 | 50.29 |
| Dec-21 | 58253.82 | 7.93 | 4.91 | 7.93 | 16.76 | 108.98 |
| Jan-22 | 58014.17 | 10.05 | 5.77 | 6.25 | 34.54 | 291.14 |
| Feb-22 | 56247.28 | 6.63 | 5 | 5.45 | 6.55 | 38.72 |
| Mar-22 | 58568.51 | 5.93 | 4.62 | 4.98 | 7.93 | 419.88 |

*Shares were revoked for trading w.e.f July 22, 2021.

- PVPVL share price on NSE vis-à-vis Nifty 100 Close price July - March 2022.

| Month | Nifty 100 Close | High (Rs.) | Low (Rs.) | Close (Rs.) | No. of shares traded during the month (in lakhs) | Turnover (in lakhs) |
|---------|-----------------|------------|-----------|-------------|--|---------------------|
| *Jul-21 | 16040.15 | 6.70 | 5.40 | 6.25 | 4.70 | 29.64 |
| Aug-21 | 17373.10 | 9.25 | 4.75 | 4.80 | 84.16 | 620.31 |
| Sep-21 | 17845.10 | 5.05 | 4.20 | 4.55 | 24.82 | 115.71 |
| Oct-21 | 17880.80 | 6.40 | 4.40 | 5.05 | 27.79 | 146.42 |
| Nov-21 | 17270.25 | 5.80 | 4.65 | 5.30 | 24.37 | 125.32 |
| Dec-21 | 17618.80 | 7.80 | 4.85 | 7.80 | 33.80 | 212.11 |
| Jan-22 | 17547.40 | 9.80 | 5.75 | 6.15 | 41.17 | 332.93 |
| Feb-22 | 17016.55 | 6.65 | 5.05 | 5.50 | 14.57 | 86.21 |
| Mar-22 | 17660.35 | 5.95 | 4.60 | 4.90 | 16.83 | 88.62 |

*Shares were revoked for trading w.e.f July 22, 2021.

g) Distribution of Shareholding as on March 31, 2022 was as follows:

i. Categories of Shareholders:

| Category | No. of shares | % to share capital |
|--|------------------|--------------------|
| Promoters | 140990766 | 57.53 |
| FIs and Financial Institutions/Banks | 446640 | 0.18 |
| Private Corporate Bodies | 4950867 | 2.02 |
| Indian Public | 65516001 | 26.74 |
| NRIs/HUFs/Clearing Members/Trusts | 8642857 | 3.53 |
| Foreign Corporate bodies/Overseas corporate bodies | 24505570 | 10.00 |
| Total | 245052701 | 100.00 |

ii. Distribution of Shareholding

| Sl. No. | Category (Shares) | No. of Holders | % To Holders | No. of Shares | % To Equity |
|---------|-------------------|----------------|---------------|------------------|---------------|
| 1 | 1 - 5000 | 33048 | 94.73 | 19819433 | 8.09 |
| 2 | 5001 - 10000 | 933 | 2.67 | 7348881 | 3.00 |
| 3 | 10001 - 20000 | 468 | 1.34 | 6847257 | 2.79 |
| 4 | 20001 - 30000 | 132 | 0.38 | 3371289 | 1.38 |
| 5 | 30001 - 40000 | 75 | 0.21 | 2634777 | 1.08 |
| 6 | 40001 - 50000 | 44 | 0.13 | 2052150 | 0.84 |
| 7 | 50001 - 100000 | 108 | 0.31 | 7682324 | 3.13 |
| 8 | 100001 and above | 78 | 0.22 | 195296590 | 79.70 |
| | Total | 34886 | 100.00 | 245052701 | 100.00 |

h) Dematerialization of Shares and Liquidity:

To facilitate trading in dematerialized form, the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2022, 99.88% shares were held in dematerialized form.

i) Registrar to issue and Share Transfer Agents

KFin Technologies Limited

(Formerly Known as KFin Technologies Private Limited)

Selenium Tower B, Plot Nos. 31 and 32,

Financial District, Nanakramguda, Serlingampally Mandal,

Hyderabad 500 032, Telangana.

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

j) Share Transfer System

The Registrar and Share Transfer Agents, KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), handles share transfer.

k) Foreign Exchange Risk and hedging activities

Presently your Company is not exporting any of its products Hence, foreign exchange risk did not arise during the financial year 2021 - 2022.

l) Plant locations -The Company do not have any plants.

m) 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

n) List of all Credit ratings obtained by the entity.

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

| | | |
|------------|---------------|--------------------------------|
| 06.01.2020 | Tranche A & B | BWR D (Issuer not Cooperating) |
|------------|---------------|--------------------------------|

Further, the details are also provided on the website of the Company. During the Financial Year March 2022, the Company had not obtained Credit Rating for issuance of Non-Convertible Debentures.

Other Disclosures

a) During the year 2021-22, there were no Material Significant Transactions i.e., transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. which have potential conflict with the interests of the Company at large. All related party transactions are intended to further the business interests of the Company. The transactions with the related parties are set out in the Notes forming part of the financial statement as at and for the year ended March 31, 2022.

b) Details of Non-Compliance:

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

SAT vide order dated June 20, 2018 reduced the penalty of Rs. 1,530 Lakhs on Mr. Prasad V Potluri to Rs. 515 Lakhs, upheld the penalties of Rs. 1,500 Lakhs imposed on PVP Global Ventures private Limited and Rs.15 Lakhs on PVP Ventures Limited. Hence, miscellaneous Applications No.180 & 181 dt. 2nd Jul'18 were filed before the Hon'ble SAT for staying its order for which the SAT granted 6 weeks' time to appeal with Hon'ble Supreme Court. Also on July 06, 2018, as Security, the appellants deposited Original Title deeds of Land valuing more than Rs.30 Crores, held by its subsidiaries for realization and payment of the aforesaid demand. Civil appeal No.9092 dated August 16, 2018, was filed before the Hon. S.C, which was dismissed on September 14, 2018, and the SAT Orders were upheld. A demand was raised by the Recovery Officer, SEBI, Vide No.1770, 1771 and 1772 dated October 26, 2018 with Interest from, March 27, 2015, the date of order from Adjudicating Officer. The appellants filed review petitions before the Honorable SEBI/SAT, Mumbai on November 10, 2018 & November 21, 2018, stating technical and legal reasons, that the final SAT order was dated June 20, 2018, whereas the Interest was calculated since 2015 and the orders dated 27th Mar'15 & 28th Jun'18 are silent on levy of interest.

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

During the financial year 2021-2022, the principal penalty has been remitted in full to SEBI, whereas the matter w.r.t to interest portion is under sub-judices with the Honorable Supreme Court of India.

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

The Company received Intimation letter from NSE & BSE Limited for Suspension of trading of Securities with effect from April 09, 2019 due to non-compliance in payment of fines and in 2021 all the payments were made and the revocation of suspension of trading of the equity shares of the company was also completed and equity shares of the company are lively traded on both the stock exchanges since July 22, 2021.

- During the Financial year 2019-2020, the Company filed an appeal before the Hon'ble SEBI Securities Appellate Tribunal to challenge the monetary fine imposed by Stock Exchanges (i.e., BSE Limited & National Stock Exchange India Limited) on the Non Compliances under Regulation 17(1) - Composition of Board and Composition of

Nomination & Remuneration Committee under regulation 19(10)/(2) for the quarter ended September, December 2018. The Company has made the payment of Rs. 11, 86,920/- (Under Protest) to National Stock Exchange India Limited ("NSE") on October 01, 2019 to protect interest of the Shareholders of the Company and the protection of whose interest is also regulatory mandate. Also the Company approached the NSE to revoke the suspension of trading of Securities.

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

The Appeal filed by the Company is dismissed by the SEBI SAT and Company made the payment of Fine on 29-03-2021 also filed the application before the BSE Limited to revoke the Suspension of trading of securities of the Company. The Stock exchanges accepted the application and the trading of securities is resumed back with effect from July 22, 2021.

- The Company received the Notice from BSE Limited vide its Notice LIST/COMP/Reg.27(2) & Reg. 17 to 21/ Sep19/517556/219/2019-20 dated October 31, 2019 for the Non Compliances under Regulation 19(1)(2) on the non-Compliance of Constitution Nomination and Remuneration Committee and imposed fine to Rs. 1,13, 280/-. The Company paid the fine on 05-04-2021.
 - During the Financial Year 2021-22, the Company received the Notice for delay in submission of Limited Review Report from BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") ("Collectively referred as the Stock Exchanges"). The Company has Inadvertently missed to attach the same with the financials submitted to the stock exchange for the quarter ended June 30, 2021. BSE had imposed Rs. 171100 and NSE Rs. 1,82,900.
 - The company had submitted Certificate under Regulation 52(5) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 with a delay for which BSE Limited has sent the Notice of fine amounting to INR 34, 220 and the company in turn sought waiver off from the stock exchange and awaiting reply on the same.
 - The Company has received a communication dated 21.02.2022 from BSE Limited (BSE) and National Stock Exchange Limited (NSE) with respect to Non-Submission under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended 31.12.2021. The Company has replied to the same and there is no further Communication / information from the stock exchanges on the matter.
 - The company had submitted Certificate on the extent and nature of security created and maintained for the Secured listed Non-Convertible Debenture to BSE Limited for the quarter and half year ended September 30,2021 with delay. The Company has submitted the certificate and requested BSE to waive off the fine amounting to INR 29, 500 and awaiting reply on the same.
 - The Company has received the notice from BSE Limited and National Stock Exchange of India Limited for non-submission of Statement on shareholders compliant for the quarter ended December 31, 2021 within the prescribed time specified under Regulation 13(3) of SEBI LODR 2015. Each stock Exchange imposed fine of Rs.15,340. The Company submitted the statement with delay of 14 day and requested the Stock Exchanges to waive-off the fine. The Company made the payment of fine with National Stock Exchange of India Limited on July 22,2022.
 - The Company has received the notice from BSE Limited and National Stock Exchange of India Limited for the Non submission of Shareholding Pattern for the quarter ended December 2021 under regulation 31 of SEBI LODR. The Company submitted the Shareholding pattern on February 22,2022. Each stock Exchange imposed fine of Rs.51,920. The Company requested the Stock Exchanges to waive-off the imposed fine. The Company made the payment of fine with National Stock Exchange of India Limited on July 22,2022.
 - The Company received notice from BSE Limited and National Stock Exchange of India Limited for the non-appointment of qualified Company Secretary and Compliance Officer. Each Stock Exchanges imposed fine of Rs.1,08,560/-. A qualified Company Secretary was appointed with effect from November 11, 2021. The Company informed the same to the Stock Exchanges and the BSE Limited partially waived – off the fine imposed. The company had further requested to waive the balance amount of imposed fine and awaiting reply from BSE Limited. NSE had waived – off the entire penalty.
 - The Company received notice from BSE Limited and National Stock Exchange of India Limited for non-appointment of Share Transfer Agent under Regulation 7(1) of SEBI LODR 2015. Each Stock Exchanges imposed fine Rs.1,08,560/- for the non compliance. The Company had already complied with the said regulation and hence sought for waiver. BSE Limited and NSE has had waived-off the fine amount.
- c) The Whistle blower policy as approved and adopted by the Board of Directors provides adequate safeguards against victimization of employees and provides access to the Audit Committee.
- d) The disclosure of compliances with respect to Corporate Governance requirements as specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 is made in the Corporate Governance Report.
- e) The company has complied with all applicable mandatory requirements in terms of Regulations 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.
- f) M/s. Sundaram & Srinivasan, Chartered Accountants. are the statutory Auditor of PVP Ventures Limited and Picturehouse Media limited its subsidiary company Further, total amount of Rs. 17,50,000/- (Net of TDS) was paid to them for both the Companies for the relevant financial year.
- g) The Company has made all disclosures of loans and advances given to corporates in which the directors is interested. The same would part of the related party transaction
- h) The discretionary requirements as specified in Part E of Schedule II have been adopted to an extent possible by the Company.

- i) A Certificate from a Company Secretary in Practice has been obtained confirming that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority.
- j) disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- number of complaints filed during the financial year - Nil
 - number of complaints disposed of during the financial year - Nil
 - number of complaints pending as on end of the financial year - Nil
- k) The company follows Indian Accounting Standards (Ind-AS) in the preparation of its financial Statements.
- l) Disclosure with respect to De-mat suspense account/unclaimed suspense account - Not applicable.
- m) The Policy for determining material subsidiaries is disclosed on the website of the Company <http://www.pvpglobal.com/pdf/PolicyonMaterialSubsidiaries-PVPL.pdf>
- n) The Policy on Related Party Transactions as approved and adopted by the Board of Directors is displayed on the website of the Company at <http://www.pvpglobal.com/pdf/RPTPolicy-PVPL.pdf>
- o) Disclosure of commodity price risks and commodity hedging activities. – Not Applicable
- p) There were no funds raised through preferential allotments or qualified institutional placements as specified under Reg. 32(7A)
- q) During the financial year, the Board have accepted all the recommendations made by the Nomination and Remuneration and Audit Committee.

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 2021-22.

For and on behalf of Board of Directors

Sd/-

Prasad V. Potluri

Chairman & Managing Director

Date : September 06, 2022

Place : Chennai

MD AND CFO CERTIFICATION

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

To

The Board of Directors

PVP Ventures Limited

- A. We Prasad V. Potluri, Managing Director and Karthikeyan Shanmugam, Chief Financial Officer of the Company have reviewed financial statements and the cash flow statement (Standalone and Consolidated) for the year ended March 2022 of the Company and that to the best of our knowledge and belief:
- these statements does not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the listed entity during the year are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and there is no deficiencies in the design or operation of such internal controls, we have disclosed to the auditor and the audit committee deficiencies in the design or operation of such internal controls, if any of which we are aware and the we have taken and we propose to take further steps to rectify these deficiencies.
- D. There is no significant changes in internal control over financial reporting, accounting policies or instances of significant fraud during the year March 2022.

For PVP Ventures Limited

Date : May 25, 2022

Place : Chennai

Prasad V. Potluri
Chairman & Managing Director

KarthikeyanShanmugam
Chief Financial Officer

Corporate Governance Certificate

**TO
THE MEMBERS OF
PVP VENTURES LIMITED**

On account of COVID – 19 Pandemic, I have not been able to carry out physical visit to the Registered Office of the Company and I have examined the records of the company shared to me electronically pertaining to the compliance of conditions of Corporate Governance by **PVP VENTURES LIMITED** (“the Company”), for the year ended on March 31, 2022, as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations] for the period 1st April, 2021 to 31st March, 2022.

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

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

- *not submitting the Annual Secretarial Compliance Report to stock exchanges within prescribed / extended timelines for the year ended 31.03.2021 as required under Regulation 24A. The Company submitted the same on 12.07.2021.*

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

Signature:

Sd/-

Name of Company Secretary:

P.A.P. Murthy

FCS: 926; C. P. No: 6633

UDIN: F000926D000789989

Date : 12.08.2022
Place : Hyderabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of Appointment in Company |
|---------|----------------------------------|----------|--------------------------------|
| 1. | Mr. Prasad Veera Potluri | 00179175 | 04/12/2007 |
| 2. | Mr. Narayanaswamy Seshadrikumar | 00552519 | 19/03/2001 |
| 3. | Mr. Sohrab Chinoy Kersasp | 03300321 | 22/03/2019 |
| 4. | Ms. Poonamallee Jayavelu Bhavani | 08294839 | 31/07/2020 |
| 5. | Mr. Nandakumar Subburaman | 00611401 | 07/11/2019 |
| 6. | Mr. Subramanian Parameswaran | 09138856 | 10/07/2021 |

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

However it is observed that company is yet to redeem debentures as per the schedule of redemption and in this regard the Company had obtained extension of redemption period from Debenture holders till 30th June, 2022 vide their letter dated 24th May, 2022. In this background discharge of Board of Directors from implications of Section 164(2)(b) of the Companies Act, 2013, due to extension of redemption period cannot be determined at this point of time.

Signature:

Sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN: F000926D000790121

Date : 12.08.2022
Place : Hyderabad

Annexure – 1

AOC-1 Statement containing the salient features of the financial statements of subsidiaries

| NAME* | Date of Acquisition of Subsidiary | REPORTING PERIOD | REPORTING CURRENCY | SHARE CAPITAL | RESERVES AND SURPLUS | TOTAL | | INVESTMENTS | TURNOVER | PROFIT / (LOSS) BEFORE TAXATION | | PROFIT / (LOSS) AFTER TAXATION | PD** | % *** |
|--------|-----------------------------------|------------------|--------------------|---------------|----------------------|---------------|---------------|-------------|------------|---------------------------------|----------|--------------------------------|------|--------|
| | | | | | | ASSETS | LIABILITIES | | | FOR TAXATION | TAXATION | | | |
| PCPPL | 01/10/2007 | 31/03/2022 | INR | 5,000,000 | 164,184,950 | 169,298,000 | 113,050 | 100,861,629 | - | -62,650 | - | -62,650 | - | 100% |
| PMVPL | 29/04/2013 | 31/03/2022 | INR | 190,000 | -7,443,316 | 12,373,582 | 19,626,898 | 12,299,650 | - | -550,894 | - | -550,894 | - | 100% |
| PGVPL | 01/12/2006 | 31/03/2022 | INR | 88,228,690 | 885,401,822 | 1,052,553,932 | 78,923,420 | 15,764,822 | - | -199,359,302 | - | -199,359,302 | - | 100% |
| NCCPPL | 08/08/2006 | 31/03/2022 | INR | 12,470,000 | 2,517,148,642 | 2,530,542,601 | 923,959 | 307,873,986 | 5,000,000 | 793,002 | - | 793,002 | - | 81% |
| SSPL | 16/01/2015 | 31/03/2022 | INR | 48,000,000 | -53,587,464 | - | 5,587,464 | - | - | -43,350 | - | -43,350 | - | 100% |
| ARPL | 23/10/2013 | 31/03/2022 | INR | 100,000 | 69,740,891 | 69,874,691 | 33,800 | - | - | -16,700 | - | -16,700 | - | 100% |
| PCPL | 25/08/2015 | 31/03/2022 | INR | 300,000 | -2,231,053 | 19,583 | 1,950,636 | - | - | -1,141,294 | - | -1,141,294 | - | 100% |
| PCL | 25/08/2015 | 31/03/2022 | INR | 250,000,000 | -2,556,073,656 | 393,302,141 | 2,699,375,797 | - | 0,000,000 | -392,848,641 | - | -392,848,641 | - | 100% |
| PML | 25/08/2015 | 31/03/2022 | INR | 522,500,000 | -725,795,601 | 828,773,608 | 1,032,069,209 | 252,676,000 | 81,516,227 | -314,943,101 | - | -314,943,101 | - | 49.55% |
| AREDPL | 02/06/2018 | 31/03/2022 | INR | 100,000 | 90,418,821 | 93,179,520 | 2,660,699 | 200,000 | - | -5,037,851 | - | -5,037,851 | - | 100% |
| EREPL | 02/06/2018 | 31/03/2022 | INR | 100,000 | 78,464,872 | 100,265,355 | 21,700,483 | 7,900,500 | - | -681,662 | - | -681,662 | - | 100% |

* Name of the Subsidiary

PVP Corporate Parks Private Limited (PCPPL)

PVP Media Ventures Private Limited (PMVPL)

PVP Global Ventures Private Limited (PGVPL)

New Cyberabad City Projects Private Limited (NCCPPL)

Safetrunk Services Private Limited (SSPL)

Picturehouse Media Limited (PML)

" Adobe Realtors Private Limited (ARPL)

(Wholly Owned PVP Global Ventures Private Limited)"

" PVP Cinema Private Limited (PCPL)

(Wholly Owned Subsidiary of Picturehouse Media Limited (PML))"

" PVP Capital Limited (PCL)

(Wholly Owned Subsidiary of Picturehouse Media Limited (PML))"

" Arete Real Estate Developers Private Limited (AREDPL)

(Wholly Owned PVP Global Ventures Private Limited)"

" Expressions Real Estates Private Limited (EREPL)

(Wholly Owned PVP Global Ventures Private Limited)"

** Proposed Dividend

* ** % Of Shareholding

Note:

1. **Names of Subsidiaries which are yet to commence operations-**

PVP Corporate Parks Private Limited, PVP Media Ventures Private Limited, New Cyberabad City Projects Private Limited, PVP Cinema Private Limited.

2. **There are no Associate Companies or Joint Ventures as on the date of this report.**

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,
The Members,
PVP VENTURES LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PVP VENTURES LIMITED** having CIN: L72300TN1991PLC020122 and Registered Office Address at KRM Centre, 9th Floor, Door No. 2, Harrington Road, Chetpet, Chennai, Tamil Nadu - 600 031 (herein after called the 'Company'). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

On account of COVID - 19 Pandemic, I have not been able to carry out physical visit to the Registered Office of the Company and based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company which were shared with me electronically and also the information, confirmations, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, 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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the company during the period of audit);**
 - e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the company during the period of audit);**
 - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations 2013; **(Not applicable to the company during the period of audit);**
 - h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **(Not applicable to the Company during the period of audit);**
 - i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Other Laws specifically applicable to the company include:
 - a) Transfer of Property Act, 1882
 - b) Real Estate (Regulation and Development) Act, 2016
 - c) Indian Easements Act, 1882

- d) Registration Act, 1908
- e) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- f) The Land Acquisition Act, 1894

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

- a. *The Company did not submit statement of Investor Complaints as per Regulation 13(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31.12.2021 with the stock exchanges within 21 days from the end of the quarter. However, the Company submitted the same on 05.02.2022.*
- b. *The Company did not submit Annual Secretarial Compliance Report as per Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31.03.2021 with the stock exchanges within prescribed / extended timelines. However, the Company submitted the same on 12.07.2021.*
- c. *The Company did not submit Shareholding Pattern as per Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31.12.2021 with the stock exchanges within 21 days from the end of the quarter. However, the Company submitted the same on 21.02.2022.*
- d. *As per Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 company was required to submit financial results with limited review report to the stock exchanges but for the quarter ended 30.06.2021 Company has submitted Financial Results without attaching limited review report. However, the Company submitted the same to BSE on 14.09.2021 and to NSE on 15.09.2021.*
- e. *The Company has not included part of the information in Management Discussion and Analysis Report forming part of Annual Report for the year ended 31st March, 2021 as required under Regulation 34 read with Para B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- f. *As per Regulation 50(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to stock exchange at least 11 working days before the date on which the amount of interest / redemption of Non - Convertible Debentures (NCDs) is due but the same was intimated on 29.06.2021 for 386 NCD's which was due for payment on 30.06.2021.*

Further, the same was not intimated for 829 NCD's which was due for payment on 30.04.2021 and 31.07.2021.

- g. *As per Regulation 50(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to stock exchange at least two working days in advance, excluding the date of the intimation and the date of the meeting of the Board of Directors, about the Board meeting in which the proposal is considered to make an alteration in the date of interest/redemption payment of non-convertible securities. However, the same was not intimated to the Stock Exchange.*
- h. *As per Regulation 52(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to submit a certificate obtained from debenture trustee to stock exchange within 7 working days from the submission of Half year financial results but the same was submitted on 04.08.2021 for the half year ended 31.03.2021.*
- i. *As per Regulation 54(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to submit Asset Cover details along with Financial Results. However the same was submitted on 10.12.2021 to the Stock Exchange.*
- j. *As per Regulation 55 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to review the credit rating obtained at least once a year by a credit rating agency with respect to listed NCD's. However, the same was not obtained during the review period.*
- k. *As per Regulation 57(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to submit a certificate to the Stock Exchange within two days or one working day (post amendment dated 07.09.2021) of payment of interest/ principal of the NCDs becoming due regarding status of payment in case of non-convertible securities. However, the same was not submitted to the Stock Exchange during the review period except the certificate submitted on 08.10.2021 and 08.11.2021.*

- l. As per Regulation 57(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to the Stock Exchange within five working days from the beginning of the quarter providing details for all the non-convertible securities for which interest/principal obligations shall be payable during the quarter. However, the same was not intimated to the Stock Exchange during the review period.
- m. As per Regulation 57(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give prior intimation to the Stock Exchange within seven working days from the end of the quarter providing a certificate confirming the payment of interest/principal obligations for non-convertible securities which were due in that quarter and the details of all unpaid interest/principal obligations in relation to non-convertible securities at the end of the quarter. However, the same was not submitted to the Stock Exchange during the review period.
- n. As per Regulation 60 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to give intimation to the stock exchange about the record date at least 7 working days in advance (excluding the date of intimation and the record date). However, the same was not duly intimated to the Stock Exchange during the period under review.
- o. The Company did not submit Reconciliation of Share Capital Audit Report as per Regulation 76 of SEBI (Depository Participants) Regulations, 2018 for the quarter ended 31.12.2021 with the stock exchanges within 30 days from the end of the quarter. However, the Company submitted the same on 22.02.2022.
- p. The Company did not file the annual disclosure with regard to entity identified as a Large Corporate as per Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 with the stock exchanges within prescribed / extended timelines. The Company filed the same on 30.06.2021.
- q. The Company did not report the CSR activities in the Annual Report for the year ended 31st March, 2021 in the prescribed format issued by Ministry of Corporate Affairs vide Notification dated 22.01.2021 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.
- r. The Company has not made transfer of 5000 Fully Convertible Debentures of face value of Rs. 1,00,000 each in dematerialised form as required under Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

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

I further report that:

- I. BSE Limited (BSE) and National Stock Exchange Limited (NSE) vide their email dated 21.02.2022 has imposed a fine of Rs. 1,08,560/- each including GST for Non-Compliance with respect to appointment of qualified Company Secretary as Compliance Officer as per Regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the representations made by the Company BSE Limited vide email dated 07.04.2022 has partially waived-off the fine amount imposed by it. The company had further requested to waive the balance amount of imposed fine and are awaiting reply from BSE Limited. The company is yet to hear from NSE.
- II. BSE Limited (BSE) and National Stock Exchange Limited (NSE) vide their email dated 21.02.2022 has imposed a fine of Rs. 1,08,560/- each including GST for Non-Compliance with respect to appointment of Share transfer agent as per Regulation 7(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the representations made by the Company BSE Limited vide email dated 07.04.2022 has waived-off the fine amount imposed by it. As informed to me there is no further Communication /information from NSE on the matter.
- III. The Company has received a communication dated 21.02.2022 from BSE Limited (BSE) and National Stock Exchange Limited (NSE) with respect to Non-Submission of Reconciliation of share capital audit report for the quarter ended 31.12.2021 under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 within the period prescribed. As informed to me the Company has replied to the same and there is no further Communication /information from the stock exchanges on the matter.

- IV. BSE Limited (BSE) and National Stock Exchange Limited (NSE) vide their email dated 14.02.2022 has imposed a fine of Rs. 15,340/- each including GST for Non-Submission of the statement on shareholder complaints within the period prescribed under Regulation 13(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under any circular issued in respect of redressal of investor grievances for the quarter ended 31.12.2021. As informed to me the Company has replied to the same and requested the Stock Exchanges to waive-off fine imposed by them and the request for waiver was rejected and the company paid the fine on July 22, 2022.
- V. BSE Limited (BSE) and National Stock Exchange Limited (NSE) vide their email dated 14.02.2022 has imposed a fine of Rs. 51,920/- each including GST for Non-Submission of Shareholding pattern within the period prescribed as per Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31.12.2021. As informed to me the Company has replied to the same and requested the Stock Exchanges to waive-off fine imposed by it and the request for waiver was rejected and the company paid the fine on July 22, 2022.
- VI. BSE Limited (BSE) has imposed a fine of Rs. 1,71,100/- including GST and National Stock Exchange Limited (NSE) has imposed a fine of Rs. 1,82,900/- including GST vide their email dated 14.09.2021 for Non-submission of the financial results along with limited review report within the period prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30.06.2021. As informed to me the Company had replied to the same and requested the Stock Exchanges to waive-off fine imposed by them. NSE vide email rejected the waiver request and the Company paid the fine. There is no further Communication /information from BSE on the matter.
- VII. BSE Limited (BSE) has vide their email dated 02.08.2021 imposed a fine of Rs. 34,220/- including GST for Non-submission of a Certificate signed by the Debenture Trustee taking note of the contents prescribed under Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 31.03.2021. As informed to me the Company has replied to the same and requested the Stock Exchange to waive-off fine imposed by it and there is no further Communication /information from the stock exchange on the matter.
- VIII. BSE Limited (BSE) has vide their email dated 10.12.2021 imposed a fine of Rs. 29,500/- including GST for Non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements under Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30.09.2021. As informed to me the Company has replied to the same and requested the Stock Exchange to waive-off fine imposed by it and there is no further Communication/information from the stock exchange on the matter.
- IX. The Company had mortgaged its land situated at Perambur as a security and also given corporate guarantee to Canara bank for the borrowings made by PVP Capital Limited (i.e. step down subsidiary). PVP Capital Limited (PVPCL) has not adhered to repayment schedule of principal and interest dues to bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT). Further the bank has initiated SARFAESI proceedings and has taken symbolic possession of secured, immovable property of the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice. PVPCL had applied for One Time Settlement (OTS) with Canara Bank which was finalized on 15.03.2022 for an amount of Rs. 95 crores. The company had made final payment of the OTS amount on 30.06.2022.
- X. The Company had made an application to SEBI under Regulation 102 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 19.03.2019 to "relax strict enforcement of the Regulations" for non-compliance with Regulation 17(1) and Regulation 19(1) and (2) of said regulations and SEBI vide letter dated 26.04.2019 rejected company's application. Further it is also observed that due to non-payment of fines as levied by the stock exchanges trading in the securities of the company is suspended pursuant to the provisions of SEBI SOP circular dated May 3, 2018. The Company has filed an appeal before Securities Appellate Tribunal (SAT), Mumbai against the order dated 31.10.2018 and 31.01.2019 passed by BSE Limited and orders dated 29.11.2018 and 31.01.2019 passed by National Stock Exchange of India Limited and in this regard SAT passed its judgment that they do not find any merit in the appeal and dismissed it vide their order dated 17.03.2021.
- As informed to us the Company made payment of penalty imposed by both the stock exchanges and filed an application for revocation of suspension of trading and thereafter BSE Limited (BSE) & National Stock Exchange of India Limited (NSE) has revoked the suspension of trading in securities of the Company by their letter dated 14th July, 2021 and trading was resumed w.e.f 22nd July, 2021.
- XI. The Company has received a demand notice from SEBI under section 28A of SEBI Act, 1992 read with Section 222 of the Income Tax Act, 1961 dated 26.10.2018 for recovery of Rs. 21,46,534 vide certificate no. 1771 of 2018. Further vide attachment proceeding No. 4105 of 2018 dated 19.11.2018 company received a notice for attachment of demat accounts held by the company wherein debit freeze was ordered. Later, on 07.12.2018 company has made full payment as sought under demand notice along with interest upto 31.12.2018 subject to appeal pending before Securities Appellate Tribunal (SAT) for determination of interest imposed on the company. SAT, dismissed the

company's appeal on interest in Apr'19 and the Company has obtained stay on recovery of Interest on Penalty from the Hon. Supreme Court on 12th July 2019 and the matter is sub-judice and as informed to me there are no further developments in this regard.

- XII. It is observed that company is yet to redeem debentures as per the schedule of redemption and in this regard the Company has obtained extension of redemption period from Debenture holders till June 30, 2022 vide their letter dated May 24, 2022. In this background discharge of Board of Directors from implications of Section 164(2)(b) of the Companies Act, 2013, due to extension of redemption period cannot be determined at this point of time. Further, during the year under review Mr. Prasad V Potluri has been re-appointed as Chairman and Managing Director of the Company.

Signature:

Name of Company Secretary:

P.A.P. Murthy

FCS: 926; C. P. No: 6633

UDIN: F000926D000789934

Date : 12.08.2022

Place : Hyderabad

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

'Annexure A'

To,
The Members,
PVP VENTURES LIMITED

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

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

Signature:

Name of Company Secretary:

P.A.P. Murthy

FCS: 926; C. P. No: 6633

UDIN: F000926D000789934

Date : 12.08.2022

Place : Hyderabad

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,
The Members,
New Cyberabad City Projects Private Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **New Cyberabad City Projects Private Limited** having CIN: U45201TG2006PTC050706 and having Registered office at 4th Floor, West Block, Punndih Plaza, Plot No. 83 & 84, Road No.2, Banjara Hills, Hyderabad, Telangana - 500 034 (hereinafter called the 'Company'). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

On account of COVID - 19 Pandemic, I have not been able to carry out physical visit to the Registered Office of the Company and based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company which were shared with me electronically and also the information, confirmations, clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I, hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the period of audit)**;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the period of audit)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- **(Not applicable to the Company during the period of audit)**;
 - b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- **(Not applicable to the Company during the period of audit)**;
 - c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **(Not applicable to the Company during the period of audit)**;
 - d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **(Not applicable to the Company during the period of audit)**;
 - e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- (Not applicable to the Company during the period of audit);
 - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not applicable to the Company during the period of audit)**;
 - g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulation, 2013 - **(Not applicable to the Company during the period of audit)**;
 - h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **(Not applicable to the Company during the period of audit)**;
 - i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **(Not applicable to the Company during the period of audit)**;
 - j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **(Not applicable to the Company during the period of audit)**;
 - k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **(Not applicable to the Company during the period of audit)**.

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

- a) Transfer of Property Act, 1882
- b) Real Estate (Regulation and Development) Act, 2016
- c) Indian Easements Act, 1882
- d) Registration Act, 1908
- e) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- f) The Land Acquisition Act, 1894

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013
- (ii) The Listing Agreements entered into by the company with Stock Exchange(s) - **(Not applicable to the Company during the period of audit)**.

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

- *In Form MGT-7 (Annual Return) filed for the financial year 2020-21, certain details pertaining to the number of committee meetings, attendance of Board meetings and dates of audit committee meetings were incorrectly reported.*
- *Director's Report for the Financial year 2020-21 does not provide the following items:*
 - a) *Web address of Annual Return as per Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013.*
 - b) *Details in respect of frauds reported by auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government as per Section 134(3)(ca) of Companies Act, 2013.*
 - c) *Financial Highlights of the Company as per Section 134(3)(q) read with Rule 8(5)(i) & (ii) of Companies (Accounts) Rules, 2014.*
 - d) *Disclosure on establishment of Vigil Mechanism as per Section 177(9) read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014.*

I further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive and Independent Directors. There are no changes 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.

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

I further report that:

- The Enforcement Directorate had provisionally attached the land at Nadergul, Ranga Reddy District admeasuring 28 Acres and 8 Guntas of the Company in connection with the redemption of the investments in M/s. Mahalakshmi Energy Ventures Private Limited by its fellow subsidiary Company. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate. The Fellow Subsidiary Company - PVP Global Ventures Private Limited has already filed an appeal against the said Order before Appellate Authority, Delhi. As informed to me there is no further development in this regard.
- During the course of legal case against SEBI's penalty order for Insider Trading, the fellow subsidiary, PVP Global Ventures Private Limited (hereinafter referred to as "PVP Global") has provided the Company's land parcel aggregating to 53 acres 30 guntas as security deposit to SEBI. The Securities Appellate Tribunal has confirmed the penalty of Rs.15 Crores on PVP Global Ventures Pvt Ltd and as informed to us the said fellow subsidiary has remitted the dues. However, the interest on the penalty is pending and is under dispute

Signature:

Sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN: F000926D000790176

Date : 12.08.2022
Place : Hyderabad

'Annexure A'

To,
The Members,
New Cyberabad City Projects Private Limited

My report of even date is to be read along with this letter.

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

Signature:

Sd/-
Name of Company Secretary:
P.A.P. Murthy
FCS: 926; C. P. No: 6633
UDIN: F000926D000790176

Date : 12.08.2022
Place : Hyderabad

ANNEXURE – 3

ANNUAL REPORT ON CSR ACTIVITIES

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

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

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

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

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

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

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

| Corporate Social Responsibility Committee | Designation | Number of meetings held during the year | Number of meetings attended during the year |
|---|---------------------------------------|---|---|
| Mr. N. S. Kumar | Chairman(Non-Executive & Independent) | 1 | 1 |
| Mr. Sohrab Chinoy | Member(Non-Executive & Independent) | 1 | 1 |
| Mr. Prasad V. Potluri | Member (Managing Director) | 1 | 1 |

3. Details of the web link where Composition of the CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company.
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – Not applicable.
4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – Not applicable.
6. Average net profit of the company as per section 135(5) - The company had incurred losses
7. a) Two percent of average net profit of the company as per section 135(5) -The company had incurred losses
 b) Surplus arising out of the CSR projects or programs or activities of the previous financial years – INR 110,19,094.68
 c) Amount required to be set off for the financial year, if any
 d) Total CSR obligation for the financial year (7a+7b-7c) - INR 110,19,094.68
8. a) CSR Amount spent or unspent for the financial year:

| Total amount spent for the Financial year | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
|---|---|------------------|---|--------|------------------|
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| *INR 1.11 Crs | - | - | - | - | - |

* Pertains to previous financial year

- b) Detail of CSR amount spent against ongoing projects for the financial year: No ongoing project was approved during the financial year 2021 – 2022.

c) Details of CSR amount spent against other than ongoing projects for the financial year:

| Sl. No | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes / No) | Location of the Project | | Amount spent in the current financial Year (in INR) | Mode of Implementation - Direct (Yes/ No) | Mode of Implementation - Through Implementing Agency | |
|--------|--------------------------------|--|-----------------------|-------------------------|----------|---|---|--|-------------------------|
| | | | | State | District | | | Name | CSR Registration number |
| 1. | Contribution towards education | Promoting education | Yes | Andhra Pradesh | Krishna | 1.11 Crs | Directly | NA | NA |

9. a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135(6) (in INR) | Amount spent in the reporting Financial Year (in INR) | Amount transferred to any fund specified under Schedule VII as per | | | Amount remaining to be spent in succeeding financial years (in INR) |
|--------|--------------------------|---|---|--|--------|------------------|---|
| | | | | Name of the Fund | Amount | Date of transfer | |
| 1. | 2015-2019 | NA | 1.11 Crs | NA | NA | NA | NA |

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) - Nil

10. Detail relating to creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). – No such capital assets were created

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) - NA

For PVP Ventures Limited

Date : September 06, 2022
Place: Chennai

Sd/-
Prasad V. Pottluri
Chairman & Managing Director

Sd/-
N S Kumar
Chairman of the Committee

Annexure - 4

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

- Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2021-22, the percentage increase in remuneration of Key Managerial Personnel (KMP) and other Executive Directors during the financial year 2021-22

| SL. No | NAME OF THE DIRECTOR/ KMP | DESIGNATION | RATIO OF REMUNERATION OF EACH DIRECTOR TO MEDIAN REMUNERATION OF EMPLOYEES | % INCREASE IN REMUNERATION |
|--------|---------------------------|--------------------------------|--|----------------------------|
| 1 | Mr. Prasad V. Potluri | Chairman and Managing Director | 0 | 0.00 |
| 2 | Mr. Karthikeyan Shanmugam | KMP (CFO) | Not applicable | 0.00 |
| 3 | *Mrs. Ramyanka K | KMP (Company Secretary) | Not applicable | 0.00 |
| 4 | \$ Ms.S.Rukmani | KMP (Company Secretary) | Not applicable | 0.00 |

* Mrs. Ramyanka K, KMP (Company Secretary) was resigned with effect from November 10, 2022

\$ Mrs. S. Rukmani, KMP (Company Secretary) is appointed with effect from November 11, 2022.

- The percentage decrease in Median Remuneration of employees of the Company for the FY 2021-22 is Nil.
- The Company has sixteen (16) permanent employees on the rolls of the Company as on March 31, 2022.
- Average Percentage decrease in salaries of the employees other than the Managerial Personnel in the financial year was Nil and there is no increase in the Managerial personnel.
- 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

- Top 10 employees of the Company based on Remuneration drawn for FY 2021-22:

| Sl. No. | Name of the Employee | Age | Designation | Educational qualification | Date of Joining | Gross Remuneration paid |
|---------|----------------------|-----|--|---------------------------|-----------------|-------------------------|
| 1 | S.Karthikeyan | 51 | CFO | C.A | 06-11-2020 | 45,00,000 |
| 2 | Dileep Badey | 39 | Senior Manager-Projects | BE Civil, PGDACM | 04-08-2011 | 16,99,056 |
| 3 | B.Rama Krishna | 32 | Project Manager | Diploma | 26-12-2020 | 10,80,000 |
| 4 | Abhay Paramal Singh | 28 | GM-Operations | B.SC (H & HA) | 07-01-2021 | 8,00,004 |
| 5 | S. Narayanan | 41 | Sr. Project Manager | B.E | 17-06-2013 | 8,90,100 |
| 6 | Murugan S | 30 | Asst. Manager F & A | M.B.A | 01-02-2021 | 6,00,000 |
| 7 | K. Ramyanka | 33 | Company Secretary & Compliance Officer | B.Com, C.S | 30-04-2020 | 4,99,998 |
| 8 | S. Rukmani | 32 | Company Secretary | C.S | 01-11-2021 | 4,16,665 |
| 9 | Gopi Raj | 36 | Asst. Manager Projects | B.E | 07-03-2012 | 4,06,188 |
| 10 | Subhash Chowdary | 34 | Asst. Manager-Administration | M.B.A | 30-07-2021 | 3,15,000 |

- The percentage of equity shares held by the employee in the company - NA
 - Employee is a relative of any director or manager of the company - NA
- 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.
 - There are no employees who were in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was in excess of Rs. 8,50,000 per month.

Standalone Financial Section

Independent Auditor's Report

To the Members of PVP Ventures Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of PVP Ventures Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matter described in Basis of Qualified Opinion paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March, 2022, and its loss including other comprehensive income, its changes in equity and cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The Company has mortgaged its land situated at Perambur, Chennai as a security and also furnished corporate guarantee to a bank for the borrowings made by PVP Capital Limited, Chennai (i.e., wholly owned step-down subsidiary company) amounting to Rs. 10,000 Lakhs. The outstanding amount as per the books of accounts as on March 31, 2022 including interest due is Rs. 23,856.85 Lakhs. The loanee i.e., PVP Capital Limited has not adhered to repayment schedule of principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the lender bank has taken possession of mortgaged lands and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee, but there were no bidders. We were informed by the Board that the subsidiary viz. PVP Capital Limited has negotiated with the lender bank for one time settlement (OTS) and the lender Bank has also agreed for OTS of Rs. 9500 Lakhs as full and final settlement vide letter from the Bank dated March 15, 2022. PVP Capital Limited has to remit the said sum of Rs. 9500 Lakhs on or before September 14, 2022. PVP Capital Limited has deposited a sum of Rs. 900 Lakhs in an earmarked bank account as on date. The Board of PVP Ventures Ltd also asserts that no provision is required to be made to the carrying value as it is confident that the payment obligation on PVP Capital Limited will be met on or before September 14, 2022 as stipulated by the lender Bank. However, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. Under these circumstances, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the loanee has already defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company in case the corporate guarantee is invoked. Accordingly, the company should have considered reduced carrying value of the said asset and / or guarantee furnished as an obligation as per Ind AS 109 while preparing the financial statements.

On the basis of above facts, the loss for the year ended March 31, 2022 is understated to this extent. However, it is difficult to measure the extent of under statement of loss in the circumstances obtaining. (Refer note no.58 (ii) (a))

In addition to the above, we invite attention to point no. (f) under report on other Legal and Regulatory requirements

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

Material uncertainty related to Going Concern

Attention is invited to note no 42 and 45 to the standalone financial statements, which indicates that the company's current liabilities exceeded its current assets and the company was unable to honour its obligation towards repayment of principal and interest to its debenture holders and non - current investments are to be impaired significantly. This indicates that there exists a material uncertainty that may cast doubt on the company's ability to continue as a going concern, if the company is not successful in its proposed initiatives.

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

Key Audit Matters

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

Contingent Liabilities in relation to Tax Litigations and Other Statutory Litigations

| Key Audit Matter | Auditor's Response |
|--|--|
| <p>The Company has received demand relating to direct tax matters pertaining to various assessment years from Income Tax Department. The company is contesting these demands (refer note no. 51 to the standalone financial statements).</p> <p>There is high level of judgment required in estimating the level of provisioning. The management's assessment is supported by the facts of matter, their own judgment and advices from legal and independent consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the management's reported loss and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/interpretation of law involved.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the current status of the litigations/ tax assessments and demands from the Income Tax department. • Examining recent orders and/or communication received from the said department and follow up action thereon. • Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal advice; and • Review and analysis of evaluation of the contentions of the management through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues. |

As a result of above audit procedures, no material difference was noted. We confirm the adequacy of disclosures made in the financial statements.

Information other than the Standalone Financial Statements and Auditor's Report thereon

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

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

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

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

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order 2020("the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) *Except for the effects of the matter described in the Basis for Qualified Opinion Paragraphs above*, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) *Except for the effects of the matter described in the Basis for Qualified Opinion Paragraphs above*, in our opinion, aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) The matter described in the Basis for Qualified Opinion Paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- f) *Attention is invited to note nos. 43(a) & 43(b) to the standalone financial statements, regarding section 164(2) (b) of the Act, which explains the Board's view regarding defaults committed in redeeming the debentures and repayment of interest as per the schedule of redemption / payment.*

Though the Board has obtained an extension till 30th June, 2022 from the debenture holder vide letter dated 24th May 2022 to pay the outstanding (covering all the defaults happened up to 31st March, 2021) and is of the opinion that as extension of time has been obtained from the debenture holder there is no delay as regards repayment of debenture and interest thereon. However, we do not agree with the Board's view.

- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion Paragraph above.
- h) With respect to the adequacy of the Internal financial control over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
- i) In accordance with the requirements of section 197(16) of the Companies Act, 2013, as amended, in our opinion and to the best of our information and according to the explanations given to us, during the year, the company has not paid remuneration to the directors in accordance with the provisions of section 197 of the Companies Act, 2013. Therefore, remuneration paid to the directors over and above the limits laid down under this section doesn't arise.
- j) With respect to the other matters to be included Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its Standalone Financial Statements - refer note no.39 to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv.
 - a) The Board has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Board has represented, that, to the best of its knowledge and belief, other than as disclosed in the note no.15 to financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations provided under sub-clause (a) and (b) above, contain any material misstatement.
 - v. The Board has not declared any dividend during the year. Hence, reporting on whether there is compliance with the provisions of section 123 of the Act does not arise.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No.004207S

Sd/-
Venkatasubramanian. S
Partner
Membership Number: 219238
UDIN: 22219238AJ0Y02940

Place : Chennai
Date : May 25, 2022

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 2022.

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The company is maintaining proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment are verified physically by the management in accordance with a regular programme at reasonable intervals. In our opinion the interval is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property other than land held as inventory (see point no. (ii) below). Hence reporting under clause (c) of paragraph 3(i) of the Order does not arise.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use asset) or Intangible assets or both, during the year.
- (e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) In our opinion and according to the information and explanations given to us, having regard to nature of inventory i.e. Land, reconciliations with survey numbers of stock-in-hand and certification of extent of land sold by competent persons, are at reasonable intervals and no discrepancies were noticed on physical verification. The title deeds of land are hypothecated with the Bank. We have not verified the title deeds of land and we have relied on the confirmation received from the Bank.
- (b) The Company has not been sanctioned any working capital limits from any Bank or Financial Institution on the basis of security of current assets and hence reporting under clause (b) of para 3(ii) is not applicable.
- (iii) During the year, the company has neither made any investment nor furnished any guarantee nor provided any security nor granted any loan or advances in the nature of loans, secured or unsecured, to companies (other than 3 wholly owned subsidiaries), Firms, Limited Liability Partnerships or any other parties. During the year the company has made interest free loan without specifying any term or period of repayment to three of its wholly owned subsidiary companies and treated the same as deemed investment as prescribed under Ind AS.
- (a) During the year the company has made interest free loan to three of its wholly owned subsidiary companies and treated the same as deemed investment as prescribed under Ind AS.
(A) the aggregate amount of interest free loans advanced to 3 wholly owned subsidiary companies during the year is Rs. 1487.85 Lakhs. The company has fully provided for a sum of Rs. 24,841.76 Lakhs during the year in respect of these three subsidiaries and the balance outstanding as at the balance Sheet date is Nil. In respect of an other subsidiary, the balance outstanding as at the balance sheet date is Rs. 21,843.49 Lakhs, being the opening balance.
The outstanding balance of guarantee furnished on behalf of a step down subsidiary is Rs. 10000 Lakhs. The approximate market value (as represented to us) of security provided to a lender of its step down subsidiary as at the year end is Rs. 18,000 Lakhs and the market value (as represented to us) of security provided as at the year end to Debenture holder is Rs. 32,561.37 Lakhs.
The company does not have joint venture or an associate.
(B) The Company has not granted any loans or advances and has not furnished guarantees or provided security to any other party other than the subsidiaries. Hence reporting under this clause does not arise.
- (b) The loan granted during the year as mentioned above is interest free and was fully provided for in the books of the company and hence it is prejudicial to the company's interest.
- (c) The Company has treated the interest free loan made to its wholly owned subsidiary as deemed investment as per Ind AS and hence reporting under clauses iii (c), iii (d), iii (e) of para 3 of the Order, does not arise.
- (d) During the year the company has made interest free loan without specifying any term or period of repayment to three of its wholly owned subsidiary companies and treated the same as deemed investment as prescribed under Ind AS. Aggregate amount of loan granted during the year is Rs. 1,487.85 Lakhs and percentage thereof to total loans granted during the year is 100%.
- (iv) According to the information and explanations given to us, the company has complied with the provisions of section 185 and section 186 of the Act with respect to loans granted, investments made, guarantee furnished and security provided, as applicable.
- (iv) The Company has not accepted any deposit or amounts deemed to be deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, reporting under clause v of para 3 of the Order is not applicable.

- (vi) Maintenance of cost records specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 is not applicable to the company and hence reporting under this clause does not arise.
- (vii) (a) According to the records provided to us, the company is generally regular (other than the dues mentioned below) in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax (Including Tax Deducted at Source), Duty of Customs, Goods and Services Tax, Cess and other statutory dues with the appropriate authorities wherever applicable.

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 Statute | Nature of Dues | Amount (Rs. in Lakhs) | Period to which the amount relates |
|---|------------------------|-----------------------|------------------------------------|
| The Tamilnadu Urban Land Ceiling and Regulation Act, 1978 | Urban Land Tax | 39.50 | June 2017 to September, 2021 |
| The Income Tax Act, 1961 | Income Tax* | 213.35 | Financial Year 2016-17 |
| The Income Tax Act, 1961 | Interest on Income Tax | 97.07 | Financial Year 2016-17 |

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

- (b) According to the information and explanations given to us, the details of dues of Income tax which is not deposited on account of any dispute as on 31st March, 2022 are given below: - **(Rs. in lakhs)**

| Nature of Statute | 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 | Income Tax Appellate Tribunal, Chennai |
| The Income Tax Act, 1961 | Income Tax | 493.43 | Assessment Year 2013-14 | Commissioner of Income-Tax (Appeals), Chennai |
| The Income Tax Act, 1961 | Penalty | 1,276.59 | Assessment Year 2008-09 | Commissioner of Income-Tax (Appeals), Chennai |
| The Income Tax Act, 1961 | Income Tax (Including interest) | 48.52 | Assessment Year 2016-17 | Centralized Processing Centre/Assessing Officer |

- (viii) According to the information and explanations furnished to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year:
- (ix) (a) According to the records of the company examined by us and the information and explanation given to us, the company has defaulted in repayment of principal and interest thereon, as on the reporting date to the debenture holders as follows: **(Rs. in Lakhs)**

| Name of the Borrowing | Due Date* | Principal | Interest | Total Amount | No of Days unpaid |
|-----------------------|------------|-----------|----------|--------------|-------------------|
| NCD Tranche A | 30-06-2019 | - | 18.68 | 18.68 | 1005 |
| NCD Tranche A | 30-09-2019 | 71 | 162.82 | 376.32 | 913 |
| NCD Tranche A | 31-12-2019 | 241.25 | 164.31 | 405.56 | 821 |
| NCD Tranche A | 31-03-2020 | 241.25 | 155.49 | 396.74 | 730 |
| NCD Tranche A | 30-06-2020 | 241.25 | 152.15 | 393.4 | 639 |
| NCD Tranche A | 30-09-2020 | 241.25 | 135.64 | 376.89 | 547 |
| NCD Tranche A | 31-12-2020 | 241.25 | 126.81 | 368.06 | 455 |
| NCD Tranche A | 31-03-2021 | 241.25 | 118.53 | 359.78 | 365 |
| NCD Tranche A | 30-06-2021 | 241.25 | 117.48 | 358.73 | 274 |
| NCD Tranche A | 30-09-2021 | 241.25 | 116.21 | 357.46 | 182 |
| NCD Tranche A | 31-12-2021 | 241.25 | 113.45 | 354.7 | 90 |
| NCD Tranche A | 31-03-2022 | 241.25 | 110.24 | 351.49 | 0 |
| NCD Tranche B | 30-04-2019 | 518.13 | 1,108.12 | 1,626.24 | 1066 |
| NCD Tranche B | 31-07-2019 | 518.13 | 376.11 | 894.24 | 974 |
| NCD Tranche B | 31-10-2019 | 518.13 | 376.12 | 894.25 | 882 |
| NCD Tranche B | 31-01-2020 | 518.13 | 376.11 | 894.24 | 790 |
| NCD Tranche B | 30-04-2020 | 518.13 | 372.03 | 890.16 | 700 |
| NCD Tranche B | 31-07-2020 | 518.13 | 376.11 | 894.24 | 608 |
| NCD Tranche B | 31-10-2020 | 518.13 | 376.11 | 894.24 | 516 |
| NCD Tranche B | 31-01-2021 | 518.13 | 376.11 | 894.24 | 424 |
| NCD Tranche B | 30-04-2021 | 518.13 | 363.85 | 881.98 | 335 |
| NCD Tranche B | 31-07-2021 | 518.13 | 376.13 | 894.24 | 243 |

| Name of the Borrowing | Due Date* | Principal | Interest | Total Amount | No of Days unpaid |
|-----------------------|------------|-----------|----------|--------------|-------------------|
| NCD Tranche B | 31-10-2021 | 518.13 | 376.12 | 894.24 | 151 |
| NCD Tranche B | 31-01-2022 | 518.13 | 376.11 | 894.24 | 59 |

NCD- Non Convertible Debenture.

*Debenture holder namely Investment Opportunities V Pte Limited, Singapore vide letter dated 24th May, 2022, has granted time till 30th June, 2022 to pay the outstanding amount.

Also refer note no. 43 (a) and (b) to the standalone financial statements.

| Name of the Borrowing | Due Date* | Principal | Interest | Total Amount | No of Days |
|-----------------------------|------------|-----------|----------|--------------|------------|
| Fully Convertible Debenture | 15-12-2017 | - | 517.43 | 517.43 | 1567 |
| Fully Convertible Debenture | 15-06-2018 | - | 360.51 | 360.51 | 1385 |
| Fully Convertible Debenture | 15-12-2018 | - | 364.49 | 364.49 | 1202 |
| Fully Convertible Debenture | 15-06-2019 | - | 360.51 | 360.51 | 1020 |
| Fully Convertible Debenture | 15-12-2019 | - | 364.49 | 364.49 | 837 |
| Fully Convertible Debenture | 15-06-2020 | - | 362.5 | 362.5 | 654 |
| Fully Convertible Debenture | 15-12-2020 | - | 364.49 | 364.49 | 471 |
| Fully Convertible Debenture | 15-06-2021 | - | 360.51 | 360.51 | 289 |
| Fully Convertible Debenture | 31-12-2021 | - | 364.49 | 364.49 | 90 |

*Debenture holder namely Investment Opportunities V Pte Limited, Singapore vide letter dated 24th May, 2022, has granted time till 30th June, 2022 to pay the outstanding amount.

Also refer note no. 43 (a) and (b) to the standalone financial statements.

(b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) The terms loans availed by the company were utilized for the purpose for which it were obtained.

(d) The funds raised on short term basis have not been utilized for long term purposes.

(e) The company has availed loan from following parties to meet the obligation (payment of penalty to SEBI) of one of its wholly owned subsidiaries namely PVP Global Ventures Private Limited, Chennai. The details are furnished below:

i) From three Companies - Rs. 1037.07 Lakhs

The company does not have a joint venture or an associate

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries. The company does not have a joint venture or an associate.

- (x) (a) The Company has not raised money by way of public issue offer or further public offer (including debt instruments) and hence the question of utilization of money raised by way of initial public offer does not arise.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under this clause does not arise.
- (xi) (a) Based on the audit procedures adopted and information and explanations furnished to us by the management, no fraud on or by the company has been noticed or reported during the year.
- (b) In view of what is stated in point no. xi (a) above, no report under sub-section 12 of section 143 of Companies Act, 2013 has been filed in Form ADT-4 during the year.
- (c) According to information furnished to us, the company has not received any whistle-blower complaints during the year.
- (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 explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in the Standalone Ind AS Financial Statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of this audit report, for the year under audit have been considered by us.
- (xv) According to the information and explanations furnished to us, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence, the provisions of clause 3 [xvi(a) & (b)] are not applicable to the company.

- (b) The company has not conducted any non banking financial or housing finance activities. Hence, reporting under this para 3 (xvi) (b) is not applicable to the company.
 - (c) The Company is an unregistered Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India. The company continues to be CIC for the financial year 2021-22.
 - (d) In our opinion, the group has more than one core investment company as part of the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) .There are two core investment companies which are part of the group .
- (xvii) The company has not incurred cash loss in the financial year as well as in the immediately preceding financial year.
- (xviii) During the year, there is no resignation of statutory auditors. Accordingly, reporting under this clause 3 (xviii) is not applicable.
- (xix) Attention is invited to our Emphasis on material uncertainty on Going Concern in our main report. We have been represented that the new joint development agreement effective from March 23, 2022 will increase the revenue in the forthcoming years and the Board is confident of meeting its liabilities existing as at the date of balance sheet and when they fall due within a period of one year from the date of balance sheet.
- (xx) (a) The company was not required to spend Corporate Social Responsibility expenditure under section 135 of the Act for the financial year ended March 31, 2022. However, the company has remitted the unspent amount of Rs. 111 Lakhs pertaining to the financial years 2015-2016 to 2019-2020, to an educational institution.
- (b) The company was not required to spend under section 135 of the Act for the financial year ended March 31, 2022. Hence reporting under this clause does not arise.
- (xxi) Regarding qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, refer Point no 2 under "Report on Other Legal and Regulatory Requirements" in our report of even date on Consolidated Financial Statements.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No.004207S

Sd/-
Venkatasubramanian. S
Partner

Membership Number: 219238
UDIN: 22219238AJYOYO2940

Place : Chennai
Date : May 25, 2022

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, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2022:

Assessment of expected cash shortfall and resultant loss allowance that may be required in respect of invocation of corporate guarantee as well as invocation of collateral on land furnished to the lender of a subsidiary, where the subsidiary is not in a position to serve the interest and principal.

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 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

We have considered the material weaknesses identified and reported in the Qualified Opinion paragraph in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the company for the year ended 31st March, 2022 and material weaknesses do not affect our opinion on the financial statements of the company.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No.0042075

Sd/-
Venkatasubramanian. S
Partner
Membership Number: 219238
UDIN: 22219238AJYOYO2940

Place : Chennai
Date : May 25, 2022

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

(` in Lakhs)

| Particulars | Note No. | As at | |
|--|----------|------------------|------------------|
| | | 31st March, 2022 | 31st March, 2021 |
| I ASSETS | | | |
| (1) Non Current Assets | | | |
| (a) Property, Plant and Equipment | 4(a) | 116.31 | 155.81 |
| (b) Other Intangible assets | 4(b) | 0.02 | 0.02 |
| (c) Right of use assets | 4(c) | 128.86 | 144.31 |
| (d) Financial Assets | | | |
| (i) Investments | 5 | 33,185.12 | 81,547.96 |
| (ii) Other financial assets | 6 | 18.73 | 23.73 |
| (e) Deferred tax assets (Net) | | 941.74 | 941.74 |
| (f) Other non current assets | 7 | 153.97 | 153.97 |
| Total Non Current Assets (a) | | 34,544.75 | 82,967.54 |
| (2) Current assets | | | |
| (a) Inventories | 8 | 6,238.30 | 6,503.08 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 9 | 24.75 | 153.61 |
| (ii) Cash and cash equivalents | 10 | 26.32 | 375.53 |
| (iii) Loans | 11 | 2.68 | 1.19 |
| (iv) Other financial assets | 12 | 216.21 | 211.99 |
| (c) Other current assets | 13 | 6.07 | 8.02 |
| Total Current Assets (b) | | 6,514.33 | 7,253.42 |
| Total Assets (c) = (a) + (b) | | 41,059.08 | 90,220.96 |
| II EQUITY AND LIABILITIES | | | |
| A EQUITY | | | |
| (a) Equity Share Capital | 14 A | 24,505.27 | 24,505.27 |
| (b) Other Equity | 14 B | (16,413.54) | 33,818.58 |
| Total Equity (d) | | 8,091.73 | 58,323.85 |
| B LIABILITIES | | | |
| (1) Non Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 5,210.15 | 7,094.48 |
| (ia) Lease liabilities | 16 | 142.07 | 147.30 |
| (b) Provisions | 17 | 15.18 | 13.29 |
| (c) Other non current liabilities | 18 | 705.00 | 3,954.74 |
| Total Non Current Liabilities (e) | | 6,072.40 | 11,209.81 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 19 | 13,385.23 | 10,354.11 |
| (ia) Lease liabilities | 20 | 5.73 | 11.57 |
| (ii) Trade payables | 21 | | |
| Total outstanding dues of micro enterprises and small enterprises; and | | 10.15 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 65.09 | 45.50 |
| (iii) Other financial liabilities | 22 | 10,627.70 | 7,961.22 |
| (b) Other current liabilities | 23 | 2,561.26 | 2,074.44 |
| (c) Provisions | 24 | 239.79 | 240.46 |
| Total Current Liabilities | | 26,894.95 | 20,687.30 |
| Total Equity and Liabilities (g) = (d) + (e) + (f) | | 41,059.08 | 90,220.96 |

Summary of Significant Accounting Policies

1-3

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

As per our report of even date.

For Sundaram & Srinivasan
Chartered Accountants
Firm Reg No. 004207S

Sd/-
Venkatasubramanian.S
Partner
Membership No. 219238

Place : Chennai
Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director
(DIN: 00179175)
Place : Hyderabad
Date : May 25, 2022

Sd/-
Karthikeyan Shanmugam
Chief Financial Officer
Place : Chennai
Date : May 25, 2022

Sd/-
N.S. KUMAR
Director
(DIN: 00552519)
Place : Chennai
Date : May 25, 2022

Sd/-
S. Rukmini
Company Secretary
ACS M. No. F11307
Place : Chennai
Date : May 25, 2022

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2022

(in Lakhs)

| Particulars | | Note | For the Year Ended 31st March 2022 | For the Year Ended 31st March 2021 |
|-------------|--|-------------------------|--|--|
| I. | Revenue from Operations | 25 | 3,220.64 | 1,753.10 |
| II. | Other Income | 26 | 66.07 | 52.08 |
| III. | Total Income (I+II) | | 3,286.71 | 1,805.18 |
| IV. | Expenses : | | | |
| | Change in inventories of stock in trade | 27 | 264.78 | 99.50 |
| | Employee Benefit Expenses | 28 | 151.07 | 133.46 |
| | Finance Costs | 29 | 2,817.69 | 2,781.08 |
| | Depreciation and Amortisation expenses | 4(a), 4(b) & 4(c) | 56.56 | 70.89 |
| | Other Expenses | 30 | 380.22 | 195.63 |
| | Total Expenses (IV) | | 3,670.32 | 3,280.56 |
| V. | Profit Before Tax and Exception items (III-IV) | | (383.61) | (1,475.38) |
| VI. | Exceptional Items | 31 | 49,850.66 | - |
| VII. | Profit/ (Loss) Before Tax (V-VI) | | (50,234.27) | (1,475.38) |
| VIII. | Tax Expenses | | | |
| | (1) Current Tax | | - | - |
| | (2) Deferred Tax | | - | - |
| | (3) Income Tax for Earlier Years | | - | - |
| | Total Tax Expenses | | - | - |
| IX. | Profit (Loss) for the Period (VII+VIII) | | (50,234.27) | (1,475.38) |
| X. | Other Comprehensive income, net of tax | | - | - |
| | i) Item that will not be reclassified to profit or Loss | | | |
| | Remeasurement of defined benefit obligation | | 2.15 | 4.38 |
| | Less: Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | ii) Items that will be reclassified to profit or loss | | - | - |
| | Other Comprehensive income for the year, net of tax | | 2.15 | 4.38 |
| XI. | Total Comprehensive income for the year, net of tax (IX+X) | | (50,232.12) | (1,471.00) |
| XII. | Earnings per equity share of nominal value of Rs.10 each | | | |
| | Basic and Diluted (In Rs.) | 50 | (20.50) | (0.60) |

Summary of Significant Accounting Policies

1-3

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

As per our report of even date.

For Sundaram & Srinivasan
Chartered Accountants
Firm Reg No. 004207S

Sd/-
Venkatasubramanian.S
Partner
Membership No. 219238

Place : Chennai
Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director
(DIN: 00179175)
Place : Hyderabad
Date : May 25, 2022

Sd/-
Karthikeyan Shanmugam
Chief Financial Officer
Place : Chennai
Date : May 25, 2022

Sd/-
N.S. KUMAR
Director
(DIN: 00552519)
Place : Chennai
Date : May 25, 2022

Sd/-
S. Rukmini
Company Secretary
ACS M. No. F11307
Place : Chennai
Date : May 25, 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(` in Lakhs)

| | Particulars | | | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|-----------|--|--|------------|---------------------------------------|---------------------------------------|
| A. | CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| | Profit / (Loss) before Tax | | | (50,234.27) | (1,475.38) |
| | Adjustments for: | | | | |
| | Exceptional items | | | 49,850.66 | |
| | Depreciation and Amortization | | | 56.56 | 70.89 |
| | (Profit) / Loss on Sale of Property, Plant & Equipment | | | 0.62 | - |
| | Provision for Doubtful Advances | | | 10.00 | - |
| | Provision for Employee Benefits | | | 3.37 | (19.89) |
| | Gain on lease modification | | | (1.92) | - |
| | Interest Income | | | (15.22) | (25.04) |
| | Sundry Creditors Written up | | | (2.52) | - |
| | Provision for Expenses no Longer required written up | | | (46.41) | - |
| | Assets Writtentoff | | | 2.26 | - |
| | Interest Expenses | | | 2,713.38 | 2,780.01 |
| | Cash Generated Before Working Capital Changes | | | 2,336.51 | 1,330.59 |
| | Movement In Working Capital | | | | |
| | Increase / (Decrease) in Trade Payables | | | 32.26 | (34.95) |
| | Increase / (Decrease) in Other Financial Liabilities | | | (8.07) | (11.38) |
| | Increase / (Decrease) in Other Liabilities | | | (2,762.92) | (1,201.28) |
| | (Increase) / Decrease in Trade Receivables | | | 128.85 | (24.40) |
| | (Increase) / Decrease in Loans | | | (1.49) | 3.17 |
| | (Increase) / Decrease in Inventories | | | 264.78 | 99.50 |
| | (Increase) / Decrease in Other Financial Assets | | | 10.78 | 3.83 |
| | (Increase) / Decrease in Other Assets | | | 2.62 | (3.62) |
| | Cash Generated From Operations | | | 3.32 | 161.46 |
| | Direct Taxes Paid | | | - | (3.96) |
| | Net Cash Flow From / (Used in) Operating Activities | | (A) | 3.32 | 157.50 |
| B. | CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES | | | | |
| | Purchase of Property, Plant & Equipment | | | (0.83) | (2.49) |
| | Proceeds from the Sale of Investments | | | - | 947.59 |
| | Investments/advances to subsidiaries | | | (1,487.84) | (83.35) |
| | Proceeds from sale of investments | | | 0.03 | - |
| | Interest Income Received | | | 0.50 | 44.71 |
| | Net Cash Flow From / (Used in) Investing Activities | | (B) | (1,488.14) | 906.46 |

CASH FLOW STATEMENT (Contd.)

(in Lakhs)

| Particulars | | | | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|--|--|----------------|---------------------------------------|---------------------------------------|
| C. | CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES | | | | |
| | Proceeds from/(to) Short - Term Borrowings (Net) | | | 1,103.50 | 47.48 |
| | Proceeds from/(to) Long - Term Borrowings (Net) | | | 43.29 | (786.43) |
| | Payment of Lease Liabilities | | | (8.32) | (46.10) |
| | Interest Paid | | | (2.86) | 70.66 |
| | Net Cash Flow From / (Used in) Financing Activities | | (C) | 1,135.61 | (714.39) |
| | Net Increase / (Decrease) in Cash and Cash Equivalents | | (A+B+C) | (349.21) | 349.57 |
| | Cash and Cash Equivalents at the beginning of the year | | | 375.53 | 25.96 |
| | Cash and Cash Equivalents at the end of the year | | | 26.32 | 375.53 |
| | Components of Cash and Cash Equivalents | | | | |
| | Cash on Hand | | | 0.00 | 0.08 |
| | Balances with Banks | | | | |
| | -in Current Accounts and Deposits Accounts | | | 26.32 | 375.45 |
| | Cash and cash Equivalent | | | 26.32 | 375.53 |
| The accompanying notes and other explanatory information are integral part of the standalone financial statements. | | | | | |

Notes:

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

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

(Rs. in Lakhs)

| Particulars | As at 01st April, 2021 | Net Cash Out Flows | Non Cash Changes - Book Adjustments | As at 31st March, 2022 |
|------------------------------------|---------------------------|-----------------------|---|---------------------------|
| Long Term Borrowings | 15,958.14 | 43.29 | - | 16,001.43 |
| Short Term Borrowings | 1,490.46 | 1,103.50 | - | 2,593.96 |
| Other Financial Liabilities | 7,914.46 | (2.86) | 2,677.44 | 10,589.05 |
| Total Financial Liabilities | 25,363.06 | 1,143.93 | 2,677.44 | 29,184.43 |

As per our report of even date.
For Sundaram & Srinivasan
Chartered Accountants
Firm Reg No. 004207S

Sd/-
Venkatasubramanian.S
Partner
Membership No. 219238

Place : Chennai
Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director
(DIN: 00179175)
Place : Hyderabad
Date : May 25, 2022

Sd/-
Karthikeyan Shanmugam
Chief Financial Officer
Place : Chennai
Date : May 25, 2022

Sd/-
N.S. KUMAR
Director
(DIN: 00552519)
Place : Chennai
Date : May 25, 2022

Sd/-
S. Rukmini
Company Secretary
ACS M. No. F11307
Place : Chennai
Date : May 25, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

(in Lakhs)

A. Equity Share Capital

(1) Year ended 31st March 2022 (refer Note No.: 14A)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 24,505.27 | - | - | - | 24,505.27 |

(2) Year ended 31st March 2021 (refer Note No.: 14A)

| Balance at the beginning of the previous reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the previous reporting period | Changes in equity share capital during the previous year | Balance at the end of the previous reporting period |
|---|--|--|--|---|
| 24,505.27 | - | - | - | 24,505.27 |

B. Other Equity

(1) Year ended 31st March 2022 (refer Note No.: 14B)

| Particulars | Reserves & Surplus | | | | | Total |
|--|--------------------------|------------------------------|--|----------------------|---|-------------|
| | Security Premium Reserve | Debenture redemption reserve | Retained Earnings | | Other Items of Other Comprehensive Income | |
| | | | Profit/(Loss) in the statement of Profit or Loss | Defined benefit plan | | |
| Balance at the beginning of 1st April 2021 | 77,511.10 | 150.00 | (43,839.08) | (3.44) | - | 33,818.58 |
| Profit for the year, net of income tax | - | - | (50,234.27) | - | - | (50,232.12) |
| Other comprehensive income for the year | - | - | - | - | 2.15 | 2.15 |
| Transfer to retained earnings | - | - | - | 2.15 | (2.15) | - |
| Balance at the end of 31st March 2022 | 77,511.10 | 150.00 | (94,073.35) | (1.29) | - | (16,413.54) |

(2) Year ended 31st March 2021 (refer Note No.: 14B)

| Particulars | Reserves & Surplus | | | | | Total |
|--|--------------------------|------------------------------|--|----------------------|---|------------|
| | Security Premium Reserve | Debenture redemption reserve | Retained Earnings | | Other Items of Other Comprehensive Income | |
| | | | Profit/(Loss) in the statement of Profit or Loss | Defined benefit plan | Remeasurements of net defined benefit Liability/Asset | |
| Balance at the beginning of 1st April 2020 | 77,511.10 | 150.00 | (42,363.70) | - | (7.82) | 35,289.58 |
| Profit for the year, net of income tax | - | - | (1,475.38) | - | - | (1,475.38) |
| Other comprehensive income for the year | - | - | - | - | 4.38 | 4.38 |
| Transfer to retained earnings | - | - | - | (3.44) | 3.44 | - |
| Balance at the end of 31st March 2021 | 77,511.10 | 150.00 | (43,839.08) | (3.44) | - | 33,818.58 |

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

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

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

As per our report of even date.

For Sundaram & Srinivasan

Chartered Accountants
Firm Reg No. 004207S

Sd/-

Venkatasubramanian.S

Partner
Membership No. 219238

Place : Chennai
Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-

PRASAD V. POTLURI

Chairman & Managing Director

(DIN: 00179175)

Place : Hyderabad

Date : May 25, 2022

Sd/-

Karthikeyan Shanmugam

Chief Financial Officer

Place : Chennai

Date : May 25, 2022

Sd/-

N.S. KUMAR

Director

(DIN: 00552519)

Place : Chennai

Date : May 25, 2022

Sd/-

S. Rukmini

Company Secretary

ACS M. No. F11307

Place : Chennai

Date : May 25, 2022

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

1. Corporate Information

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

The standalone financial statements for the year ended March 31, 2022 (including comparatives) are duly adopted by the Board of Directors in the meeting held on May 25, 2022 by video conferencing for consideration and approval by the shareholders.

2. Significant Accounting Policies

Basis of Preparation of Financial Statements

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

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

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 operates.

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**.

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

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 conforming to the above is classified as non-current

A liability is classified as current when

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

Any liability not conforming to the above is classified as noncurrent

a. Property, Plant and Equipment:

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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

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

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

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

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

b. Impairment of Property, Plant & Equipment:

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

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

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

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

c. Foreign Currency Translation:

Initial Recognition

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

Measurement of foreign currency items on reporting date

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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

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

Subsequent Measurement

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

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

d. Leases:

The company as a Lessee

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

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

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

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

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

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

The company as a Lessor

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

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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

Lease-hold land:

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

The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 116 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

e. Inventories

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

f. Financial Instruments

1) Initial Recognition

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

2) Subsequent measurement

(i) Financial assets carried at amortised cost

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

ii) Financial assets at fair value through other comprehensive income

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

iii) Financial Assets at fair value through profit or loss

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

iv) Investment in Subsidiaries

Investments in subsidiaries are carried at cost in accordance with Ind AS 27 Separate Financial Statements. Provision for diminution in value of investments has been made wherever required.

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 or 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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

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 lifetime 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.

g. Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent assets are not recognized in the financial statements.

h. Revenue Recognition

The company has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

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

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.

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

i. Employee Benefits

1) Gratuity

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to profit or loss. As required under Ind AS compliant Schedule III, to the Companies Act, 2013 the Company transfers it 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 and Loss in each year. Contribution plans primarily consist of Provident Fund administered and managed by the Government of India. The Company makes monthly contributions and has no further obligations under the plan beyond its contributions.

j. Taxes on Income

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

1) Current Income Tax

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

2) Deferred Income Tax

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

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

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

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

k. Borrowing Costs

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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

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

l. Earnings per Share

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

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

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

m. Cash Flow Statement

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

n. Exceptional Items

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

o. Segment Reporting

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

p. Indian Accounting Standards / amendments issued but not yet effective

The Ministry of Corporate Affairs ('MCA') notified amendments to existing standards Ind AS - 16, 37, 41, 101, 103 and 109 under Companies (Indian Accounting Standards) Rules, 2022 on March 2022. These amendments are effective for the financial year beginning from April 01, 2022.

The Company has evaluated these amendments and there are no impacts on its financial statements.

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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

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 and loss.
- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.
- **Revenue from Contracts with Customers:** The company has applied judgments that affect the determination of the amount and timing of revenue from contracts with customers.

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 4 : Property, Plant and Equipment

(` in Lakhs)

(a) Tangible Assets

| Particulars | Plant & Equipment | Computers & Related Assets | Furniture & Fixtures | Vehicles | Office Equipments | Total |
|--|-------------------|----------------------------|----------------------|---------------|-------------------|---------------|
| Gross Block | | | | | | |
| Gross Carrying value as on 1st April, 2020 | 2.98 | 24.81 | 73.61 | 242.19 | 96.70 | 440.29 |
| Additions | - | 1.54 | - | 0.95 | - | 2.49 |
| Disposals | - | - | - | - | - | - |
| Gross Carrying value as on 31st March, 2021 | 2.98 | 26.35 | 73.61 | 243.14 | 96.70 | 442.78 |
| Additions | - | 0.34 | - | - | 0.49 | 0.83 |
| Disposals | (1.22) | (4.47) | - | (9.35) | (12.61) | (27.65) |
| Gross Carrying value as on 31st March, 2022 | 1.76 | 22.22 | 73.61 | 233.79 | 84.58 | 415.96 |
| Accumulated Depreciation | | | | | | |
| Accumulated Depreciation as on 1st April, 2020 | 1.62 | 16.50 | 53.46 | 87.85 | 83.26 | 242.69 |
| For the period 2020-21 | | | | | | |
| Charges for the period | 0.12 | 2.63 | 10.69 | 27.56 | 3.28 | 44.28 |
| Disposals | - | - | - | - | - | - |
| Accumulated Depreciation as on 31st March, 2021 | 1.74 | 19.13 | 64.15 | 115.41 | 86.54 | 286.97 |
| For the period 2021-22 | | | | | | |
| Charges for the period | 0.01 | 1.92 | 3.92 | 28.58 | 3.02 | 37.45 |
| Disposals | (1.11) | (3.81) | - | (8.71) | (11.14) | (24.77) |
| Accumulated Depreciation as on 31st March, 2022 | 0.64 | 17.24 | 68.07 | 135.28 | 78.42 | 299.65 |
| Net Block | | | | | | |
| As on 31st March, 2021 | 1.24 | 7.22 | 9.46 | 127.73 | 10.16 | 155.81 |
| As on 31st March, 2022 | 1.12 | 4.98 | 5.54 | 98.51 | 6.16 | 116.31 |

Note 4 (b) Intangible Assets - Software

| Particulars | Rs. in Lakhs |
|--|--------------|
| Gross Block | |
| Gross Carrying value as on 1st April, 2020 | 0.43 |
| Additions | - |
| Deletions | - |
| Gross Carrying value as on 31st March, 2021 | 0.43 |
| Additions | - |
| Deletions | - |
| Gross Carrying value as on 31st March, 2022 | 0.43 |
| Accumulated Depreciation | |
| Accumulated Depreciation as on 1st April, 2020 | 0.36 |
| Depreciation | 0.05 |
| Accumulated depreciation on deletions | - |
| Accumulated Depreciation as on 31st March, 2021 | 0.41 |
| Depreciation | - |
| Accumulated depreciation on deletions | - |
| Accumulated Depreciation as on 31st March, 2022 | 0.41 |
| Net Block | |
| As on 31st March, 2021 | 0.02 |
| As on 31st March, 2022 | 0.02 |

Note: During the current year, as well as previous year, the Company has not revalued any Right-of-Use asset, Buildings.

Note 4 (c) Right of use assets - Building

| Particulars | Rs. in Lakhs |
|--|---------------|
| Gross Block | |
| Gross Carrying value as on 1st April, 2020 | 68.27 |
| Additions | 161.26 |
| Deletions | (20.90) |
| Gross Carrying value as on 31st March, 2021 | 208.63 |
| Additions | 4.71 |
| Deletions | (1.05) |
| Gross Carrying value as on 31st March, 2022 | 212.29 |
| Accumulated Depreciation | |
| Accumulated Depreciation as on 1st April, 2020 | 37.76 |
| Depreciation | 26.56 |
| Accumulated depreciation on deletions | - |
| Accumulated Depreciation as on 31st March, 2021 | 64.32 |
| Depreciation | 19.11 |
| Accumulated depreciation on deletions | - |
| Accumulated Depreciation as on 31st March, 2022 | 83.43 |
| Net Block | |
| As on 31st March, 2021 | 144.31 |
| As on 31st March, 2022 | 128.86 |

Note: During the current year, as well as previous year, the Company has not revalued any Right-of-Use asset, Buildings.

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 5 Investments

(Rs In Lakhs)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---------------------------|---------------------------|
| Investment in equity instruments | | |
| Investment carried at cost, fully paid up | | |
| I. Investments in Subsidiaries | | |
| (i) Quoted | | |
| Picturehouse Media Limited, Chennai (PHML) - CHENNAI * | 526.06 | 526.06 |
| 33,21,594 (31st March, 2021 - 33,21,594) equity shares of Rs. 10 each | | |
| Less: Provision for diminution in value of investment | (492.84) | (492.84) |
| (A) | 33.22 | 33.22 |
| (ii) Unquoted | | |
| (a) PVP Corporate Parks Private Limited (PCPL) - Chennai | 50.00 | 50.00 |
| 500,000 (31 st March 2021 - 500,000) equity shares of Rs. 10 each | | |
| (b) PVP Global Ventures Private Limited (PGPL) - Chennai | 92,737.88 | 91,250.33 |
| 88,22,869 (31 st March 2021 - 88,22,869) equity shares of Rs. 10 each (Refer Point III below) | | |
| Less: Provision for diminution in value of investment | (83,001.84) | (35,160.16) |
| (c) New Cyberabad City Projects Private Limited, Hyderabad (NCCPPL) - Hyderabad** | 21,944.49 | 21,944.49 |
| 1,010,000 (31 st March 2021 - 1,010,000) equity shares of Rs.10 each (Refer Point III below) | | |
| (d) PVP Media Ventures Private Limited (PMPL), Chennai | 864.38 | 864.23 |
| 19,000 (31 st March 2021 - 19,000) equity shares of Rs.10 each (Refer Point III below) | | |
| Less: Provision for diminution in value of investment | (864.38) | - |
| (e) Safetrunk Services Private Limited, (SSPL) - Chennai | 1,144.60 | 1,144.45 |
| 48,00,000 (31 st March 2021 - 48,00,000) equity shares of Rs. 10 each (Refer Point III below) | | |
| Less: Provision for diminution in value of investment | (1,144.60) | - |
| (B) | 31,730.53 | 80,093.34 |
| II. Other Investments | | |
| Blaster Sports Ventures Private Limited (BSVPL) | 1,421.37 | 1,421.37 |
| 1,42,13,660 (31st March, 2021 - 1,42,13,660) (1% Redeemable Non - convertible Cumulative unsecured debentures of Rs.10 each) | | |
| Arsikere Solar Pvt Ltd - Nil (Last year: 100 equity shares of Rs.10 each) | - | 0.01 |
| Kadur Solar Pvt Ltd - Nil (Last year: 100 equity shares of Rs.10 each) | - | 0.01 |
| Ranibenur Solar Pvt Ltd - Nil (Last year: 100 equity shares of Rs.10 each) | - | 0.01 |
| (C) | 1,421.37 | 1,421.40 |
| Total Non-Current Investments (A+B+C) | 33,185.12 | 81,547.96 |
| Aggregate amount of quoted investments | 526.06 | 526.06 |
| Aggregate amount of impairment of quoted investments | (492.84) | (492.84) |
| Aggregate amount of quoted investments - Market Value - CY Rs. 108.28 Lakhs PY - Rs. 39.52) | 33.22 | 33.22 |
| Aggregate amount of unquoted investments | 1,18,162.72 | 1,16,674.90 |
| Aggregate amount of impairment in value of investments | (85,010.82) | (35,160.16) |
| | 33,185.12 | 81,547.96 |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

| III. Movement in investments as at 31st March 2022 | Investment as at 01st April 2021 | Fair value of Interest free loan | Investment as at 31st Mar 2022 |
|--|----------------------------------|----------------------------------|--------------------------------|
| PVP Global Ventures Private Limited (PGPL) - Chennai | 54,527.00 | 38,210.88 | 92,737.88 |
| New Cyberabad City Projects Private Limited (NCCPPL) - Hyderabad | 101.00 | 21,843.49 | 21,944.49 |
| PVP Media Ventures Private Limited (PMPL) - Chennai | 1.90 | 862.48 | 864.38 |
| Safetrunk Services Private Limited (SSPL) - Chennai | 480.00 | 664.60 | 1,144.60 |
| PVP Corporate Parks Private Limited (PCPL) - Chennai | 50.00 | - | 50.00 |
| Total | 55,159.90 | 61,581.45 | 1,16,741.35 |

| III. Movement in investments as at 31st March 2021 | Investment as at 01st April 2019 | Fair value of Interest free loan | Investment as at 31st Mar 2020 |
|--|----------------------------------|----------------------------------|--------------------------------|
| PVP Global Ventures Private Limited (PGPL) - Chennai | 54,527.00 | 36,723.33 | 91,250.33 |
| New Cyberabad City Projects Private Limited (NCCPPL) - Hyderabad | 101.00 | 21,843.49 | 21,944.49 |
| PVP Media Ventures Private Limited (PMPL) - Chennai | 1.90 | 862.33 | 864.23 |
| Safetrunk Services Private Limited (SSPL) - Chennai | 480.00 | 664.45 | 1,144.45 |
| PVP Corporate Parks Private Limited (PCPL) - Chennai | 50.00 | - | 50.00 |
| Total | 55,159.90 | 60,093.60 | 1,15,253.50 |

Disclosure pursuant to section 186(4) of Companies Act, 2013:

The amount was advanced to the wholly owned subsidiary to meet the expenditure related to business.

* Company has pledged 10,00,000 equity shares of Rs.10/- each held in Picturehouse Media Limited for loan availed by a subsidiary company. During the Financial Year 2018-19, UCO Bank invoked 10,00,000 pledged shares, out of which 9,234 shares sold by bank. During the Financial Year 2019-20, further, 22,286 shares were sold by UCO Bank.

During the financial year 2020-21, the subsidiary has repaid the loan in full. The shares held by UCO Bank (9,68,480 nos) are yet to be transferred in the name of company pending receipt of documents from the Bank.

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

Note 6 : Other financial assets (unsecured, considered good)

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------|------------------------|------------------------|
| Security Deposit | 18.73 | 23.73 |
| | 18.73 | 23.73 |

Note 7 : Other Non Current Assets

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Taxes paid under protest (Income Tax Act) | 150.00 | 150.00 |
| Advance Tax and Tax deducted at source | 3.97 | 3.97 |
| Disputed Interest Paid to SEBI | 6.79 | 6.79 |
| Less: Provision for Interest Paid to SEBI | (6.79) | (6.79) |
| | 153.97 | 153.97 |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 8 : Inventory

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| - Land (refer note no.42) | 6,186.85 | 6,451.63 |
| - Flat | 51.45 | 51.45 |
| (Valued at cost or net realised value which ever is less) | | |
| | 6,238.30 | 6,503.08 |

Note 9 : Trade Receivables

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|----------------------|---------------------------|---------------------------|
| Current Unsecured | | |
| - Considered good | 24.75 | 153.61 |
| | 24.75 | 153.61 |

Note 10 : Cash and Cash Equivalents

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Balance With Banks | | |
| (i) In Current Accounts | 12.78 | 367.42 |
| (ii) In Deposit Accounts | 13.54 | 8.03 |
| Cash on Hand (current year - Rs. 184/-) | 0.00 | 0.08 |
| | 26.32 | 375.53 |

Note 11 : Loans

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------|---------------------------|---------------------------|
| Current | | |
| Unsecured and Considered good | | |
| Staff Advances | 2.68 | 1.19 |
| | 2.68 | 1.19 |

Note 12 : Other Financial Assets - Current

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Unsecured and Considered good | | |
| Interest Accrued and Due on Fixed Deposit | 0.55 | 0.53 |
| Interest Accrued and due on debentures | 14.21 | - |
| Advance to Others (Considered good, unsecured) | 201.45 | 211.46 |
| Advance to Others (Credit Impaired, unsecured) | 3,086.88 | 3,086.88 |
| Less: Provision for Doubtful advances | (3,086.88) | (3,086.88) |
| | 216.21 | 211.99 |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 13 : Other Current Assets

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Unsecured and Considered good Prepaid Expenses | 6.07 | 8.02 |
| | 6.07 | 8.02 |

Note No.14A : Equity Share Capital

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

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|---|--------------------------|--------------------------|
| 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 2022 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Number of equity shares outstanding as at the beginning of the year | 245,052,701 | 245,052,701 |
| Add: Number of Shares allotted during the year | - | - |
| Less: Number of Shares bought back | - | - |
| Number of equity shares outstanding as at the end of the year | 245,052,701 | 245,052,701 |

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

| Name of shareholder | As at 31st March 2022 | | As at 31st March 2021 | |
|---|-----------------------|--------------|-----------------------|--------------|
| | No of Shares held | % of holding | No of Shares held | % of holding |
| Platex Limited, Mauritius | 132,612,766 | 54.12 | 132,612,766 | 54.12 |
| SSG India Opporunities I Limited, Mauritius | 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 the financial year 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 (31.03.2022).

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

(h) Shares held by promoters at the end of the year : 31st March 2022.

| Promoter Name | No. of shares | Percentage of total shares | Percentage of change during the year |
|---------------------------------|---------------|----------------------------|--------------------------------------|
| 1. Platex Limited, Mauritius | 132,612,766 | 54.12% | - |
| 2. Jhansi Sureddi, Hyderabad | 6,878,000 | 2.81% | - |
| 3. Sai Padma Potluri, Hyderabad | 1,500,000 | 0.61% | - |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

14B : Other Equity

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------------|------------------------|------------------------|
| - Security Premium | 77,511.10 | 77,511.10 |
| - Debenture Redemption Reserve | 150.00 | 150.00 |
| - Retained Earnings | (94,074.64) | (43,842.52) |
| Total | (16,413.54) | 33,818.58 |

Note 15 : Borrowings (Non-current)

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|----------------------------|
| (i) Secured | | |
| (a) Non-Convertible Debentures (redeemable) (listed) (refer note no.43(a)) (1,215 nos. of Rs. 10 lakhs each) Less: Current Maturity of Long Term Debt (refer note no.21) | - (10,773.50) | 2,072.50 (8,843.50) |
| (b) Term loans - From Bank (refer note no.43(c)) | 4.21 | 21.98 |
| (c) Others (refer note no. 43 (e)) | 205.94 | - |
| Unsecured | | |
| Debentures | | |
| 5000 nos. (31 st March, 2021 - 5000 nos.) 14.5% Fully Convertible Debentures (FCDs) of Rs.1 lakh each. (refer note no. 43(b)) | 5,000.00 | 5,000.00 |
| | 5,210.15 | 7,094.48 |

Note 16 : Lease liabilities

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------------------|------------------------|------------------------|
| Non-Current | | |
| Lease liability (refer note no.49) | 142.07 | 147.30 |
| | 142.07 | 147.30 |

Note 17 : Provisions (Non-current)

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------------|------------------------|------------------------|
| Non-Current | | |
| Employee Benefits - Gratuity | 15.18 | 13.29 |
| | 15.18 | 13.29 |

(refer note no. 24 for movenemt in provision for gratuity)

Note 18 : Other Liabilites

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------------------|------------------------|------------------------|
| Non-Current | | |
| Security Deposit (refer note no. 42) | 705.00 | 3,954.74 |
| | 705.00 | 3,954.74 |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 19 : Current Borrowings

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Secured | | |
| - Current maturity of Long Term Debt (refer note no.43) (Debentures - CY - Rs. 10773.50 Lakhs - PY - Rs. 8843.50 Lakhs) (refer note no. 43(a)) (Term loan from bank - CY - Rs. 17.77 Lakhs - PY Rs. 20.15 Lakhs) | 10,791.27 | 8,863.65 |
| Unsecured - from | | |
| - Subsidiary Company (refer note 1 below) | 1,008.62 | 1,009.92 |
| - related parties (refer note 2 below) | 355.88 | 12.50 |
| - Others (refer note 3 below) | 1,229.46 | 468.04 |
| | 13,385.23 | 10,354.11 |

- The company has availed an interest free unsecured loan from subsidiary company which is repayable on demand.
- The company has availed unsecured loan from two related parties repayable on demand. In respect of one loan the interest is payable at the rate of 12% p.a. on the outstanding balance. In respect of the other loan it is interest free (Refer note no.55)
- The company has received advances from other parties which are repayable on demand along with interest wherever applicable. In respect of one party (Others), lender company has waived interest for the financial year 2020-21 and 2021-22.

Note 20 : Lease liabilities - Current

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|----------------------------------|---------------------------|---------------------------|
| Lease Payable (refer note no.49) | 5.73 | 11.57 |
| | 5.73 | 11.57 |

Note 21 : Trade Payables

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Sundry Creditors for services | | |
| Total outstanding dues of micro enterprises and small enterprises (refer note no.48) | 10.15 | - |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 65.09 | 45.50 |
| | 75.24 | 45.50 |

Note 22 : Other Financial Liabilities - Current

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Interest accrued but not due Debentures | 3,626.99 | 2,901.99 |
| Interest accrued and due on Debentures | 6,962.06 | 5,012.47 |
| Employee related payables | 15.67 | 45.14 |
| Provision for Expenditure | 22.98 | 1.62 |
| | 10,627.70 | 7,961.22 |

Note 23 : Other Current Liabilities

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Advance received for sale of land (inventory) | 2,400.00 | 2,029.30 |
| Statutory Liabilities payable | 161.26 | 45.14 |
| | 2,561.26 | 2,074.44 |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 24 : Provisions - Current

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| - Employee benefits - Gratuity | - | 0.67 |
| - Income Tax (Net of Advance Tax and Tax deducted at source) | 239.79 | 239.79 |
| | 239.79 | 240.46 |
| Movement in Provision for Employee Benefits - Gratuity | | |
| Balance at the beginning of the year (Non-Current) | 13.29 | 15.84 |
| Balance at the beginning of the year (Current) | 0.67 | 0.90 |
| Sub-total | 13.96 | 16.74 |
| Add : Provision made during the year | 3.37 | 3.57 |
| Less: Provision utilized / reversed during the year | (2.15) | (6.35) |
| Balance at the end of the year | 15.18 | 13.96 |
| Non-current | 15.18 | 13.29 |
| Current | - | 0.67 |

Note 25 : Revenue from Operations

(Rs In Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|-------------------------|---|---|
| Income from Real Estate | 3,220.64 | 1,753.10 |
| | 3,220.64 | 1,753.10 |

Note 26 : Other Income

(Rs In Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|---|---|
| Interest income | | |
| - Debentures | 14.21 | 21.90 |
| - Others | 0.53 | 3.14 |
| Sundry Creditors Written up | 2.52 | - |
| Provision for Expenses no Longer required written up | 46.41 | 27.04 |
| Gain on Lease termination | 1.92 | - |
| Unwinding of Interest Income | 0.48 | - |
| | 66.07 | 52.08 |

Note 27 : Changes in Inventory

(Rs In Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|-----------------------------|---|---|
| Opening balance | 6,451.63 | 6,551.13 |
| Add: Current year Expenses | - | - |
| | 6,451.63 | 6,551.13 |
| Less: Closing Stock of Land | 6,186.85 | 6,451.63 |
| | 264.78 | 99.50 |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 28 : Employee Benefit Expenses

(Rs In Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Salaries and wages | 139.79 | 122.56 |
| Gratuity (refer note no.17 and 24) | 3.37 | 3.57 |
| Contribution to provident funds and other funds | 0.74 | 1.04 |
| Welfare expenses | 7.17 | 6.29 |
| | 151.07 | 133.46 |

Note 29 : Finance Cost

(Rs In Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|-------------------|--|--|
| Interest on | | |
| - Debentures | 2,674.59 | 2,750.33 |
| - Vehicle Loan | 2.86 | 4.52 |
| - Lease liability | 25.63 | 25.18 |
| - Others | 114.61 | 1.05 |
| | 2,817.69 | 2,781.08 |

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 30 : Other Expenses

(Rs In Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Rent | 29.60 | 0.37 |
| Power and Fuel charges | 9.17 | 7.16 |
| Communication Expenses | 6.54 | 5.99 |
| Legal, Professional and consultancy Charges | 55.05 | 31.95 |
| Books and Periodicals | 0.03 | 0.06 |
| Insurance | | |
| - For Assets | 3.24 | 3.97 |
| Printing and Stationery | 0.97 | 2.20 |
| Advertisement and Publicity | 2.32 | 2.54 |
| Listing Fees and Others Expenses | 18.27 | 25.58 |
| Security Charges | 8.44 | 8.39 |
| Office Expenses | 21.10 | 16.72 |
| Membership fee | 10.24 | 0.29 |
| Directors Sitting Fees | 5.70 | 4.35 |
| Repairs and Maintenance | | |
| - for Others | 11.89 | 10.80 |
| Corporate Social Responsibility expenses | 111.00 | - |
| Rates and taxes | 39.67 | 32.25 |
| Payment to statutory auditors | - | |
| - statutory audit | 9.50 | 9.50 |
| - tax audit | 0.50 | 0.50 |
| Bank Charges and Commission | 0.20 | 0.21 |
| Travelling Expenses and Conveyance | 20.63 | 32.22 |
| Loss on sale of Asset | 0.62 | - |
| Fines and penalties | 1.92 | 0.00 |
| Provision for Doubtful Advances | 10.00 | - |
| Miscellaneous expenses* | 1.36 | 0.58 |
| Assets written off | 2.26 | - |
| | 380.22 | 195.63 |

*Under this head, there is no expenditure which is in excess of 1% of revenue from operations or Rs. 10 Lakhs, whichever is higher.

Note 31 : Exceptional Items (refer note no.46)

(Rs In Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Provision for Doubtful Advances (deemed investment) | 24,841.76 | - |
| Provision for Diminution in value of investment | 25,008.90 | |
| | 49,850.66 | - |

32 No proceedings have been initiated or pending against the Company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made there under.

33 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

- 34 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 35 The Company has not operated in any crypto currency or Virtual Currency transactions.
- 36 The Company has not granted Loans or Advances in the nature of loan to any Promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments other than the deemed investments in the subsidiaries.

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|--|---|---|
| Promoters | - | - |
| Directors | - | - |
| KMP's | - | - |
| Related parties - subsidiaries | | |
| PVP Global Ventures Private Limited, Chennai (refer note no.5) | - | |
| New Cyberabad City projects Private Limited, Hyderabad (refer note no.5) | 21,843.49 | 99 |
| PVP Media Ventures Private Limited, Chennai (refer note no.5) | - | - |
| Safe Trunk Services Private Limited, Chennai (refer note no.5) | - | - |

- 37 There are no transactions with the Companies whose name are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- 38 During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.
- 39 The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 40 No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
- The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
 - Charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period - Nil.

Notes to the Standalone Financial Statements for the Year Ended 31st March 2022

Note 41

| S.N. | Ratios | 31-Mar-22 | 31-Mar-21 |
|------|---|------------------|-------------|
| 1 | Current ratio (Current Assets/Current Liabilities) Variable | 0.24 -31% | 0.35 - |
| | During the current year, current assets have decreased by INR 7 crores (approx) and current liabilities have increased by INR 62 crores (approx). Hence, the current ratio has reduced to 0.24 from 0.35. | | |
| 2 | Debt-equity ratio (Gross total borrowings/Equity share capital + Other equity) Variable | 2.30 668% | 0.30 - |
| | During the current year, the net worth has decreased due to provision made on investments and loans and advances. Hence, the debt-equity ratio has increased from 0.30 to 2.30. | | |
| 3 | Debt service coverage ratio (Profit before tax, exceptional items, Depreciation and Net Finance Charges/Net Finance charges + Long term borrowings scheduled principal repayments) Variable | 0.84 155% | 0.33 - |
| | The Debt service coverage ratio has increased to 0.84 from 0.33 due to the higher sales earned by the Company during the current financial year. | | |
| 4 | Return on equity ratio (Net profit after tax/Average Shareholders equity) Variable | -151% 5955% | -2% - |
| | The return on equity ratio has decreased due to provision made against investments, loans and advances made during the current year. | | |
| 5 | Inventory turnover ratio (Cost of goods sold/Average inventory) Variable | 0.04 174% | 0.02 - |
| | The Inventory turnover ratio has increased to 0.04 from 0.02 due to the reduction in inventory by way of sale and provision made during the current year. | | |
| 6 | Trade Receivables turnover ratio (Net sales/Average Trade receivables) Variable | 36.11 191% | 12.40 - |
| | Trade Receivables turnover ratio has increased due to the collections made by the Company for the sales made in the current financial year. | | |
| 7 | Trade payables turnover ratio (Net purchases/Average Trade payables) | - | - |
| 8 | Net capital turnover ratio (Net sales/Working capital) Variable | -0.16% 21% | -0.13% - |
| 9 | Net profit ratio (Net profit/Sales) Variable | -15.60% 1753% | -0.84% - |
| | The net profit ratio is decreased due to the exceptional item of provision made on investments and loans and advances during the current financial year. | | |
| 10 | Return on Capital employed (Profit before Interest and Tax/Capital employed) Variable | -12% 22% | -10% - |
| 11 | Return on investment (Income generated from investments / average investments) Variable | 1.00% -13% | 1.16% - |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

NOTES TO ACCOUNTS

42. Development Agreement

The Company, being the Landowner has signed a Joint Development Agreement (JDA) on 6th April 2011 with the Developer, North Town Estates Private Limited for development of land of measuring 70 Acres (approx.) (1259.90 grounds).

The Company has terminated the Joint Development Agreement (JDA) on 23rd March 2022. The developer has constructed an extent of 48.74 Acres of land in phases consisting of Ananda, Brahma, Chetna, Ekanta and Gulmohar. The developer has completed the phases Viz. Ananda, Brahma, and Gulmohar in its entirety and portion of Chetna and Ekanta except 5 blocks in Chetna and 1 block in Ekanta which forms part of the terminated portion.

The company has entered in to a Joint development agreement with Rainbow Foundations Limited on March 23rd, 2022 for developing 5 blocks in Chetna and 1 block in Ekanta. The developer has furnished a refundable security deposit of Rs .705 Lakhs which shall be set off from the company's share of receivables, proportionately from every connection, sale of apartments, as per JDA.

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

43. Terms of Loans and repayment of borrowings

a) Non-Convertible Debentures - Rs.10,773.50 Lakhs

The Shareholders had authorised to issue 1950 listed, (rated, secured), redeemable Non-Convertible Debentures (the NCDs) of Rs. 10 Lakhs each for an aggregate amount of Rs.19,500 Lakhs, out of which the company has issued Tranche A 386 Debentures aggregating to Rs. 3,860 Lakhs and Tranche B of 829 Debentures aggregating to Rs. 8,290 Lakhs which were, subscribed and paid up as per the debenture trust deed dated 16th June 2017, with remaining debentures unissued. Thus, out of aforesaid 1,950 Debentures of Rs. 10 Lakhs each, the company allotted a total of 1,215 Debentures amounting to Rs.12,150 Lakhs. The company has made partial reduction in face value of Non Convertible Debentures (NCD) Tranche A from Rs. 10 Lakhs per NCD to Rs. 6.434 Lakhs per NCD. The reduction in face value was intimated to National Securities Depository Limited vide their letter dated February 2 , 2022. There is no change in the face value with respect to Tranche B NCD.

Details of Debentures outstanding

| S No | Particulars | As at March 31, 2022 Rs. in Lakhs |
|------|---|-----------------------------------|
| 1 | Tranche A-386 debentures @ Rs. 6.434 Lakhs each | 2483.50 |
| 2 | Tranche B- 829 debentures @ Rs. 10 Lakhs each | 8290.00 |
| | Total | 10773.50 |

| S No | Particulars | As at March 31, 2021 Rs. in Lakhs |
|------|---|-----------------------------------|
| 1 | Tranche A-386 debentures @ Rs. 10 Lakhs each | 2,626.00 |
| 2 | Tranche B- 829 debentures @ Rs. 10 Lakhs each | 8290.00 |
| | Total | 10,916.00 |

The debentures and the debenture payments are secured by:

1. English mortgage of all the rights on piece and parcel of the land located at Door No.8/8D, Stephenson Road, Perambur, Chennai measuring 9.154 acres.
2. First Charge exclusive basis on all rights titles interest and benefits of the company in respect of the JDA, JDA Escrow Agreement, JDA Escrow Account and JDA Receivables excluding the outstanding security deposit.
3. A first ranking exclusive over security interest in debentures held by the company amounting to Rs.1,421.37 Lakhs in Blaster Sports Ventures Private Limited.
4. Non-disposal undertaking of 100% shares of PVP Ventures Limited held by promoter group.

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

5. Personal Guarantee of Promoter (Mr. Prasad V Potluri).

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

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

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

| Scheduled Redemption Date | Principal Amount to be redeemed cumulatively (in percent of paid up value) for the Tranche A Debenture | Scheduled Redemption Date | Principal Amount to be redeemed cumulatively (in per cent of face value) for Tranche B Debentures |
|---------------------------|--|---------------------------|---|
| 30 June, 2018 | 6.250% | 30 April, 2019 | 6.250% |
| 30 September, 2018 | 6.250% | 31 July, 2019 | 6.250% |
| 31 December, 2018 | 6.250% | 31 October, 2019 | 6.250% |
| 31 March, 2019 | 6.250% | 31 January, 2020 | 6.250% |
| 30 June, 2019 | 6.250% | 30 April, 2020 | 6.250% |
| 30 September, 2019 | 6.250% | 31 July, 2020 | 6.250% |
| 31 December, 2019 | 6.250% | 31 October, 2020 | 6.250% |
| 31 March, 2020 | 6.250% | 31 January, 2021 | 6.250% |
| 30 June, 2020 | 6.250% | 30 April, 2021 | 6.250% |
| 30 September, 2020 | 6.250% | 31 July, 2021 | 6.250% |
| 31 December, 2020 | 6.250% | 31 October, 2021 | 6.250% |
| 31 March, 2021 | 6.250% | 31 January, 2022 | 6.250% |
| 30 June, 2021 | 6.250% | 30 April, 2022 | 6.250% |
| 30 September, 2021 | 6.250% | 31 July, 2022 | 6.250% |
| 31 December, 2021 | 6.250% | 31 October, 2022 | 6.250% |
| 31 March, 2022 | 6.250% | 31 January, 2023 | 6.250% |

Whereas the repayment dues of Tranche A Debentures aggregating to Rs. 3,975.31 Lakhs (out of which principal amounting to Rs. 2,483.50 Lakhs and Interest amounting to Rs. 1,491.81 Lakhs) and Tranche B Debenture aggregating to Rs. 11,687.74 Lakhs (out of which principal amounting to Rs. 6,217.50 Lakhs and Interest amounting to Rs. 5,470.24 Lakhs) as on 31st March 2022 have become due and unpaid. The company has sought extension of time to repay the outstanding (both interest and principal) from time to time during the year vide letter dated May 24, 2022. The debenture holder has given time to pay the outstanding on or before June 30, 2022. The debenture holder has also stipulated that, in the case of default of payment of principal repayment within the extended due date, default additional interest of 5% per annum (over and above the coupon) is to be paid on the defaulted amount from the original due date till the date of payment.

The company has repaid a sum of Rs.142.50 Lakhs towards principal during the year.

The company has been advised that the tax has to be deducted at source from interest payable on debentures (payable to overseas debenture holders) only at the time of payment. Hence, no tax has been deducted at source during the year from out of interest provision made.

(Refer note no. 53 to the standalone financial statements for impact on Deferred Tax)

Under the circumstances, the company defaulted the redemption of debentures and repayment of interest which had fallen due on 31st March 2019, 30th September, 2019, 31st December 2019, 31st March, 2020, 30th June 2020, 30th September 2020, 31st December 2020 and 31st March 2021 beyond the time permitted under section 164(2)(b) of the Companies Act, 2013. However, as per the legal advice, management is of the view that even though the repayment has not been made within the period contemplated in the above referred section, the default has been ratified by the debenture holder with retrospective effect by virtue of which the management contends that the disqualification of directors as per the above provisions has not been attracted.

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

b) Fully Convertible Debentures (FCD) – Rs. 5,000.00 Lakhs

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

The Debentures are convertible into redeemable preference shares and / or equity shares of on or before 22nd January 2011. Each Debenture shall be converted into newly issued equity or redeemable preference shares in the share capital of the Company. As per the scheme of amalgamation sanctioned by the Honourable High Court of Judicature at Madras, the debenture holders are entitled to 65,14,215 fully paid-up equity shares. As per subscription agreement the company shall not transfer or encumber the entire shareholding in its Subsidiaries i.e., Cyberabad City Projects Private Limited (Now known as New Cyberabad City Projects Private Limited) and PVP Enterprises Limited (Now known as PVP Global Ventures Private Limited). Irrevocable and unconditional guarantee is furnished by Mr. Prasad V. Potluri (Promoter) to the debenture holder in connection with the Debentures till the Shares allotted upon conversion have been irrevocably and unconditionally repaid or discharged in full.

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

The Debentures will bear interest at the rate of 14.5% per annum. Interest on Debentures is payable semi-annually in arrears on 15th June and 15th December each year. Interest shall accrue on the overdue sum at the rate of 2 % per annum over and above the Interest Rate (the Default Interest Rate) from the due date.

The company had sought time from the debenture holder to pay the outstanding interest from time to time during the year. The interest has to be paid on or before June 30, 2022 vide the latest letter dated May 24, 2022.

Further, the debenture holder has stipulated that, in the case of default of payment of interest amount within the extended due date, default additional interest of 2% (over and above the coupon) is to be paid on the defaulted amount from the original due date to till the date of payment.

During the year, the company has accounted finance cost of Rs. 725.00 Lakhs and as on reporting period, the outstanding principal amounting to Rs. 5,000 Lakhs. Total Outstanding as on 31st March 2022 is Rs. 8,626.99 Lakhs.

The company has advised that the tax has to be deducted at source from interest payable on debentures (payable to overseas debenture holders) only at the time of payment. Hence no tax has been deducted at source during the year from out of interest provision made.

(Refer note no. 53 to the standalone financial statements for impact on Deferred Tax)

Under the circumstances, the company defaulted the repayment of interest which had fallen due on 15th December 2017, 15th June 2018, 15th June 2019, 15th December 2019, 15th June 202 and 15th December 2020 beyond the time permitted under section 164(2)(b) of the Companies Act, 2013. However, as per the legal advice, management is of the view that even though the repayment has not been made within the period contemplated in the above referred section, the default has been ratified by the debenture holder with retrospective effect by virtue of which the management contents that the disqualification of directors as per the above provisions has not been attracted.

c) From Banks - Vehicle Loans

Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 8% to 10.91% p.a. and repayable in 1 to 4 years in monthly installments.

d) From Banks - Working capital

One of the Step-down subsidiaries (loanee) has availed Indian rupee term loan from bank amounting to Rs. 10,000 Lakhs and interest rate is charged at One Year MCLR + 4.80% i.e., 14.15% p.a. (Floating) which is repayable on demand. 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 the company, subsidiaries and personal guarantee of Mr. Prasad V. Potluri and Smt. Jhansi Sureddi.

As on 31st March 2022, the amount due (including principal and interest) to lender bank is Rs. 23,856.85 Lakhs.

e) From Others

The loan is repayable on or before 45 days from the first date of the disbursement but extendable at the discretion of the lender. The interest rate is 15% per annum.

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

44. COVID -19 Impact on Business Operations

The spread of COVID-19 has impacted global economic activity as has been witnessed in several countries. There have been severe disruptions in businesses in India during the Lockdown period. The company has assessed recoverability and carrying value of assets comprising property, plant and equipment, trade receivables, inventory, Loans and Advances and investments at balance sheet date. Based on the assessment by the management the net carrying values of the said assets will be recovered at values stated and there is no change in its ability to continue as Going Concern. The company evaluated the internal controls with reference to financial statements which have found to be operating effectively given that there has been no dilution of such controls due to factors caused by COVID-19 situation.

45. Material Uncertainty related to Going concern

The company is unable to honour its obligations towards repayment of principal and interest dues to its debenture holders. Further the company has obligations pertaining to operations includes unpaid creditors and statutory dues. However, the company has taken various initiatives in relation to saving cost and optimizing revenue management opportunities. Further, the company is planning to launch residential lay out with infrastructure and amenities in 20 acres of land by considering the current situation of real estate sector which resultant into improving operating performance and sustainable cash flows. The company is confident that such cash flows which contemplates realization of assets and settlement of liabilities. Accordingly, notwithstanding the dependence on these material uncertain events, the company continues to prepare the standalone financial statements on a Going Concern basis.

46. The value of investments in three subsidiaries including deemed investment in the subsidiary companies net of provisions for diminution thereon viz. Rs. 85,010.82 Lakhs (including current year provision of Rs. 49,850.66 Lakhs), wherever applicable in three subsidiary companies as at March 31, 2022 amounting to Rs. 9,736.04 Lakhs (last year – Rs. 58,098.85 Lakhs).

The current year provision of Rs. 49,850.66 Lakhs (including provision for deemed investment) was made considering the erosion of networth in the investee companies. This being exceptional in nature is displayed under note no.31.

47. Based on the management approach, as defined in Ind AS 108, the business operations of the company is considered as single operating segment by considering the performance as whole in the Real Estate and Allied Activities. Hence segment reporting is not applicable.
48. **Micro, Small and Medium Enterprises (MSME):** Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006 (as per information available with the Company)

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|---|---------------------|---------------------|
| (i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; | Nil | Nil |
| (ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | Nil | Nil |
| (iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006; | Nil | Nil |
| (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year and | Nil | Nil |
| (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | Nil | Nil |

49 Leases

- a) Effective 01st April 2019, the company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01st April 2019 using the modified retrospective approach.

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

b) Details of the Right-of-Use of Asset held by the company as follows:

| Particulars | Building (Rs. in Lakhs) |
|---------------------------------------|-------------------------|
| Balance as at 1st April, 2020 | 30.51 |
| Addition | 161.26 |
| Deletion | (20.90) |
| Depreciation | (26.56) |
| Balance as at 31st March, 2021 | 144.31 |
| Addition | 4.71 |
| Deletion | (1.05) |
| Depreciation | (19.11) |
| Balance as at 31st March, 2022 | 128.86 |

c) Movement in Lease liability

| Particulars | Building (Rs. in Lakhs) |
|---------------------------------------|-------------------------|
| Balance as at 1st April, 2020 | 42.56 |
| Addition | 141.26 |
| Finance Cost Accrued | 25.18 |
| Payment of Lease Liability | (50.13) |
| Balance as at 31st March, 2021 | 158.87 |
| Addition | 4.71 |
| Finance Cost Accrued | 25.63 |
| Payment of Lease Liability | (41.41) |
| Balance as at 31st March, 2022 | 147.80 |

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|---|------------------|------------------|
| Maturity analysis - contractual undiscounted cash flows | | |
| Not later than one year | 30.82 | 30.82 |
| Later than one year and not more than five years | 145.41 | 136.32 |
| More than five years | 88.30 | 128.17 |
| Total undiscounted liabilities | 264.53 | 295.31 |

d) Breakup of Current and Non-current lease liabilities

(Rs. In lakhs)

| Building | As at 31st March 2022 (Rs. in lakhs) | As at 31st March 2021 (Rs. in lakhs) |
|-----------------------|---|---|
| Current Liability | 5.73 | 11.57 |
| Non-Current Liability | 142.07 | 147.30 |

e) Incremental borrowing rate applied to lease liabilities is 16.25% p.a.

f) The expenses relating to short term leases accounted and leases of low value assets during the year is NIL.

g) Non cash financing and investing activities

(Rs. In Lakhs)

| Particulars | For the year ended 31-03-2022 | For the year ended 31-03-2021 |
|--|----------------------------------|----------------------------------|
| Non cash financing and investing activities - Acquisition of Right-of-use Asset | 4.71 | 161.26 |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

50. Earnings per Share (EPS)

| Particulars | Refer | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|--|------------|--------------------------------|--------------------------------|
| 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 |
| Particulars | Refer | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
| Profit/(Loss) after Taxes After Exceptional items (Rs. in Lakhs) | C | (50,234.27) | (1,475.38) |
| Earnings Per Share – Basic and diluted (in Rs) | C*100000/B | (20.50) | (0.60) |

51. Contingent Liabilities

(Rs. in Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| 1. Claims against the company not acknowledged as debts | | |
| - Income Tax | 1831.78 | 1831.78 |
| - Non-Compliance of SEBI Regulations | - | - |
| Total | 1831.78 | 1831.78 |

52. Corporate Social Responsibility (CSR):

Gross amount to be spent during the year is NIL. (Last year – NIL)

Average net profits of the Company for the last three financial years are negative. Hence the provisions of Sec.135 of the Act are not applicable for the year ended 31st March 2022. The company had spent Rs 110.19 lakhs pertaining to the years (2015-2020) during the current financial year in the Educational sector. The Company was not in a position to generate sufficient funds in the previous years. Hence the amount was not spent in the respective years.

| Financial Year | Amount in Rs. lakhs |
|----------------|---------------------|
| 2015-16 | 36.98 |
| 2016-17 | 10.58 |
| 2017-18 | 22.02 |
| 2018-19 | 18.52 |
| 2019-20 | 22.09 |
| Total | 110.19 |

53. Deferred Tax

Deferred tax asset has not been recognised in respect of the following items:

(Rs. in Lakhs)

| Particulars | 31st March 2022 | | 31st March 2021 | |
|---|------------------|-------------------------|-----------------|-------------------------|
| | Gross Amount | Unrecognised tax effect | Gross Amount | Unrecognised tax effect |
| Deductible temporary differences | 56,118.06 | 14,590.70 | 6,279.64 | 1,632.71 |
| Unabsorbed Business loss | 1,751.92 | 455.50 | 1,538.44 | 399.99 |
| Effect of expenses not allowed for tax purpose in previous year | 217.24 | 56.48 | 1.04 | 0.27 |
| Total | 58,087.22 | 15,102.68 | 7,819.12 | 2,032.97 |

Considering the principles of prudence, the above deferred tax asset has not been recognized as at 31.03.2022.

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

54. Income tax Expenses

Income tax expense in the statement of profit and loss comprises:

(Rs. in Lakhs)

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--|---------------------------------------|---------------------------------------|
| Current Tax | - | - |
| Deferred Tax (Asset)/Liability | - | - |
| Income Tax for earlier years | - | - |
| Net Tax | - | - |
| MAT Credit reversals / (for earlier years) | - | - |
| Total Income tax expenses | - | - |

| Particulars | 31st March 2022 | 31st March 2021 |
|--|--------------------|-------------------|
| Profit/(Loss) from the operation before income tax expenditure | (50,234.27) | (1,475.38) |
| Adjustment on account of Ind AS 115 | - | - |
| Profit/(Loss) from the operation before Income Tax expenditure as per ICDS | (50,234.27) | (1,475.38) |
| Applicable Income tax rate | 26.00% | 26.00% |
| Tax effect at statutory income tax rate | (13,060.91) | (429.63) |
| Effect of expenses not allowed for tax purpose | 56.48 | 3.37 |
| Effect of unrecognised deferred tax | 13,004.43 | 426.26 |
| Differences in tax expenses on account of different tax rates | - | - |
| Income tax related to earlier years | - | - |
| MAT Credit reversals / (for earlier years) | - | - |
| Income tax expenses charged to the statement of profit and loss | - | - |

55. Disclosure in Accordance with Ind AS -24 Related Party Transactions

a) List of Related parties where control exists:

| Name of the person/ group | Nature of Relationship |
|---|------------------------|
| Platex Limited (PL) | Holding Company |
| PVP Global Ventures Private Limited, Chennai (PGPL) | Subsidiary Companies |
| New Cyberabad City Projects Private Limited, Hyderabad (NCCPPL) | |
| PVP Corporate Parks Private Limited, Chennai (PCPL) | |
| PVP Media Ventures Private limited, Chennai (PMPL) | |
| Safetrunk Services Private Limited, Chennai (SSPL) | |
| Adobe Realtors Private Limited, Hyderabad | |
| Arete Real Estate Developers Private Limited, Hyderabad | |
| Expressions Real Estates Private Limited, Hyderabad | |
| Picturehouse Media Limited, Chennai (PHML) | |
| PVP Capital Limited, Chennai (PCL) | |
| PVP Cinema Private Limited, Chennai | |
| BVR Malls Private Limited, Vijayawada | |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

b) List of other related parties

| Name of the person/ group | Nature of Relationship |
|--|--|
| Mr. Prasad V.Potluri, Chairman and Managing Director | Subsidiary Companies |
| Mrs. Sai Padma Potluri, Executive Director (Resigned with effect from 01.06.2020) | |
| Mr. N S Kumar, Independent Director | |
| Mr. SohrabChinoy Kersasp, Independent Director | |
| Mrs. P J Bhavani, Non-Executive Woman Director (Appointed with effect from 31.07.2020) | |
| Mr. Nandakumar Subburaman, Independent Director | |
| Mr. Subramanian Parameswaran (Appointed with effect from 10.07.2021) | |
| Mrs. Jhansi Sureddi | Relative to Key Managerial Person |
| Bruma Properties Private Limited (BPPL), Delhi | Enterprises where KMP exercise significant influence |

c) Summary of transactions with the related parties during the year ended 31st March 2022

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|-------------------------------------|-------------------------------------|
| Interest Expenses | | |
| BVR Malls Private Limited, Vijayawada | 3.33 | 0.24 |
| Loans from Subsidiaries | | |
| PVP Corporate Parks Private Limited (PCPL), Chennai | | |
| - Borrowed during the year | - | - |
| - Repaid during the year | 1.30 | 0.11 |
| Loans and advances to Subsidiaries | - | 2.90 |
| PVP Global Ventures Private Limited (PGPL), Chennai | | |
| - Granted during the year | 1,537.61 | 46.05 |
| - Repaid during the year | 50.06 | 0.93 |
| PVP Media Ventures Private Limited (PMPL), Chennai | | |
| - Granted during the year | 0.15 | 0.27 |
| - Repaid during the year | - | - |
| Safetrunk Services Private Limited, Chennai | | |
| - Granted during the year | 0.15 | 44.31 |
| - Repaid during the year | - | 6.36 |
| Sitting Fees paid to Directors | | |
| Mr. N S Kumar | 1.40 | 1.35 |
| Mr. Sohrab Chinoy | 1.40 | 1.35 |
| Mr. Nanda Kumar | 0.90 | 0.75 |
| Mrs. P.J. Bhavani | 0.81 | 0.90 |
| Mr. Subramanian Parameswaran | 0.63 | - |
| Loans and advances granted/(received) | | |
| BVR Malls Private Limited, Vijayawada | (278.38) | (12.50) |
| Managing Director (Interest free loan) | 65.00 | - |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

d) Summary of Outstanding balances with the related parties as on 31st March 2022

(Rs. in Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Investments in subsidiaries | | |
| PVP Global Ventures Private Limited (PGPL), Chennai | 54,527.00 | 54,527.00 |
| New Cyberabad City Projects Private Limited (NCCPPL), Hyderabad | 101.00 | 101.00 |
| PVP Corporate Parks Private Limited (PCPL), Chennai | 50.00 | 50.00 |
| PVP Media Ventures Private limited (PMPL), Chennai | 1.90 | 1.90 |
| Safetrunk Services Private Limited (SSPL), Chennai | 480.00 | 480.00 |
| Picturehouse Media Limited (PHML), Chennai | 526.06 | 526.06 |
| Provision for investment in subsidiaries | | |
| PVP Global Ventures Private Limited (PGPL), Chennai | 44,790.96 | 30,000.00 |
| Picturehouse Media Limited (PHML), Chennai | 492.84 | 492.84 |
| PVP Media Ventures Private limited (PMPL), Chennai | 1.90 | - |
| Safetrunk Services Private Limited (SSPL), Chennai | 480.00 | - |
| Loans and advances given to subsidiary | | |
| PVP Global Ventures Private Limited (PGPL), Chennai | 38,210.88 | 36,723.33 |
| PVP Media Ventures Private limited (PMPL), Chennai | 862.48 | 862.33 |
| Safetrunk Services Private Limited (SSPL), Chennai | 664.60 | 664.45 |
| New Cyberabad City Projects Private Limited (NCCPPL), Hyderabad | 21,843.49 | 21,843.49 |
| Provision for advances given to subsidiary | | |
| PVP Global Ventures Private Limited (PGPL), Chennai | 38,210.88 | 5,160.16 |
| PVP Media Ventures Private limited (PMPL), Chennai | 862.48 | - |
| Safetrunk Services Private Limited (SSPL), Chennai | 664.60 | - |
| New Cyberabad City Projects Private Limited (NCCPPL), Hyderabad | 21,843.49 | 21,843.49 |
| Loans received from subsidiary | | |
| PVP Corporate Parks Private Limited (PCPL), Chennai | 1,008.62 | 1,009.92 |
| Advance granted | | |
| Bruma Properties Private Limited, Delhi | 35.00 | 35.00 |
| Provision on Advances - Bruma Properties Private Limited, Delhi | 35.00 | 35.00 |
| BVR Malls Private Limited, Vijayawada | 290.88 | 12.74 |
| Loan availed | | |
| BVR Malls Private Limited, Vijayawada | 290.88 | 12.74 |
| Corporate Guarantees granted/(received) | | |
| PVP Capital Limited, Chennai | 10,000.00 | 10,000.00 |
| Sitting fees payable to Directors | | |
| Mr. N S Kumar | 0.50 | - |
| Mrs. P J Bhavani | 0.82 | 0.46 |
| Mr. Sohrab K Chinoy | 0.50 | - |
| Mr. Nanda Kumar S | 0.36 | - |
| Mr. Subramanian Parameswaran | 0.41 | - |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

e) List of Related Parties as per Companies Act, 2013

| Name of the person/ company | Nature of Relationship |
|---|------------------------|
| Mr. Karthikeyan Shanmugam, Chief Financial Officer (Joined with effect from 25.10.2020) | Key Managerial Persons |
| Ms. Ramyanka, Company Secretary (Resigned with effect from 10th Nov, 2021) | |
| Ms. Rukmini, Company Secretary (Appointed with effect from 11th Nov, 2021) | |

f) Remuneration paid to Key Managerial Personnel (Rs. in Lakhs)

| Transaction | Year ending 31st March, 2022 | Year ending 31st March, 2021 |
|--------------|------------------------------|------------------------------|
| Remuneration | 53.75 | 44.66 |

56. Gratuity and other post-employment benefit plans

a) Defined Benefit Plan - Gratuity

| Gratuity | Year ending 31st March, 2022 | Year ending 31st March, 2021 |
|--|------------------------------|------------------------------|
| Gratuity Plan: | | |
| Defined benefit obligation (DBO) | 15.18 | 13.96 |
| Fair value of plan assets (FVA) | - | - |
| Net defined benefit (asset)/liability | 15.18 | 13.96 |

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

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March 2022

| Particulars | 2021-22 | 2020-21 |
|----------------------|-------------|-------------|
| Current Service Cost | 2.42 | 2.43 |
| Net Interest Cost | 0.95 | 1.14 |
| Total Cost | 3.37 | 3.57 |

Amount recognised in Other Comprehensive Income for the year ended 31st March 2022

| Particulars | 2021-22 | 2020-21 |
|---------------------------------------|---------|---------|
| Actuarial (gain)/ loss on obligations | (2.15) | (4.38) |

Changes in the present value of the defined benefit obligation for the year ended 31st March 2021 are as follows:

| Particulars | 2021-22 | 2020-21 |
|--|--------------|--------------|
| Opening defined obligation | 13.96 | 16.74 |
| Current service cost | 2.42 | 2.43 |
| Interest cost | 0.95 | 1.14 |
| Actuarial (gain)/ loss – experience | - | - |
| Actuarial (gain)/ loss - demographic & Financial assumptions | (2.15) | (4.38) |
| Benefits paid | - | (1.97) |
| Actuarial (gain)/ loss on obligations | - | - |
| Defined benefit obligation | 15.18 | 13.96 |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

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

| Particulars | 31-Mar-22 | 31-Mar-21 |
|--------------------------|-----------|-----------|
| Discount rate (in %) | 7.12% | 6.80% |
| Salary Escalation (in %) | 7.50% | 7.50% |

A quantitative sensitivity analysis for significant assumption as at 31st March 2021 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 has 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 2022 is as shown below: (Rs. in Lakhs)

| Particulars | 31st March, 2022 | | 31st March, 2021 | |
|---|------------------|-----------------|------------------|-----------------|
| | Decrease | Increase | Decrease | Increase |
| Defined Benefit Obligation (Base) | 13.96 | | 13.96 | |
| (% change compared to base due to) | Decrease | Increase | Decrease | Increase |
| Discount Rate (- / + 1%) | 16.97 | 13.67 | 15.74 | 12.48 |
| Salary Growth Rate (- / + 1%) | 11.97 | 17.29 | 10.76 | 15.92 |
| Attrition Rate (- / + 1%) | 13.92 | 16.43 | 12.77 | 15.01 |
| Mortality Rate (- / + 1%) | 15.16 | 15.21 | 13.94 | 13.98 |

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, 2022 | 31st March, 2021 |
|--|------------------|------------------|
| Within the next 12 months (next annual reporting period) | 2.60 | 3.11 |

Compensated Absences

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

b) Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The company recognised Rs. 0.74 Lakhs (previous year 1.04 Lakhs) for provident fund contribution in the statement of profit or loss account.

57. Financial Instruments

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

Financial assets and liabilities

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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

Fair Value Measurement:

(Rs. in Lakhs)

| Particulars | Amount as on 31st March, 2022 | Amount as on 31st March, 2021 |
|-------------------------------|----------------------------------|----------------------------------|
| Financial assets: | | |
| Amortised Cost | | |
| - Cash and cash equivalents | 26.32 | 375.53 |
| - Trade Receivables | 24.75 | 153.61 |
| - Loans | 2.68 | 1.19 |
| - Other Financial Assets | 234.94 | 235.72 |
| Total | 288.69 | 766.05 |
| Financial liabilities: | | |
| Amortised Cost | | |
| - Borrowings | 18,595.38 | 17,448.59 |
| - Trade Payables | 75.24 | 45.50 |
| - Lease liabilities | 147.80 | 158.87 |
| - Other Financial Liabilities | 10,627.70 | 7,961.22 |
| Total | 29,446.12 | 25,614.18 |

Investment in Equity Instruments other than the investment in subsidiaries are carried at cost and hence not considered.

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

58. Financial risk management objectives and policies

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

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

i) Market risk

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

a) Interest rate risk

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

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

b) Foreign currency risk

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

c) Equity price risk

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

ii) Credit risk

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

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

a) Credit risk related to corporate guarantee furnished

The Company has mortgaged its land situated at Perambur, Chennai as a security and also furnished a corporate guarantee of Rs. 10,000 Lakhs to its step-down subsidiary company, PVP Capital Limited ('PVPCL'). PVPCL has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs. 23,856.85 Lakhs (including interest accrued) as per the books of accounts as on 31st March 2022. The bank has taken symbolic possession of secured, immovable property of the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and the same was agreed by the bank vide letter dated March 15, 2022. The lender bank has agreed for Rs. 9,500 Lakhs as OTS. PVP Capital Limited has remitted Rs. 900 Lakhs and the balance of Rs. 8,600 Lakhs has to be remitted by September 14, 2022.

b) 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 2022, outstanding receivables amounting to Rs. 24.75 Lakhs (Previous year Rs. 153.61 Lakhs).

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

iii) Liquidity risk

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

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

| Particulars | On demand | Less than 1 year | 1-5 years | Total |
|------------------------------|-----------------|------------------|-----------------|------------------|
| As at 31st March 2022 | | | | |
| Borrowings | 2,593.96 | 10,791.27 | 5,210.15 | 18,595.38 |
| Trade payables | - | 68.79 | 6.45 | 75.24 |
| Interest accrued | - | 10,589.05 | - | 10,589.05 |
| Lease liabilities | - | 5.73 | 142.07 | 147.80 |
| Other Financial Liabilities | - | 38.65 | - | 38.65 |
| Total | 2,593.96 | 21,493.49 | 5,358.67 | 29,446.12 |

| Particulars | On demand | Less than 1 year | 1-5 years | Total |
|------------------------------------|-----------------|------------------|-----------------|------------------|
| As at 31st March 2021 | | | | |
| Borrowings | 1,490.46 | 8,863.65 | 7,094.48 | 17,448.59 |
| Trade payables | - | 32.41 | 13.09 | 45.50 |
| Interest accrued | - | 7,914.46 | - | 7,914.46 |
| Lease liabilities | - | 11.57 | 147.30 | 158.87 |
| Other Financial Liabilities | - | 46.76 | - | 46.76 |
| Total | 1,490.46 | 16,868.85 | 7,254.87 | 25,614.18 |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

The amount of guarantee furnished on behalf of subsidiary included in note no 46(c)(ii)(a) stated above represents the maximum amount the company could be forced to settle for the guaranteed amount. Based on the expectation at the end of the reporting period, the Board is of the opinion that such amount will not be payable. under the arrangement.

59. 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 2022 | As at 31st March 2021 |
|--|--------------------------|--------------------------|
| Borrowings | 18,595.38 | 17,448.59 |
| Cash and Cash Equivalents | 0.00 | (0.08) |
| Bank Balances other than Cash and Cash Equivalents | (26.32) | (375.45) |
| Net Debt | 18,569.06 | 17,073.06 |
| Equity Share Capital | 24,505.27 | 24,505.27 |
| Other Equity | (16,413.54) | 33,818.58 |
| Total Equity | 8,091.73 | 58,323.85 |
| Debt Equity Ratio | 2.29 | 0.29 |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2022 and 31st March 2021.

60. Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous year - NIL).

61. Previous year figures:

The previous year figures have been regrouped in accordance with amendment to Schedule III vide notification no. F. No. 17/62/2015-CL-V Vol-I dated March 24, 2021 issued by the Ministry of Corporate Affairs, wherever required.

62. Disclosure on Accounting for revenue from customers in accordance with Ind AS 115

Disaggregated revenue information

A Type of goods and service

(Rs in lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--------------------------------|-------------------------------------|-------------------------------------|
| (a) Income from Real Estate | 3,220.64 | 1,753.10 |
| Total Operating Revenue | 3,220.64 | 1,753.10 |
| In India | 3,220.64 | 1,753.10 |
| Outside India | - | - |

B Timing of revenue recognition

(Rs in lakhs)

| Particulars | For the year ended 31st March, 2022 | | For the year ended 31st March, 2021 | |
|---|--|--------------------------|--|--------------------------|
| | At a point of time | Over a period of time | At a point of time | Over a period of time |
| Sale of products and other operating income | 3,220.64 | Nil | 1,753.10 | Nil |

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statements for the year ended 31st March 2022

C Contract balances

(Rs in Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|----------------------|--|--|
| Contract assets | Nil | Nil |
| Contract liabilities | Nil | Nil |

D Revenue recognised in relation to contract liabilities

(Rs in Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Revenue recognised in relation to contract liabilities | Nil | Nil |

E Reconciliation of revenue recognised in the statement of profit and loss with the contracted price (Rs in Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--------------------------------------|--|--|
| Revenue at contracted prices | 3,220.64 | 1,753.10 |
| Revenue from contract with customers | 3,220.64 | 1,753.10 |
| Difference | - | - |

F Unsatisfied or partially satisfied performance obligation

(Rs in Lakhs)

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Unsatisfied or partially satisfied performance obligation | Nil | Nil |

As per our report of even date.

For Sundaram & Srinivasan

Chartered Accountants

Firm Reg No. 004207S

Sd/-

Venkatasubramanian. S

Partner

Membership No. 219238

Place : Chennai

Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-

PRASAD V. POTLURI

Chairman & Managing Director

(DIN: 00179175)

Place : Hyderabad

Date : May 25, 2022

Sd/-

Karthikeyan Shanmugam

Chief Financial Officer

Place : Chennai

Date : May 25, 2022

Sd/-

N.S. KUMAR

Director

(DIN: 00552519)

Place : Chennai

Date : May 25, 2022

Sd/-

S. Rukmini

Company Secretary

Place : Hyderabad

Date : May 25, 2022

Consolidated Financial Section

Independent Auditor's Report

To the Members of PVP Ventures Limited

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

We have audited the Consolidated Financial Statements of **PVP Ventures Limited** (hereinafter referred to as "the Holding Company" or "the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

1. The Parent Company has mortgaged its land situated at Perambur, Chennai as a security and also furnished corporate guarantee to a bank for the borrowings made by PVP Capital Limited, Chennai (i.e., wholly owned step-down subsidiary company) amounting to Rs. 10,000 lakhs. The outstanding amount as per the books of accounts as on March 31, 2022 including interest due is Rs 23,856.85 lakhs. The loanee i.e., PVP Capital Limited has not adhered to repayment schedule of principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the lender bank has taken possession of mortgaged lands and issued sale notice for e-auction of the property given by the Parent company as corporate guarantee, but there were no bidders. We were informed by the Board that the subsidiary viz. PVP Capital Limited has negotiated with the lender bank for one time settlement (OTS) and the lender Bank has also agreed for OTS of Rs. 9500 lakhs as full and final settlement vide letter from the Bank dated March 15, 2022. PVP Capital Limited has to remit the said sum of Rs. 9500 lakhs on or before September 14, 2022. PVP Capital Limited has deposited a sum of Rs. 900 lakhs in an earmarked bank account as on date. The Board of PVP Ventures Ltd also asserts that no provision is required to be made to the carrying value as it is confident that the payment obligation on PVP Capital Limited will be met on or before September 14, 2022 as stipulated by the lender Bank. However, in our view the carrying value of the relevant mortgaged assets is dependent on the repayment of the loan by the PVP Capital Limited. Under these circumstances, we are unable to express our view whether the company is justified in carrying the assets that have been mortgaged where the loanee has already defaulted and similarly whether the company is justified in not taking cognizance of financial obligation that may devolve on the company in case the corporate guarantee is invoked. Accordingly, the company should have considered reduced carrying value of the said asset and / or guarantee furnished as an obligation as per Ind AS 109 while preparing the financial statements.

On the basis of above facts, the loss for the year ended March 31, 2022 is understated to this extent. However, it is difficult to measure the extent of under statement of loss in the circumstances obtaining. (Refer note no.51)

2. Attention is invited to note no. 49 to the Consolidated Financial Statement, in relation to advances made for film production (including interest accrued of Rs.509.94 lakhs) amounting to Rs.1633.14 lakhs, by one of its subsidiaries whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. The holding company's Board is of the view that advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We are not provided with any documentary evidence as regards Board's assertion that the carrying amount of loans made have not suffered any erosion as on March 31, 2022. No evidence was adduced regarding the status of production of films nor was confirmation produced from the loan debtors. Hence we are not in a position to concur with the view of the Board. Consequently, in our opinion loss is understated to the extent of Rs.1633.14 lakhs

3. Attention is invited to note no. 50 to the Consolidated Financial Statement, in relation to inventory i.e., films production expenses amounting to Rs. 3,861.90 lakhs, mainly consists of advances granted to artists and co-producers As represented by the Board of the Holding company the film production is under progress with respect to production of 3 movies costing Rs.1009.78 lakhs. In respect of the balance inventory of Rs.2852.12 lakhs the Board is confident of recovering the amount from the production houses. In the absence of documentary evidence as well as the

confirmation of balance from the parties relating to the status of the inventory amounting to Rs. 2852.12 lakhs, we are unable to agree with the views of the Board. We are of the opinion that realization of inventories is doubtful but we are also unable to decide the quantum of loss that may arise on account of write down of inventory.

4. The independent auditor of subsidiary company viz. PVP Capital Limited in their auditor's report on the financial statements for the year ended 31st March, 2022 have drawn Qualified conclusion. The same is reproduced below :
 - a. Note No. 16.6 in the financial statements which indicates that the Company has not adhered to the repayment schedule for the principal and interest dues to the Bank, consequent to which the Bank has filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFESI Act, 2002). Further the Bank has taken over symbolic possession of the immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee. The outstanding amount is Rs. 238.56 crores as per the books of account as at March 31, 2022.
 - b. The company proposed to the bank for OTS and the same is accepted and agreed by the bank letter dated 15th March 2022 giving option for one time settlement (OTS) as full and final for Rs. 95.00 crore Out of which the company had already made payment Rs.9.00 crore and the balance OTS amount Rs.86.00 crore should be payable on or before 14th September 2022.
 - c. Further the Company is currently pursuing the realization of dues to the Company and created provisions for unrealizable amounts . Apart from this the Company is not carrying any business activity. The regulatory authority may cancel the registration to carry the principal business activity as a Non-Banking Finance Company due to non-maintenance of minimum net owned fund of Rs. 2 crores as stated in the said note to the financial statement. The Company's inability to meet its financial statements, non-payment of statutory dues and in absence of visual cash flows, doubts are cast on the ability of the Company to continue as a going concern to achieve its future business plans. Taking into consideration the pending legal outcomes of the legal proceedings as well as liquidity constraints, we are unable to express our view whether it is appropriate to treat the Company as a going concern. However based on the management's assertions the Company's financial statements have been prepared on the basis of going concern and the impact, if any, if it were to be treated as a going concern, is not ascertainable at this stage.
5. The independent auditor of subsidiary company viz. PVP Global Ventures Private Limited has drawn Qualified conclusion which is reproduced below

We invite attention to Note No. 11.2 regarding advance of Rs. 10,366.39 lakhs (PY: Rs. 10,366.39 lakhs) given for acquisition of land. The long duration of outstanding of these advance and other factors like low probability of availability of a big chunk of land indicate the existence of uncertainty on the eventual realizability of these advances. In addition to the above , we invite attention to point no.(f) under report on other Legal and Regulatory requirements. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of consolidated financial statements in India in terms of Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified Opinion.

Emphasis of Matter

1. The independent auditor of subsidiary company viz. PVP Global Ventures Private Limited has drawn emphasis of matter. The same is reproduced by us as under:

We invite attention to Note No. 11.8 regarding the dormant status of the Demat account for want of KYC and some dues by the Depository Participant.

We invite attention to Note No. 11.3 regarding provision of Rs. 3,389.08 lakhs made on the advances of Rs. 3389.08 lakhs given to a Related Party.
2. The independent auditor of subsidiary company viz. Arete Real Estate Developers Private Limited has drawn emphasis of matter. The same is reproduced by us as under:

The Management is neither collecting interest nor recovering the advance given as intercorporate loans of Rs. 2 lakhs (PY: Rs. 49.40 lakhs). There has to be some underlying commercial element behind the transactions.
3. The independent auditor of subsidiary company viz. Expression Real Estates Private Limited has drawn emphasis of matter. The same is reproduced by us as under:

The Management is neither collecting interest nor recovering the advance given as intercorporate loans to a related party of Rs. 3.00 lakhs. There has to be some underlying commercial element behind the transactions.
4. The independent auditor of subsidiary company viz New Cyberabad City Projects Private Limited, Chennai has drawn emphasis of matter. The same is reproduced by us as under:

Note No 16.6 & 16.7 regarding the security given to ED and SEBI on behalf of fellow subsidiary.

Material uncertainty related to Going Concern

Attention is invited to note no.59 to the consolidated financial statements, in relation to preparation of consolidated financial statements on "Going Concern Basis";

While the net worth has completely eroded and the Group incurring continuous losses from business operations, existence of adverse key financial ratios, non-payment of statutory dues and other related factors indicate that there exists material uncertainty that will cast significant doubt on the Group's ability to continue as a going concern.

Therefore, we opine that Group may not be able to realize its assets and discharge its liabilities in the normal course of business. Notwithstanding this, the financial results have been prepared as that of going concern and consequently the fair value of various assets and liabilities have not been re-determined, and we are therefore unable to express our view whether the preparation of consolidated financial results on a going concern assumption is appropriate or not.

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

Key Audit Matters

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

Contingent Liabilities in relation to Tax Litigations and Other Statutory Litigations

| Key Audit Matter | Auditor's Response |
|---|--|
| <p>The Group has received demand relating to direct tax matters pertaining to various assessment years from Income Tax Department. The Group is contesting these demands (refer note no.64 to the Consolidated Financial Statements).</p> <p>There is high level of judgment required in estimating the level of provisioning. The management's assessment is supported by the facts of matter, their own judgment and advices from legal and independent Service Tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the management's reported loss and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/interpretation of law involved.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the current status of the litigations/ tax assessments and demands from the Income Tax department. • Examining recent orders and/or communication received from the said department and follow up action thereon. • Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal advice; and • Review and analysis of evaluation of the contentions of the management through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues. |

As a result of above audit procedures, no material difference was noted. We confirm the adequacy of disclosures made in the financial statements.

Key Audit Matters relating to a subsidiary viz. Picturehouse Media Limited, Chennai (extract from the report of Subsidiary Auditor)

Contingent Liabilities in relation to Service Tax Litigations

| Key Audit Matter | Auditor's Response |
|---|---|
| <p>The Company has received certain demand orders and notices relating to service tax matters. The company is contesting these demands (refer note no.50 to the standalone financial statements).</p> <p>There is high level of judgment required in estimating the level of provisioning. The management's assessment is supported by the facts of matter, their own judgment and advices from legal and independent service tax consultants where ever considered necessary.</p> <p>Accordingly, unexpected adverse outcomes may significantly impact the management's reported loss and the Balance Sheet.</p> | <p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> (i) Understanding the current status of the service tax litigations. (ii) Examining recent orders and/or communication received from various service tax authorities and follow up action thereon. (iii) Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal advice; and |

| Key Audit Matter | Auditor's Response |
|---|---|
| We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analyzing the facts of subject matter under consideration and judgements/interpretation of law involved. | (iv) Review and analysis of evaluation of the contentions of the management through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on service tax issues. |

As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the Financial Statements.

Key Audit Matters relating to a subsidiary viz. PVP Capital Limited (extract from the report of Subsidiary Auditors)

| Key Audit Matter | Auditor's Response |
|--|--|
| Evaluation of uncertain tax positions The company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes. (Refer note no 16.12 to the Standalone Financial Statement) | We have gone through the management's assumptions to determine the possible outcome of these disputes. |

Key Audit Matters relating to a subsidiary viz. PVP Corporate Parks Private Limited, Chennai (extract from the report of Subsidiary Auditors)

| Key Audit Matter | Auditor's Response |
|---|--|
| Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involve significant judgement to determine the possible outcome of these disputes. (Refer note no 11.3 & note no 11.4 to the Standalone Financial Statement) | We have gone through the management's assumptions to determine the possible outcome of these disputes. |

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report including annexures to Board's Report and Report on Corporate Governance but does not include the consolidated financial statements and our auditor's report thereon.

The above reports are expected to be made available to us after the date of the auditor's report.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other audit reports as noted in 'Other Matters Paragraphs' below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

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

Other Matters:

1. We did not audit financial statements and other financial information of ten subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 45,813.75 lakhs as at 31st March, 2022, Total

revenue (including other income) of Rs. 850.00 lakhs, total loss after tax of Rs. 5,989.49 lakhs, total comprehensive loss (net of tax) of Rs. 5,989.49 lakhs for the year ended 31st March, 2022 and net cash inflow of Rs. 1.02 lakhs for the year ended 31st March, 2022, as considered in the consolidated financial statements. The financial statements and other financial information of these subsidiaries have been audited by the other auditor whose reports have been furnished to us by the management and our report on the consolidated financial statements in so far as it relates to the aforesaid subsidiaries is based solely on the reports of other auditors.

Our conclusion is not modified in respect of the above-mentioned matter for the purpose of our opinion on the statement.

Report on Other Legal and Regulatory Requirements

1. 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 have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
 - b. Except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash 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 Financial Statements.
 - d. Except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above, in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. The matter described in the Basis for Qualified Opinion Paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
 - f. Attention is invited to note no. 48(a) & (b) to the Consolidated Financial Statements, regarding section 164(2) (b) of the Act, which explains the Board's view regarding defaults committed in redeeming the debentures and repayment of interest as per the schedule of redemption / payment pertaining to the holding company. Though the Board has obtained an extension till 30th June, 2022 from the debenture holder vide letter dated 24th May 2022 to pay the outstanding (covering all the defaults happened up to 31st March, 2021) and is of the opinion that as extension of time has been obtained from the debenture holder there is no delay as regards repayment of debenture and interest thereon. However, we do not agree with the Board's view.
On the basis of the reports of the other statutory auditor of its subsidiary companies, none of the directors of the subsidiary companies are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2)(b) of the Act in those companies.
 - g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion Paragraph above.
 - h. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure A" to this report; and
 - i. With respect to the other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Companies Act, 2013, as amended, in our opinion and to the best of our information and according to the explanations given to us, during the year, the holding company and its subsidiaries, has not paid remuneration to the directors in accordance with the provisions of section 197 of the Companies Act, 2013. Therefore, reporting whether the remuneration paid is within limits prescribed by the Act or not is not applicable.
 - j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matter' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group. Refer note no: 64 to the consolidation financial statements.
 - ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group.

- iv. (a) The Board has represented that, to the best of its knowledge and belief, other than as disclosed in the note no.35 to the Consolidated Financial Statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Board has represented, that, to the best of its knowledge and belief, other than as disclosed in the note no.36 to the Consolidated Financial Statement, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations provided under sub-clause (a) and (b) above, contain any material misstatement.
- v. The Group has not declared any dividend during the year. Hence, reporting on whether there is compliance with the provisions of section 123 of the Act does not arise.
2. With respect to the matters specified in paragraphs 3(xi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company and by other auditors in respect of subsidiaries included in the consolidated financial statements, we report that there are qualifications or adverse remarks in their CARO reports. The details of the companies and paragraph numbers of the CARO report containing the qualification or adverse remarks are furnished below.

| S no | Name of the Subsidiary | Clause no of Para no 3 of CARO 2020 |
|------|--|-------------------------------------|
| 1 | PVP Ventures Limited, Chennai (Holding Company) | (iii)(b), (ix) (a) |
| 2 | PVP Global Ventures Private Limited Chennai (Wholly owned Subsidiary) | (xix) |
| 3 | PVP Media Ventures Private Limited, Chennai (Wholly Owned Subsidiary) | (xix) |
| 4 | Safetrunk Services Private Limited, Chennai (Wholly owned Subsidiary) | (xix) |
| 5 | Adobe Realtors Private Limited, Hyderabad (Step down Subsidiary) | (xix) |
| 6 | Arete Real Estate Developers Private Limited, Hyderabad (Step down Subsidiary) | (xix) |
| 7 | Expressions Real Estates Private Limited, Hyderabad (Step down Subsidiary) | (xix) |
| 8 | PVP Capital Limited, Chennai (Step down subsidiary) | (ix) |
| 9 | PVP Cinema Private Limited, Chennai (Step down Subsidiary) | (xix) |
| 10 | New Cyberabad City Projects Private Limited, Telangana (Subsidiary) | (xix) |
| 11 | Picturehouse Media Limited, Chennai (Subsidiary) | (iii) (b), (iv) and (xix) |

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No.004207S

Venkatasubramanian.S
Partner
Membership Number: 219238
UDIN:22219238AJOZUR8882

Place: Chennai
Date: May 25, 2022

Annexure A 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")

In conjunction with our audit of the consolidated financial statements of PVP Ventures Limited as of and for the year ended 31st March 2022, 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 Entities covered in consolidation are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following weaknesses have been identified in the operating effectiveness of the group's internal financial control over financial reporting with reference to the consolidated financial statements as at 31st March, 2022:

- a. "The group's internal financial control with regard to realizability of loans and advances and inventory as more fully explained in note no.49 and 50 to these financial statements were not operating effectively and could potentially result in the understatement to the carrying value of such assets and also company needs to strengthen its documentation relating to disbursement of loans".
- b. Assessment of expected cash shortfall and resultant loss allowance that may be required in respect of invocation of corporate guarantees and demand against the company in respect of such guarantees executed for its subsidiary in favour of lender.

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

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Group has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

We have considered the material weaknesses identified and reported in the Qualified Opinion paragraph in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the company for the year ended 31st March, 2022 and material weaknesses do not affect our opinion on the financial statements of the Group.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the ten 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 Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No.004207S

Venkatasubramanian.S
Partner
Membership Number: 219238
UDIN:22219238AJOZUR8882

Place : Chennai
Date : May 25, 2022

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

| Particulars | Note No. | As at 31st March, 2022 | As at 31st March, 20201 |
|--|----------|---------------------------|----------------------------|
| I ASSETS | | | |
| (1) Non Current Assets | | | |
| (a) Property, Plant and Equipment | 4.1 | 236.74 | 285.79 |
| (b) Other Intangible assets | 4.2 | 0.01 | 0.01 |
| (c) Right of use assets | 4.3 | 156.71 | 194.94 |
| (d) Financial Assets | | | |
| (i) Investments | 5 | 1,421.37 | 1,757.14 |
| (ii) Other financial assets | 6 | 29.45 | 33.95 |
| (e) Deferred tax assets - Tax Credit | | 941.74 | 941.74 |
| (f) Other non current assets | 7 | 11,299.03 | 12,947.45 |
| Total Non Current Assets | | 14,085.05 | 16,161.02 |
| (2) Current assets | | | |
| (a) Inventories | 8 | 32,671.82 | 34,056.70 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 9 | 169.70 | 162.13 |
| (ii) Cash and cash equivalents | 10 | 33.34 | 393.39 |
| (iii) Bank balance other than (ii) above | 11 | 900.00 | - |
| (iv) Loans | 12 | 1,822.47 | 4,134.86 |
| (v) Other financial assets | 13 | 726.19 | 1,553.26 |
| (c) Current tax asset (net) | 13A | 55.15 | - |
| (d) Other current assets | 14 | 71.26 | 122.09 |
| Total Current Assets | | 36,449.93 | 40,422.43 |
| Total Assets | | 50,534.98 | 56,583.45 |
| II EQUITY AND LIABILITIES | | | |
| A EQUITY | | | |
| (a) Equity Share Capital | 15 A | 24,396.25 | 24,396.25 |
| (b) Other Equity | 15 B | (29,920.21) | (23,978.82) |
| (c) Non Controlling Interest | 15 B | (13,143.75) | (9,572.58) |
| (d) Equity component of Parent Company | 15 B | 707.00 | 707.00 |
| Total Equity | | (17,960.71) | (8,448.15) |
| B LIABILITIES | | | |
| (1) Non Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 16 | 12,690.30 | 14,423.04 |
| (i)a) Lease liabilities | 17 | 159.88 | 147.30 |
| (b) Provisions | 18 | 21.59 | 26.11 |
| (c) Deferred tax liabilities (Net) | | - | - |
| (d) Other non current liabilities | 19 | 705.00 | 3,954.74 |
| Total Non Current Liabilities | | 13,576.77 | 18,551.19 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 20 | 24,424.36 | 20,891.62 |
| (i)a) Lease liabilities | 21 | 18.19 | 64.63 |
| (ii) Trade payables | 22 | - | - |
| Total outstanding dues of micro enterprises and small enterprises; | | 10.15 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 205.51 | 154.56 |
| (iii) Other financial liabilities | 23 | 24,485.99 | 18,816.60 |
| (b) Other current liabilities | 24 | 4,263.51 | 5,053.16 |
| (c) Provisions | 25 | 1,511.21 | 1,499.84 |
| Total Current Liabilities | | 54,918.92 | 46,480.41 |
| Total Equity and Liabilities | | 50,534.98 | 56,583.45 |

Summary of Significant Accounting Policies

1-3

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

As per our report of even date.

For Sundaram & Srinivasan

Chartered Accountants

Firm Reg No. 004207S

Sd/-

Venkatasubramanian.S

Partner

Membership No. 219238

Place : Chennai

Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-

PRASAD V. POTLURI

Chairman & Managing Director

(DIN: 00179175)

Place : Hyderabad

Date : May 25, 2022

Sd/-

Karthikeyan Shanmugam

Chief Financial Officer

Place : Chennai

Date : May 25, 2022

Sd/-

N.S. KUMAR

Director

(DIN: 00552519)

Place : Chennai

Date : May 25, 2022

Sd/-

S. Rukmini

Company Secretary

ACS M. No. F11307

Place : Chennai

Date : May 25, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2022
(` in Lakhs)

| Particulars | | Note | For the Year Ended 31st March 2022 | For the Year Ended 31st March 2021 |
|-------------|--|------|--|--|
| I. | Revenue from Operations | 26 | 4,876.17 | 1,783.95 |
| II. | Other Income | 27 | 75.69 | 189.45 |
| III. | Total Income (I+II) | | 4,951.86 | 1,973.40 |
| IV. | Expenses : | | | |
| | Change in inventories of stock in trade | 28 | 291.14 | 99.51 |
| | Cost of Film Production expenses | 29 | 1,060.00 | 3.03 |
| | Employee Benefit Expenses | 30 | 201.41 | 180.54 |
| | Finance Cost | 31 | 6,815.35 | 6,131.28 |
| | Depreciation and amortisation expenses | 4 | 86.63 | 196.33 |
| | Other Expenses | 32 | 2,599.60 | 1,364.17 |
| | Contingent provision on sub-standard assets | | - | 1,491.59 |
| | Provision for doubtful advances and debts | | - | - |
| | Total Expenses (IV) | | 11,054.13 | 9,466.45 |
| V. | Profit Before Tax and Exception items (III-IV) | | (6,102.27) | (7,493.05) |
| VI. | Exceptional Items | 33 | 3,420.08 | 569.08 |
| VII. | Profit/ (Loss) Before Tax (V-VI) | | (9,522.35) | (8,062.13) |
| VIII. | Tax Expenses | | | |
| (1) | Current Tax | | 0.20 | - |
| (2) | Deferred Tax | | - | - |
| (3) | Income Tax for Earlier Years | | - | - |
| | Total Tax Expenses | | 0.20 | - |
| IX. | Profit (Loss) for the Period (VII-VIII) | | (9,522.55) | (8,062.13) |
| X. | Other Comprehensive income, net of tax | | | |
| | i) Items that will not be reclassified subsequently to profit and loss | | 10.00 | 7.01 |
| | Remeasurement of defined benefit obligation | | - | - |
| | Less :-income tax expense | | - | - |
| | ii) Items that will be reclassified to profit or loss | | - | - |
| | Other Comprehensive income for the year, net of tax | | 10.00 | 7.01 |
| XI. | Total Comprehensive income for the year, net of tax (IX+X) | | (9,512.55) | (8,055.12) |
| XII. | Net Loss/ profit attributable to:: | | | |
| | Non Controlling Interest | | (3,575.13) | (2,423.89) |
| | Owners of the Parent | | (5,947.42) | (5,638.24) |
| | Other Comprehensive income for the year attributable to: | | | |
| | Non Controlling Interest | | 3.96 | 1.33 |
| | Owners of the Parent | | 6.04 | 5.68 |
| XIII. | Total Comprehensive income for the year attributable to: | | | |
| | Non Controlling Interest | | (3,571.16) | (2,422.56) |
| | Owners of the Parent | | (5,941.39) | (5,632.56) |
| XIV. | Earnings Per Share | | | |
| | Basic and Diluted - (Rs.) | | (3.89) | (3.29) |
| | Face Value per Ordinary share - (Rs.) | | 10.00 | 10.00 |

Summary of Significant Accounting Policies

1-3

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

As per our report of even date.

For Sundaram & Srinivasan

Chartered Accountants
Firm Reg No. 004207S

Sd/-

Venkatasubramanian.S

Partner
Membership No. 219238

Place : Chennai
Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-

PRASAD V. POTLURI

Managing Director

(DIN: 00179175)

Place : Hyderabad

Date : May 25, 2022

Sd/-

Karthikeyan Shanmugam

Chief Financial Officer

Place : Chennai

Date : May 25, 2022

Sd/-

N.S. KUMAR

Director

(DIN: 00552519)

Place : Chennai

Date : May 25, 2022

Sd/-

S. Rukmini

Company Secretary

ACS M. No. F11307

Place : Chennai

Date : May 25, 2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(in Lakhs)

| | Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|-----------|--|---------------------------------------|---------------------------------------|
| A. | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Profit / (Loss) before Tax | (9,522.35) | (8,062.13) |
| | Adjustments for: | | |
| | Exceptional Items | 3,420.08 | (569.08) |
| | Depreciation and Amortization | 86.63 | 196.33 |
| | (Profit) / Loss on Sale of Property, Plant and Equipment | 0.70 | 1,135.49 |
| | Provision for Doubtful Advances | 10.00 | - |
| | Fair Value through Profit and Loss | (0.11) | (0.26) |
| | Provision for diminution in value of investment | 330.72 | 200.00 |
| | Provision for doubtful advances | 1,696.95 | 870.97 |
| | Provision for Expenses no Longer required written up | (46.41) | - |
| | Contingent provision on sub- standard assets | - | 1,491.59 |
| | Provision on Employee benefits | 1.93 | (26.71) |
| | Sundry Creditors Written up | (4.42) | (3.22) |
| | Payable written up | (4.31) | (108.64) |
| | Unwinding of Interest income on rental deposits | (0.49) | (2.75) |
| | Interest on Advances to Staff | (2.37) | (0.79) |
| | Assets writtenoff | 4.93 | - |
| | Excess provision Written back | - | (18.86) |
| | Gain on lease modification | (1.92) | - |
| | Interest Income | (15.22) | (25.04) |
| | Interest Expenses | 6,609.84 | 6,039.34 |
| | Cash Generated Before Working Capital Changes | 2,564.18 | 1,116.24 |
| | Movement In Working Capital | | |
| | Increase / (Decrease) in Trade Payables | 55.13 | (47.35) |
| | Increase / (Decrease) in Other Financial Liabilities | 55.35 | 74.45 |
| | Increase / (Decrease) in Other Liabilities | (4,131.21) | (1,125.15) |
| | (Increase) / Decrease in Trade Receivables | (7.58) | (11.93) |
| | (Increase) / Decrease in Inventories | 116.99 | 13.65 |
| | (Increase) / Decrease in Loans and Advances | 7.28 | 117.76 |
| | (Increase) / Decrease in Other Financial Assets | 21.37 | 103.55 |
| | (Increase) / Decrease in Other Assets | 53.57 | (9.52) |
| | (Increase) / Decrease in Other Bank Balance | (900.00) | - |
| | Increase/(Decrease) in Long Term Provisions | 10.80 | - |
| | Increase/(Decrease) in Short Term Provisions | 1.44 | - |
| | Cash Generated From Operations | (2,152.68) | 231.70 |
| | Direct Taxes Paid | (55.35) | 389.05 |
| | Interest expenses on financing activities | - | - |
| | Net Cash Flow From / (Used in) Operating Activities | (2,208.03) | 620.75 |

CASH FLOW STATEMENT (Contd.)

(in Lakhs)

| | Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|-----------|--|---------------------------------------|---------------------------------------|
| B. | CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES | | |
| | Purchase of PPE, Intangible Assets and Investment Property | (0.83) | (2.49) |
| | Proceeds from Sale of PPE, Intangible Assets | - | 4.84 |
| | Repayment/(Advances) made for Film Finance | 109.96 | (262.47) |
| | Proceeds from sale of investments | 0.03 | - |
| | Proceeds from sale of mutual funds | 5.14 | 947.57 |
| | Investments/advances to subsidiaries | - | (0.00) |
| | Interest Income Received | 0.50 | 44.72 |
| | Net Cash Flow From / (Used in) Investing Activities | 114.80 | 732.17 |
| C. | CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES | | |
| | Proceeds/(repayments) from Short Term Borrowings | 1,722.89 | (241.30) |
| | Proceeds from Long Term Borrowings | 43.29 | - |
| | Repayment of Long Term Borrowings | - | (733.60) |
| | Interest Paid on borrowings | (2.86) | 49.99 |
| | Lease liability paid | (30.14) | (68.99) |
| | Net Cash Flow From / (Used in) Financing Activities | 1,733.18 | (993.90) |
| | Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | (360.05) | 359.02 |
| | Cash and Cash Equivalents at the beginning of the year | 393.39 | 34.37 |
| | Cash and Cash Equivalents at the end of the year | 33.34 | 393.39 |
| D. | Components of Cash and Cash Equivalents | | |
| | Cash and Cheques on Hand (Current Year - Rs. 187) | 0.00 | 0.68 |
| | Balances with Banks | | |
| | -In Current Accounts and Deposit Accounts | 33.34 | 392.71 |
| | Cash and cash Equivalent | 33.34 | 393.39 |

Notes:

The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements. Reconciliation between the opening and closing balances in the balance sheet for financial liabilities arising from financing activities:

(Rs. in Lakhs)

| Particulars | As at April 01, 2021 | Net Cash Flows | Non- Cash Changes Book Adjustments | As at March 31, 2022 |
|------------------------------------|----------------------|-----------------|------------------------------------|----------------------|
| Long Term Borrowings | 23,286.69 | 43.29 | 151.59 | 23,481.57 |
| Short term Borrowings | 12,027.97 | 1,722.89 | (117.77) | 13,633.09 |
| Other Financial Liabilities | 18,769.84 | (2.86) | 5,678.93 | 24,445.91 |
| Total Financial Liabilities | 54,084.50 | 1,763.32 | 5,712.75 | 61,560.57 |

Non cash financing and investing activities (Refer Note no - 63(g))

Significant Accounting Policies

1-3

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

As per our report of even date.

For Sundaram & Srinivasan

Chartered Accountants

Firm Reg No. 004207S

Sd/-

Venkatasubramanian.S

Partner

Membership No. 219238

Place : Chennai

Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-

PRASAD V. POTLURI

Managing Director

(DIN: 00179175)

Place : Hyderabad

Date : May 25, 2022

Sd/-

Karthikeyan Shanmugam

Chief Financial Officer

Place : Chennai

Date : May 25, 2022

Sd/-

N.S. KUMAR

Director

(DIN: 00552519)

Place : Chennai

Date : May 25, 2022

Sd/-

S. Rukmini

Company Secretary

ACS M. No. F11307

Place : Chennai

Date : May 25, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity Share Capital

(1) Year ended 31st March 2022 (refer Note No.: 15A)

| Balance at the beginning of 1st April 2021 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the 31st March 2022 |
|--|--|---|---|---|
| 24,396.25 | - | - | - | 24,396.25 |

(2) Year ended 31st March 2021 (refer Note No.: 15A)

| Balance at the beginning of 1st April 2020 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the previous reporting period | Changes in equity share capital during the previous year | Balance at the end of the 31st March 2021 |
|--|--|--|--|---|
| 24,396.25 | - | - | - | 24,396.25 |

B. Other Equity

| Particulars | Capital reserve | Securities Premium | General reserve | Statutory reserve | Debiture redemption reserve | Retained Earnings | | Other Items of Other Comprehensive Income | Equity Component of Parent Company | Non Controlling Interest | Total |
|---|-----------------|--------------------|-----------------|-------------------|-----------------------------|--|----------------------|---|------------------------------------|--------------------------|-------------|
| | | | | | | Profit/(Loss) in the statement of Profit or Loss | Defined benefit plan | | | | |
| Balance at the beginning of 1st April 2020 | 2,926.05 | 85,685.26 | 0.44 | 263.09 | 150.00 | (107,520.69) | - | 149.59 | 707.00 | (7,150.02) | (24,789.28) |
| Profit/(Loss) for the year, net of income tax | - | - | - | - | - | (5,638.24) | - | - | - | (2,423.89) | (8,062.13) |
| Other comprehensive income for the year | - | - | - | - | - | - | - | 5.68 | - | 1.33 | 7.01 |
| Transfer to retained earnings | - | - | - | - | - | - | 155.27 | (155.27) | - | - | - |
| Balance at the end of 31st March 2021 | 2,926.05 | 85,685.26 | 0.44 | 263.09 | 150.00 | (113,158.93) | 155.27 | - | 707.00 | (9,572.58) | (32,844.40) |

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

- 1. Security Premium :** This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
- 2. Retained Earnings :** Retained Earnings represent accumulated losses of the company.
- 3. Capital Reserve :** Capital Reserve represents reserve recognised on amalgamations and arrangements and profit/loss on sale of fixed assets recognised during the financial year 2009-10 and 2010-11.
- 4. General Reserve :** Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 ("the Companies Act"), the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. The amount credited to the reserve can be utilised by the company in accordance with the provisions of the companies act, 2013.
- 5. Statutory Reserve :** Statutory Reserve represents reserve created as per section 45-IC of the Reserve Bank of India Act, 1934.
- 6. Exchange Fluctuation Reserve :** Exchange differences relating to the translation of the results and the net assets of the group's foreign operations from their functional currencies to the group's presentation currency (i.e currency units) are recognised directly in other comprehensive income and accumulated in the exchange fluctuation reserve. Exchange differences previously accumulated in the exchange fluctuation reserve will be reclassified to profit or loss on the disposal of foreign operations.
- 7. Debenture Redemption Reserve (DRR) :** The company has issued redeemable non-convertible listed debentures. Accordingly, the companies (Share Capital and Debentures Rules, 2014 (as amended), requires the company to create DRR out of profits of the company. During the financial year 2018-19, Debenture Redemption Reserve (DRR) amounting to Rs.150 lakhs has created out of profits available for distribution of dividend.

Item (B), Sub clause (iii), Sub-rule (7) of Rule 18 of Companies (Share Capital and Debentures) Amendment Rules, 2019 w.e.f 16.08.2019 exempts listed companies in case of Privately placed Debentures, from creation of Debenture Resemption Reserve (DRR). Accordingly, DRR is not created for the year 2021-2022.

Significant Accounting Policies

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

As per our report of even date.

For Sundaram & Srinivasan

Chartered Accountants
Firm Reg No. 004207S

Sd/-

Venkatasubramanian.S

Partner
Membership No. 219238

Place : Chennai

Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-

PRASAD V. POTLURI

Managing Director
(DIN: 00179175)

Place : Hyderabad

Date : May 25, 2022

Sd/-

Karthikeyan Shanmugam

Chief Financial Officer

Place : Chennai

Date : May 25, 2022

Sd/-

N.S. KUMAR

Director
(DIN: 00552519)

Place : Chennai

Date : May 25, 2022

Sd/-

S. Rukmini

Company Secretary

ACS M. No. F11307

Place : Chennai

Date : May 25, 2022

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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 Parent 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".

The Consolidated Financial Statements for the year ended March 31, 2022 (including comparatives) are duly adopted by the Board of Directors in their meeting held on May 25, 2022 by video conferencing for consideration and approval by the shareholders.

2. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

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

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

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

Disclosures under Ind AS are made only in respect of material items that will be useful to the users of financial statements in making economic decisions.

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 operates.

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 conforming to the above is classified as non-current.

A liability is classified as current when

- a) It is expected to be settled in the normal operating cycle of the Group;
- b) It is held primarily for the purpose of trading;
- c) It is expected to be settled within twelve months after the reporting period; or
- d) The Group has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

b) Basis of consolidation:

- i) The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries.

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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 2022 | As at 31st March 2021 |
|---|-----------------------------|---|---|
| | | % Of Ownership Directly or through subsidiaries | % Of Ownership Directly or through subsidiaries |
| PVP Corporate Parks Private Limited, Chennai | India | 100.00% | 100.00% |
| PVP Global Ventures Private Limited, Chennai | India | 100.00% | 100.00% |
| PVP Media Ventures Private Limited, Chennai | India | 100.00% | 100.00% |
| Safetrunk Services Private Limited, Chennai | India | 100.00% | 100.00% |
| New Cyberabad City Projects Private Limited, Chennai | India | 80.99% | 80.99% |
| Picturehouse Media Limited, Chennai | India | 49.55% | 49.55% |
| Adobe Realtors Private Limited, Chennai * | India | 100.00% | 100.00% |
| Arete Real Estate Developers Private Limited, Chennai * | India | 100.00% | 100.00% |
| Expressions Real Estate Private Limited, Chennai* | India | 100.00% | 100.00% |
| PVP Capital Limited, Chennai** | India | 100.00% | 100.00% |
| PVP Cinema Private Limited, Chennai** | India | 100.00% | 100.00% |

*Adobe Realtors Private Limited, Arete Real Estate Developers Private Limited, Expressions Real Estate Private Limited are the wholly owned subsidiary companies of PVP Global Ventures Private Limited.

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

** PVP Capital Limited and PVP Cinema Private Limited are the wholly owned subsidiaries of Picturehouse Media Limited.

iii) Notes to the consolidated financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

c) Ind AS 103 – Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Common control transactions

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interest method as follows:

1. The assets and liabilities of the combining entities are reflected at their carrying amounts.
2. No adjustments are made to reflect fair values or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
3. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
4. The identity of the reserves is preserved, and the reserves of the transferor become the reserves of the transferee.

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

5. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
6. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

d) Property, Plant and Equipment:

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

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

Depreciation is charged to the statement of 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:

| <u>Class of Assets</u> | <u>Estimated Useful Life</u> |
|------------------------------|------------------------------|
| Plant and Equipment | 5 years |
| Furniture and Fixtures | 10 years |
| Vehicles | 8 years |
| Computers and related Assets | 3 years |
| Office Equipment | 3 years |

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

e) Intangible Assets

Intangible Assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

f) Impairment of Property, Plant and Equipment and Intangible Assets:

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

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

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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

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

g) Foreign Currency Translation:

Initial Recognition

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

Measurement of foreign currency items on reporting date

Foreign currency monetary items of the company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

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

Group Companies

For the purposes of the consolidated financial statements, items in the consolidated statements of profit and loss of those operations for which the Indian Rupees is not the functional currency are translated to Indian Rupees at the average rates of exchange during the year. The related consolidated balance sheet are translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in the other comprehensive income. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in statement of profit and loss.

h) Leases:

The Group as a Lessee

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

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

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

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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

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

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

The Group as a Lessor

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

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

Lease-hold land:

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

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

i) Inventories

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

Investments in films and associated rights, including acquired rights and advances to talent associated with film production, are stated at lower of cost / unamortised cost or realisable value. Costs include production costs, overhead and capitalized interest costs net of any amounts received from third party investors.

The cost of production of feature film will be claimed as a deduction in accordance with Rule 9A of Income Tax Rules, 1962.

j) Financial Instruments

1) Initial Recognition

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

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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. Provision for diminution in value of investments has been made wherever required.

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 lifetime 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:

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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

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

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

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

k) Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent assets are not recognized in the financial statements.

l) Revenue Recognition

The Group has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e., 01st April 2018).

As a consistent practice, the Group recognises revenues on accrual basis.

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

Current assets are recognised under Trade Receivables. Current Liabilities are recognised when there is an advance received from customers.

- 2) Revenue from film production is recognized, net of sales related taxes, when the agreement exists, the fees are fixed or determinable, the product is delivered, or services have been rendered and collectability is reasonably assured. The Group considers the terms of each arrangement to determine the appropriate accounting treatment.

The following additional criteria apply in respect of various revenue streams within filmed entertainment:

Theatrical - Contracted minimum guarantees are recognized on the theatrical release date. The Group's share of box office receipts in excess of the minimum guarantee is recognized at the point they are notified to the Group.

Other rights - other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date when the rights are made available to the assignee for exploitation.

- 3) a) Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

b) In respect of PVP Capital Limited, Interest income on loans is accrued over the maturity of the loan where the interest is serviced regularly as per the applicable prudential norms prescribed for NBFCs by RBI to the extent applicable to the company. Interest on loans which are classified as non-performing assets and are accounted for on realization basis.

4) Dividend from investments is accounted for as income when the right to receive dividend is established.

m) Employee Benefits

1) Gratuity

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in other comprehensive income are not to be subsequently reclassified to profit or loss. As required by Schedule III to Companies Act, 2013, the Group transfers it immediately to retained earnings.

2) Compensated Absences

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

3) Other Benefit Plans

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

n) Taxes on Income

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

i) Current Income Tax

Current Income tax for the current and prior periods are measured at the amount expected to be 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.

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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

o) Borrowing Costs

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

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

p) Earnings per Share

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

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

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

q) Cash Flow Statement:

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

r) Exceptional Items:

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

s) Segment Reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment are allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments are disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment and all other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

t) Indian Accounting Standards / amendments issued but not yet effective:

The Ministry of Corporate Affairs ('MCA') notified amendments to existing standards Ind AS – 16, 37, 41, 101, 103 and 109 under Companies (Indian Accounting Standards) Rules, 2022 on March 2022. These amendments are effective for the financial year beginning from April 01, 2022.

The Company has evaluated these amendments and there are no impacts on its financial statements.

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended 31st March 2022

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 statement of profit and loss. As well as considering the recoverability or conversion of advances made in respect of securing film content or the services of talent associated with film production.

- **Useful lives of property, plant and equipment and intangible assets:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the carrying amount of property, plant and equipment at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.

- **Impairment testing:** Property, plant and equipment and intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.

- **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

- **Revenue from Contract with Customers:** The Group has applied judgments that affect the determination of the amount and timing of revenue from contracts with customers.

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note No 4.1 : Property, Plant and Equipment

| Particulars | Land | Building | Plant and Equipments | Computers and Related Assets | Furniture and Fixtures | Vehicles | Office Equipments | Total |
|--|--------------|----------------|----------------------|------------------------------|------------------------|----------------|-------------------|-----------------|
| Gross Block | | | | | | | | |
| Gross Carrying value as on 1st April, 2020 | 69.23 | 384.79 | 199.91 | 43.73 | 558.43 | 341.91 | 179.44 | 1,777.44 |
| Additions | - | - | - | 1.54 | - | 0.95 | - | 2.49 |
| Deletions | - | (348.81) | (195.71) | (2.25) | (465.39) | (62.77) | (19.87) | (1,094.80) |
| Gross Carrying value as on 31st March, 2021 | 69.23 | 35.98 | 4.20 | 43.02 | 93.04 | 280.09 | 159.57 | 685.13 |
| Additions | - | - | - | 0.34 | - | - | 0.49 | 0.83 |
| Deletions | - | - | (1.22) | (9.84) | (4.10) | (18.52) | (24.70) | (58.38) |
| Gross Carrying value as on 31st March, 2022 | 69.23 | 35.98 | 2.98 | 33.52 | 88.94 | 261.57 | 135.36 | 627.58 |
| Accumulated Depreciation | | | | | | | | |
| Accumulated Depreciation as on 1st April, 2020 | | | | | | | | |
| Depreciation for the year | - | 11.77 | 79.84 | 32.70 | 158.12 | 161.87 | 155.73 | 600.04 |
| Accumulated depreciation on deletions | - | 5.21 | 31.28 | 2.75 | 49.74 | 39.03 | 5.33 | 133.34 |
| Accumulated Depreciation as on 31st March, 2021 | - | (16.14) | (108.12) | (1.76) | (128.92) | (62.77) | (16.33) | (334.04) |
| Depreciation for the year | - | 0.84 | 3.00 | 33.69 | 78.94 | 138.13 | 144.73 | 399.34 |
| Accumulated depreciation on deletions | - | 0.58 | 0.01 | 2.03 | 5.76 | 32.19 | 3.10 | 43.67 |
| Accumulated Depreciation as on 31st March, 2022 | - | - | (1.11) | (8.23) | (3.40) | (17.17) | (22.24) | (52.15) |
| Net Block | | | | | | | | |
| Carrying Value as on 31st March, 2021 | 69.23 | 35.14 | 1.20 | 9.33 | 14.10 | 141.96 | 14.84 | 285.79 |
| Carrying Value as on 31st March, 2022 | 69.23 | 34.56 | 1.08 | 6.03 | 7.64 | 108.42 | 9.77 | 236.74 |

Note: During the current year, as well as previous year, Property, plant & equipment has not been revalued.

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

4.2 Intangible Assets

(Rs in Lakhs)

| Particulars | Software | Total | Goodwill |
|--|-------------|-------------|-----------------|
| Gross Block | | | |
| Gross Carrying Value as at 1st April, 2020 | 9.75 | 9.75 | 4,635.44 |
| Additions | - | - | - |
| Deletions | (9.32) | (9.32) | - |
| Gross Carrying Value as at 31st March 2021 | 0.43 | 0.43 | 4,635.44 |
| Additions | - | - | - |
| Deletions | - | - | - |
| Gross Carrying Value as at 31st March, 2022 | 0.43 | 0.43 | 4,635.44 |
| <u>Accumulated Depreciation</u> | | | |
| Accumulated Depreciation as on 1st April, 2020 | 3.40 | 3.40 | 4,635.44 |
| Depreciation for the year | 0.79 | 0.79 | - |
| on Disposals | (3.77) | (3.77) | - |
| Accumulated Depreciation as on 31st March, 2021 | 0.42 | 0.42 | 4,635.44 |
| Depreciation for the year | - | - | - |
| on Disposals | - | - | - |
| Accumulated Depreciation as on 31st March, 2022 | 0.42 | 0.42 | 4,635.44 |
| Net Block | | | |
| Carrying Value as on 31st March, 2021 | 0.01 | 0.01 | - |
| Carrying Value as on 31st March, 2022 | 0.01 | 0.01 | - |

Note: During the current year, as well as previous year, the Company has not revalued any intangible assets.

4.2 Right of use assets

(Rs in Lakhs)

| Particulars | Rs. in Lakhs |
|--|---------------|
| Gross Block | |
| Gross Carrying value as on 1st April, 2020 | 279.38 |
| Additions | 208.01 |
| Deletions | (193.99) |
| Gross Carrying value as on 31st March, 2021 | 293.40 |
| Additions | 5.78 |
| Deletions | (1.05) |
| Gross Carrying value as on 31st March, 2022 | 298.13 |
| <u>Accumulated Depreciation</u> | |
| Accumulated Depreciation as on 1st April, 2020 | 84.76 |
| Depreciation for the year | 62.20 |
| Accumulated depreciation on deletions | (48.50) |
| Accumulated Depreciation as on 31st March, 2021 | 98.46 |
| Depreciation for the year | 42.96 |
| Accumulated depreciation on deletions | - |
| Accumulated Depreciation as on 31st March, 2022 | 141.42 |
| Net Block | |
| Carrying Value as on 31st March, 2021 | 194.94 |
| Carrying Value as on 31st March, 2022 | 156.71 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 5 Investments

(Rs In Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------------|------------------------------|
| Investments | | |
| Non-Current Investments | | |
| Investments in other Equity Instruments (Unquoted) | | |
| <u>I. Investment carried (At Cost) (Fully Paid Up)</u> | | |
| Arsikere Solar Private Limited - Nil (Last year - 100) equity shares of Rs.10 each | - | 0.01 |
| Kadur Solar Private Limited - Nil (Last year - 100) equity shares of Rs.10 each | - | 0.01 |
| Ranibenur Solar Private Limited - Nil (Last year - 100) equity shares of Rs.10 each | - | 0.01 |
| (A) | - | 0.03 |
| <u>II. Investments in Equity Shares in others carried at fair value through Profit and Loss account</u> | | |
| Jagati Publication Limited 36,38,053 (Last year - 36,38,053) equity shares of Rs.10 each (refer note no.56) | 13,096.99 | 13,096.99 |
| Less: Provision for diminution in value of investment | (13,096.99) | (12,766.27) |
| (B) | - | 330.72 |
| <u>III. Investment in debentures (Cost, Fully Paid Up - Unquoted)</u> | | |
| Blasters Sports Ventures Private Limited 1,42,13,660 (Last year - 1,42,13,660) 1% Redeemable Non - convertible Cumulative unsecured debentures of Rs.10 each | 1,421.37 | 1,421.37 |
| Crust Realtors Private Limited 3280 (Last year - 3280) - 0% Optional Convertible Debentures of Rs.10,000/- each | 328.00 | 328.00 |
| Mantel Realtors Private Limited 5000 (Last year - 5000) - 0% Optional Convertible Debentures of Rs.10,000/ each | 500.00 | 500.00 |
| PNV Real Estates & Developers Private Limited 4500 (Last year - 4500) - 0% Optional Convertible Debentures of Rs.10,000/- each | 450.00 | 450.00 |
| Stone Valley Real Estates Private Limited 3500 (Last year - 3500) - 0% Optional Convertible Debentures of Rs.10,000/- each | 350.00 | 350.00 |
| Hercules Real Estates and Projects Private Limited 200 (Last year - 200) - 0% Optional Convertible Debentures of Rs.10,000/- each | 20.00 | 20.00 |
| | 3,069.37 | 3,069.37 |
| Less: Provision for diminution in value of Investments in Debentures (refer note 58) | (1,648.00) | (1,648.00) |
| (C) | 1,421.37 | 1,421.37 |
| <u>III. Investments in Mutual Funds carried at Fair value through Profit and Loss</u> | | |
| Investment in Canara Robeco Mutual Funds (Last year - 15,176.50 units @ Rs. 33.098 per unit of Canara Robeco Saving Fund - Regular Growth (FRGP)) | - | 5.02 |
| (D) | - | 5.02 |
| Total Non-Current Investments | (A+B+C+D) | |
| | 1,421.37 | 1,757.14 |
| Aggregate amount of quoted investment (Last year Market Value - Rs. 5.02 Lakhs) | - | 5.02 |
| Aggregate amount of unquoted investments | 16,166.36 | 16,166.39 |
| Aggregate amount of impairment in value of investments | (14,744.99) | (14,414.27) |
| Total amount of Non Current Investments | 1,421.37 | 1,757.14 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 6 Other financial assets

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|------------------------|
| Non-Current - Unsecured (Considered Good) | | |
| Security Deposit | 29.45 | 33.95 |
| | 29.45 | 33.95 |

Note 7 Other assets

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Non-Current | | |
| (i) Capital Advances | 10,366.39 | 10,366.39 |
| (ii) Advances other than Capital Advances | | |
| Inter Corporate Loans (refer note no.54) | 3,390.36 | 3,389.09 |
| Less : Impaired Loss Allowance | (3,389.09) | (1,739.54) |
| (iii) Others: | | |
| Advance Income Tax and Tax deducted at source | 693.00 | 693.14 |
| Taxes Paid under Protest* | 238.37 | 238.37 |
| Disputed Interest Paid to SEBI | 6.79 | 6.79 |
| Less: Provision for Interest Paid to SEBI | (6.79) | (6.79) |
| | 11,299.03 | 12,947.45 |

*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 .

| | | |
|--------------------------------------|----------|----------|
| *Movement in Impaired Loss Allowance | | |
| Opening balance | 1,739.54 | 892.27 |
| Amount written off | - | - |
| Credit loss allowance | 1,649.55 | 847.27 |
| Closing balance | 3,389.09 | 1,739.54 |

Note 8 Inventory

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|------------------------|
| - Land (refer note no.47) | | |
| - Flat | 6,186.85 | 6,451.62 |
| - Land | 51.45 | 51.45 |
| - Film Production Expenses - Work in Progress (refer note no.50) | 22,571.62 | 22,597.99 |
| | 3,861.90 | 4,955.64 |
| - (Valued at cost or net realised value which ever is less) | 32,671.82 | 34,056.70 |

* Inventory includes carrying value of land amounting to Rs. 824.64 lakhs as at March 31, 2022 hypothecated with bank for credit facility availed by one of the step-down subsidiaries. (Refer note no.48(f)(i))

Note 9 Trade Receivables (Current)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------------------|------------------------|------------------------|
| Considered Good - Unsecured | 169.70 | 162.13 |
| Credit Impaired | 566.78 | 566.78 |
| Less: Provision for Doubtful Debts | (566.78) | (566.78) |
| | 169.70 | 162.13 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 10 Cash and Cash Equivalents

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---------------------------------------|------------------------|------------------------|
| Balance With Banks | | |
| (i) In Current Accounts | 19.80 | 384.68 |
| (ii) In Deposit Accounts | 13.54 | 8.03 |
| Cash on Hand (Current Year - Rs. 187) | 0.00 | 0.68 |
| | 33.34 | 393.39 |

Note 11 Bank balance other than 10 above (Refer Note no. 51)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Earmarked balances - other than bank balances mentioned above | 900.00 | - |
| | 900.00 | - |

Note 12 Loans

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Loans receivables: | | |
| Secured - Considered Good | | |
| Advances for Film Finance (refer note no.49 and 51) | 17,042.00 | 17,951.96 |
| Less : Impaired Loss Allowance* | (15,227.21) | (13,889.46) |
| Unsecured and Considered good | | |
| Staff Advances | 2.68 | 23.69 |
| Unsecured, Considered Doubtful | | |
| Advances for others | 923.19 | 923.19 |
| Less : Provision for Doubtful advances** | (923.19) | (875.79) |
| Loans to related parties | - | 1.27 |
| Intercorporate Loans | 5.00 | - |
| | 1,822.47 | 4,134.86 |
| *Movement in Impaired Loss Allowance | | |
| Opening balance | 13,889.46 | 12,397.87 |
| Amount written off | - | - |
| Credit loss allowance | 1,337.75 | 1,491.59 |
| Closing balance | 15,227.21 | 13,889.46 |
| **Movement in Provision for Doubtful advances | | |
| Opening balance | 875.79 | 1,051.78 |
| Amount written off | - | -175.99 |
| Provision made during the year | 47.40 | - |
| Closing balance | 923.19 | 875.79 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 13 Other Financial Assets - Current

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|------------------------|
| Interest accrued on Movie Finance - Considered Good (Refer Note no.) | 509.94 | 1,324.37 |
| Interest accrued on Movie Finance - Credit Impaired (Refer Note no. 49) | 814.43 | - |
| Less: Allowance for interest accrued# | (814.43) | - |
| Unsecured - Considered Good | | |
| Interest accrued and Due on Staff Loans | - | 11.86 |
| Interest Accrued and Due on Fixed Deposit | 0.55 | 0.53 |
| Interest Accrued and due on debentures | 14.21 | - |
| Advances to Others (Considered good, unsecured) | 201.49 | 216.50 |
| Advance to Others (Credit Impaired, unsecured) | 3,086.88 | 3,086.88 |
| Less: Provision for Doubtful advances | (3,086.88) | (3,086.88) |
| | 726.19 | 1,553.26 |
| **Movement in Allowance for interest accrued | | |
| Opening balance | - | - |
| Amount written off | - | - |
| Provision made during the year | 814.43 | - |
| Closing balance | 814.43 | - |

Note 13A Other Financial Assets - Current

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---------------------------------------|------------------------|------------------------|
| TDS Receivable (Net of tax provision) | 55.15 | - |
| | 55.15 | - |

Note 14 Other Current Assets

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Prepaid Expenses | 6.34 | 9.35 |
| Goods and Service Tax Input tax Credit | 63.55 | 112.74 |
| Advance Income Tax and Tax deducted at source | 0.13 | - |
| MAT credit | 1.24 | - |
| | 71.26 | 122.09 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Trade receivables ageing :

(a) Trade receivable ageing - As on 31st March 2022

| Particulars | Not due | Outstanding for following periods from the due date of payment | | | | | Total |
|--|---------|--|-----------------|-----------|-----------|-------------------|--------|
| | | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | - | 169.70 | - | - | - | - | 169.70 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | - | 169.70 | - | - | - | - | 169.70 |

a) Trade receivable ageing - As on 31st March 2021

| Particulars | Not due | Outstanding for following periods from the due date of payment | | | | | Total |
|--|---------|--|-----------------|-----------|-----------|-------------------|--------|
| | | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | - | 67.05 | 95.08 | - | - | - | 162.13 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | - | 67.05 | 95.08 | - | - | - | 162.13 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 15A : Equity Share Capital

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

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Authorised Share Capital 30,00,00,000 Equity Shares of Rs. 10/- each | 30,000.00 | 30,000.00 |
| Issued, Subscribed and Paid Up 24,50,52,701 equity shares of Rs. 10 each | 24,505.27 | 24,505.27 |
| Less: 10,90,235 equity shares held by PVP Global Venture Private Limited | 109.02 | 109.02 |
| | 24,396.25 | 24,396.25 |

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

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| 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 | (10,90,235) | (10,90,235) |
| 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 2022 | | As at 31st March 2021 | |
|-----------------------------------|-----------------------|--------------|-----------------------|--------------|
| | 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) 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 (31.03.2022).

(h) The company does not issued any shares under options other than the conversion of fully convertible debentures.

(i) Shares held by promoters at the end of the year: 31st March 2022

| Promoter Name | No. of shares | Percentage of total shares | Percentage of change during the year |
|---------------------------------|---------------|----------------------------|--------------------------------------|
| 1. Platex Limited, Mauritius | 13,26,12,766 | 54.12% | - |
| 2. Jhansi Sureddi, Hyderabad | 68,78,000 | 2.81% | - |
| 3. Sai Padma Potluri, Hyderabad | 15,00,000 | 0.61% | - |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

(j) Shares held by promoters at the end of the year: 31st March 2021

| Promoter Name | No. of shares | Percentage of total shares | Percentage of change during the year |
|---------------------------------|---------------|----------------------------|--------------------------------------|
| 1. Platex Limited, Mauritius | 13,26,12,766 | 54.12% | - |
| 2. Jhansi Sureddi, Hyderabad | 68,78,000 | 2.81% | - |
| 3. Sai Padma Potluri, Hyderabad | 15,00,000 | 0.61% | - |

Note 15B : Other Equity

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------------|------------------------|------------------------|
| Other equity | | |
| - Capital Reserve | 2,926.05 | 2,926.05 |
| - Securities Premium | 85,685.26 | 85,685.26 |
| - General Reserve | 0.44 | 0.44 |
| - Statutory Reserve | 263.09 | 263.09 |
| - Debenture Redemption Reserve | 150.00 | 150.00 |
| - Retained Earnings | (1,18,945.04) | (1,13,003.66) |
| Total | (29,920.21) | (23,978.82) |

Note 16 Borrowings (Non-Current)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Secured | | |
| (a) Non-Convertible Debentures (Redeemable)(Listed)(Refer note no.48(a)) (1215 nos of Rs.10 lakhs each) | - | 2,072.50 |
| (b) Term Loans - From Banks (Refer note no.48(c)) | 4.21 | 21.98 |
| Unsecured | | |
| (a) Debentures (Refer note no.48(b)) 5000 nos (31st March, 2021 - 5000 nos). 14.5% Fully Convertible Debentures (FCDs) of Rs.1 lakh each. | 5,000.00 | 5,000.00 |
| (b) Loans from Others (refer note no 48 e) | 401.68 | 190.44 |
| (c) Loans from Related Parties (refer note no.48(d)) | 7,284.41 | 7,138.12 |
| | 12,690.30 | 14,423.04 |

Note 17 Other Financial Liabilities (Non-Current)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Non-Current | | |
| Lease liabilities (refer note no 63(c)) | 159.88 | 147.30 |
| | 159.88 | 147.30 |

Note 18 Provisions (Non-Current)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Non-Current | | |
| Employee Benefits - Gratuity | 21.59 | 26.11 |
| (Refer Note no. 25 for movement in provision for Gratuity) | 21.59 | 26.11 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 19 Other Liabilities (Non-Current)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------------------|------------------------|------------------------|
| Security Deposit (Refer Note no. 47) | 705.00 | 3,954.74 |
| | 705.00 | 3,954.74 |

Note 20 Borrowings (Current)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Secured Borrowings | | |
| From Banks | | |
| - Working Capital Loan (Refer Note no. 48(f)) | 10,000.00 | 10,000.00 |
| From others | | |
| - Current maturity of Long Term Debt (refer note no.48) (Debentures CY - Rs.10,773.50 Lakhs, PY - Rs. 8,843.50 Lakhs)(refer note no. 48(a)) (Term Loan from Bank CY - Rs.17.77 Lakhs, PY - Rs. 20.15 Lakhs)(refer note no. 48(c)) | 10,791.27 | 8,863.65 |
| - Companies ** | 1,807.00 | 1,306.69 |
| Unsecured Borrowings | | |
| - From Related Parties# | 1,539.34 | 434.53 |
| - From Others (Note 48 f (ii)) | 286.75 | 286.75 |
| | 24,424.36 | 20,891.62 |

Refer Note No.48(e) for security details, terms of repayment and other relevant details.

** The above loan is secured by a second charge on the loans made for film finance and other related activities and personally guaranteed by a Director of the Company

The company has availed unsecured loan from three related parties repayable on demand. In respect of one loan the Interest is payable at the rate of 12% p.a. on the outstanding balance .In respect of the other two loans it is interest free (Refer note no.70 (b))

Note 21 Lease liabilities (Current)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Lease liabilities (refer note no 63(c)) | 18.19 | 64.63 |
| | 18.19 | 64.63 |

Note 22 Trade Payables

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|------------------------|
| Sundry Creditors for services (refer note no.61) | | |
| Total outstanding dues of micro enterprises and small enterprises | 10.15 | - |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 205.51 | 154.56 |
| | 215.66 | 154.56 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 23 Other Financial Liabilities - Current

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Interest accrued but not due on Debentures | 3,626.99 | 2,901.99 |
| Interest accrued and due on Debentures | 6,962.06 | 5,012.47 |
| Interest accrued and due on Bank borrowings | 13,856.86 | 10,855.38 |
| Employee related payables | 17.11 | 45.14 |
| Other expenses payable | 22.97 | 1.62 |
| | 24,485.99 | 18,816.60 |

Note 24 Other Current Liabilities

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Advances for sale of land (inventory) | 2,400.00 | 2,029.30 |
| Retention money from suppliers | - | 8.43 |
| Statutory Liabilities payable | 1,212.57 | 862.42 |
| Penalty to stock exchange * | 7.60 | 7.60 |
| Other current liabilities (refer note no.66) | 643.34 | 2,145.41 |
| * Penalty levied by Securities Appellate Tribunal (SAT) | | |
| | 4,263.51 | 5,053.16 |

Note 25 Provisions - Current

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Employee Benefits - Gratuity | 0.17 | 0.84 |
| Provision against Standard Assets | 61.38 | 61.38 |
| Provision for Income tax | 1,448.42 | 1,437.62 |
| MAT payable | 1.24 | - |
| | 1,511.21 | 1,499.84 |
| * Movement in Provision for Employee Benefits - Gratuity | | |
| Balance at the beginning of the year (Non-Current) | 26.11 | 25.26 |
| Balance at the beginning of the year (Current) | 0.84 | 4.85 |
| Sub-total | 26.95 | 30.11 |
| Add: Provision made during the year | 4.81 | 5.82 |
| Less: Provision utilized / reversed during the year | 10.00 | 8.98 |
| Balance at the end of the year | 21.76 | 26.95 |
| Non-current | 21.59 | 26.11 |
| Current | 0.17 | 0.84 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Trade payables ageing :

(a) Trade payables ageing - As on 31st March 2022

| Particulars | Not due | Outstanding for following periods from the due date of payment | | | | Total |
|--------------------------|--------------|--|--------------|--------------|-------------------|---------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i. MSME | 10.15 | - | - | - | - | 10.15 |
| ii. Others | - | 131.71 | 51.06 | 16.20 | 6.54 | 205.51 |
| iii. Disputed dues-MSME | - | - | - | - | - | - |
| iv. Disputed dues-Others | - | - | - | - | - | - |
| Total | 10.15 | 131.71 | 51.06 | 16.20 | 6.54 | 215.66 |

a) Trade receivable ageing - As on 31st March 2021

| Particulars | Not due | Outstanding for following periods from the due date of payment | | | | Total |
|--------------------------|----------|--|--------------|--------------|-------------------|---------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i. MSME | - | - | - | - | - | - |
| ii. Others | - | 92.12 | 49.47 | 10.30 | 2.67 | 154.56 |
| iii. Disputed dues-MSME | - | - | - | - | - | - |
| iv. Disputed dues-Others | - | - | - | - | - | - |
| Total | - | 92.12 | 49.47 | 10.30 | 2.67 | 154.56 |

Note 26 Revenue from Operations

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|---|------------------------------------|------------------------------------|
| Income from Real Estate | 3,270.64 | 1,753.10 |
| Income from Movie Rights and Related Activities | 805.53 | 1.43 |
| Income from Film Financing Activity | 800.00 | - |
| Sale of Lockers | - | 29.42 |
| | 4,876.17 | 1,783.95 |

Note 27 Other Income

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--|------------------------------------|------------------------------------|
| Interest income on Income tax refund | 0.45 | 0.00 |
| Profit on Sale of Assets | - | 2.84 |
| Sundry Creditors Written off | 6.94 | 3.22 |
| Payable written up | - | 26.02 |
| Liabilities written off | - | 82.62 |
| Interest on Advances to Staff | 2.37 | 0.79 |
| Unwinding of Interest Income | 0.96 | 2.75 |
| Fair Value through Profit and Loss | 0.11 | 0.26 |
| Interest Income | 14.74 | 25.04 |
| Provision no longer required | 48.20 | - |
| Gain on Lease Modification | 1.92 | - |
| Excess provision on Employee Benefits Written back | - | 45.92 |
| | 75.69 | 189.45 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 28 Cost of Land

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|-----------------------------|---------------------------------------|---------------------------------------|
| Opening Stock of Land | 6,451.62 | 6,551.13 |
| Opening Stock of Land | 22,597.99 | - |
| | 29,049.61 | 6,551.13 |
| Less: Closing Stock of Land | 6,186.85 | 6,451.62 |
| Less: Closing Stock of Land | 22,571.62 | - |
| | 291.14 | 99.51 |

Note 29 Cost of Film Production Expenses

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|---|---------------------------------------|---------------------------------------|
| Opening Film Production Expenses | 4,955.64 | 4,894.43 |
| Less: Inventory Written off during the year | (1,267.90) | - |
| | 3,687.74 | 4,894.43 |
| Add: Current year Expenses | 1,234.16 | 64.24 |
| | 4,921.90 | 4,958.67 |
| Less: Closing Film Production Expenses | 3,861.90 | 4,955.64 |
| | 1,060.00 | 3.03 |

Note 30 Employee Benefit Expenses

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Salaries and wages | 191.83 | 172.51 |
| Contribution to Provident and other funds | 2.18 | 1.24 |
| Staff welfare expenses | 7.40 | 6.79 |
| | 201.41 | 180.54 |

Note 31 Finance Cost

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|---|---------------------------------------|---------------------------------------|
| Interest on | | |
| - Debentures | 2,674.59 | 2,750.33 |
| - Vehicle Loans | 2.86 | 4.52 |
| - Lease liability (refer note no 63(c)) | 30.77 | 50.46 |
| - Others | 4,107.13 | 3,325.97 |
| | 6,815.35 | 6,131.28 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 32 Other Expenses

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--|---------------------------------------|---------------------------------------|
| Rent | 29.60 | 0.78 |
| Insurance | | |
| - Assets | 3.80 | 5.82 |
| Power and Fuel | 14.41 | 12.40 |
| Printing and Stationery | 1.43 | 2.75 |
| Communication Expenses | 7.23 | 7.29 |
| Repairs and Maintenance | 15.29 | 14.49 |
| Books and Periodicals | 0.03 | 0.06 |
| Security Charges | 12.72 | 18.51 |
| CSR expenses | 180.00 | - |
| Rates and taxes | 41.98 | 35.62 |
| Payment to statutory auditors | | |
| for Statutory Audit | 23.75 | 23.48 |
| for tax audit | | 0.50 |
| for certification* | - | 2.00 |
| Directors Sitting Fees | 9.85 | 8.60 |
| Legal, Professional and consultancy | 86.26 | 54.43 |
| Office Maintenance | 27.74 | 22.93 |
| Advertisement, publicity and sales promotion | 40.64 | 5.08 |
| Bank Charges | 0.50 | 0.36 |
| Business Promotion Expenses | - | 0.16 |
| Investor related expenses including Listing Fees | 24.30 | 32.24 |
| Travelling Expenses including Conveyance | 22.02 | 34.80 |
| Postage and Telegram | - | 0.54 |
| ROC Fees | 0.19 | - |
| Membership fee | 10.33 | 0.38 |
| Loss on sale of asset | 0.71 | 0.17 |
| Assets Written off | 4.93 | - |
| Miscellaneous expenses** | 1.79 | 1.89 |
| Provision for Diminution in Value of Investments | 330.72 | 200.00 |
| Provision for doubtful debts | 1,696.95 | 870.97 |
| Provision for Interest Paid to SEBI(Dispute)/BSE | - | 7.60 |
| Provision for Doubtful advances | 10.00 | - |
| Locker rent | - | 0.30 |
| Fines and penalties | 2.43 | 0.02 |
| | 2,599.60 | 1,364.17 |

** Under this head, there is no expenditure which is in excess of 1% of total revenue or Rs. 10 lakhs, whichever is higher

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 33 Exceptional Items

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|---|---------------------------------------|---------------------------------------|
| Inventory Written Off (refer note no. 49) | 1,267.90 | - |
| Provision for Doubtful Debts and advances (refer note no. 50) | 2,152.18 | - |
| Loss on sale of assets | - | 569.08 |
| | 3,420.08 | 569.08 |

* Previous year - paid to the previous statutory auditors

- 34** No proceedings have been initiated or pending against the Group for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made there under.
- 35** "The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary"
- 36** "The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"
- 37** The Group has not operated in any crypto currency or Virtual Currency transactions.
- 38** The Group has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (as per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments other than the deemed investments in the subsidiaries.
- 39** There are no transactions with the Companies whose name are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31-03-2022.
- 40** During the year the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.
- 41** The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 42** "No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013."
- 43** The Group has not been declared a wilful defaulter by any bank or financial institution or other lender.
- 44** Charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period - Nil.
- 45** Left Intentionally blank

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Note 46 Ratios

| S.N. | Ratios | 31-Mar-22 | 31-Mar-21 |
|---|---|---------------|--------------|
| 1 | Current ratio (Current Assets/Current Liabilities) Variable | 0.66 -24% | 0.87 - |
| 2 | Debt-equity ratio (Gross total borrowings/Equity share capital + Other equity) Variable | -2.07 -51% | -4.18 - |
| Reason : During the current year, the net worth has decreased due to provision made on inventory, diminution in value of investments and loans and advances. | | | |
| 3 | Debt service coverage ratio (Profit before tax, exceptional items, Depreciation and Net Finance Charges/Net Finance charges + Long term borrowings scheduled principal repayments) Variable | 0.11 158% | -0.19 - |
| Reason : The Debt service coverage ratio has increased due to increase in sales. | | | |
| 4 | Return on equity ratio (Net profit after tax/Average Shareholders equity) Variable | 0.72 -60% | 1.82 - |
| Reason : The return on equity ratio has decreased due to provision made against inventory, diminution in value of investments, provision for doubtful loans and advances. | | | |
| 5 | Inventory turnover ratio (Cost of goods sold/Average inventory) Variable | 0.05 1533% | 0.00 - |
| Reason : Increase is due to increase in sales | | | |
| 6 | Trade Receivables turnover ratio (Net sales/Average Trade receivables) Variable | 29.39 157% | 11.42 - |
| Reason : Increase is due to increase in sales | | | |
| 7 | Trade payables turnover ratio (Net purchases/Average Trade payables) | NA | NA |
| 8 | Net capital turnover ratio (Net sales/Working capital) Variable | -0.26% 10% | -0.29% - |
| 9 | Net profit ratio (Net profit/Sales) Variable | -1.95% 57% | -4.52% - |
| Reason : The sales during the current year is substantially higher as compared with the previous year. | | | |
| 10 | Return on Capital employed (Profit before Interest and Tax/Capital employed) Variable | -3.77% 85% | -25.36% - |
| Reason :The sales during the current year is substantially higher as compared with the previous year. | | | |
| 11 | Return on investment (Income generated from investments / average investments) Variable | 1.00% -13% | 1.16% - |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

NOTES TO ACCOUNTS

47. Development Agreement

The Group, being the Landowner has signed a Joint Development Agreement (JDA) on 6th April 2011 with the Developer, North Town Estates Pvt. Ltd for development of land of measuring 70 Acres (approx.) (1,259.90 grounds).

The Company has terminated the Joint Development Agreement (JDA) on 23rd March 2022. The developer has constructed an extent of 48.74 Acres of land in phases consisting of Ananda, Brahma, Chetna, Ekanta and Gulmohar. The developer has completed the phases Viz. Ananda, Brahma, and Gulmohar in its entirety and portion of Chetna and Ekanta except 5 blocks in Chetna and 1 block in Ekanta which forms part of the terminated portion.

The company has entered in to a Joint development agreement with Rainbow Foundations Limited on March 23rd, 2022 for developing 5 blocks in Chetna and 1 block in Ekanta . The developer has furnished a refundable security deposit of Rs 705 lakhs which shall be set off from the company's share of receivables , proportionately from every connection, sale of apartments, as per JDA.

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

48. Terms of Loans and repayment of borrowings

a) Non-Convertible Debentures - Rs.10,773.50 Lakhs

The Shareholders had 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, out of which the company has issued Tranche A 386 Debentures aggregating to Rs. 3,860 lakhs and Tranche B of 829 Debentures aggregating to Rs. 8,290 lakhs which were, subscribed and paid up as per the debenture trust deed dated 16th June 2017, with remaining debentures unissued. Thus, out of aforesaid 1,950 Debentures of Rs. 10 lakhs each, the company allotted a total of 1,215 Debentures amounting to Rs. 12,150.00 lakhs. The company has made partial reduction in face value of Non Convertible Debentures (NCD) Tranche A from Rs 10 lakhs per NCD to Rs 6.434 lakhs per NCD. The reduction in face value was intimated to National Securities Depository Limited vide their letter dated February 2 , 2022. There is no change in the face value with respect to Tranche B NCD.

Details of Debentures outstanding

| S No | Particulars | As at March 31, 2022 Rs. in Lakhs |
|------|---|-----------------------------------|
| 1 | Tranche A-386 debentures @ Rs. 6.434 Lakhs each | 2483.50 |
| 2 | Tranche B- 829 debentures @ Rs. 10 Lakhs each | 8290.00 |
| | Total | 10773.50 |

| S No | Particulars | As at March 31, 2021 Rs. in Lakhs |
|------|---|-----------------------------------|
| 1 | Tranche A-386 debentures @ Rs. 10 Lakhs each | 2,626.00 |
| 2 | Tranche B- 829 debentures @ Rs. 10 Lakhs each | 8290.00 |
| | Total | 10,916.00 |

The debentures and the debenture payments are secured by:

1. English mortgage of all the rights on piece and parcel of the land located at Door No.8/8D, Stephenson Road, Perambur, Chennai measuring 9.154 acres.
2. First Charge exclusive basis on all rights titles interest and benefits of the company in respect of the JDA, JDA Escrow Agreement, JDA Escrow Account and JDA Receivables excluding the outstanding security deposit.
3. A first ranking exclusive over security interest in debentures held by the company amounting to Rs.1,421.37 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).

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

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

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

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

| Scheduled Redemption Date | Principal Amount to be redeemed cumulatively (in percent of paid up value) for the Tranche A Debenture | Scheduled Redemption Date | Principal Amount to be redeemed cumulatively (in percent of face value) for Tranche B Debentures |
|---------------------------|--|---------------------------|--|
| 30 June, 2018 | 6.250% | 30 April, 2019 | 6.250% |
| 30 September, 2018 | 6.250% | 31 July, 2019 | 6.250% |
| 31 December, 2018 | 6.250% | 31 October, 2019 | 6.250% |
| 31 March, 2019 | 6.250% | 31 January, 2020 | 6.250% |
| 30 June, 2019 | 6.250% | 30 April, 2020 | 6.250% |
| 30 September, 2019 | 6.250% | 31 July, 2020 | 6.250% |
| 31 December, 2019 | 6.250% | 31 October, 2020 | 6.250% |
| 31 March, 2020 | 6.250% | 31 January, 2021 | 6.250% |
| 30 June, 2020 | 6.250% | 30 April, 2021 | 6.250% |
| 30 September, 2020 | 6.250% | 31 July, 2021 | 6.250% |
| 31 December, 2020 | 6.250% | 31 October, 2021 | 6.250% |
| 31 March, 2021 | 6.250% | 31 January, 2022 | 6.250% |
| 30 June, 2021 | 6.250% | 30 April, 2022 | 6.250% |
| 30 September, 2021 | 6.250% | 31 July, 2022 | 6.250% |
| 31 December, 2021 | 6.250% | 31 October, 2022 | 6.250% |
| 31 March, 2022 | 6.250% | 31 January, 2023 | 6.250% |

Whereas the repayment dues of Tranche A Debentures aggregating to Rs. 3,975.31 lakhs (out of which principal amounting to Rs. 2,483.50 lakhs and Interest amounting to Rs. 1,491.81 lakhs) and Tranche B Debenture aggregating to Rs 11,687.74 lakhs (out of which principal amounting to Rs. 6,217.50 lakhs and Interest amounting to Rs. 5,470.24 lakhs) as on 31st March 2022 are still unpaid. The company has sought extension of time to repay the outstanding (both interest and principal) from time to time during the year vide letter dated May 24, 2022. The debenture holder has given time to pay the outstanding on or before June 30, 2022. The debenture holder has also stipulated that, in the case of default of payment of principal repayment within the extended due date, default additional interest of 5% per annum (over and above the coupon) is to be paid on the defaulted amount from the original due date till the date of payment.

The company has repaid a sum of Rs.142.50 lakhs towards principal during the year.

The company has been advised that the tax has to be deducted at source from interest payable on debentures (payable to overseas debenture holders) only at the time of payment. Hence, no tax has been deducted at source during the year from out of interest provision made.

(Refer note no. 68 to the consolidated financial statements for impact of Deferred Tax)

Under the circumstances, the company defaulted the redemption of debentures and repayment of interest which had fallen due on 31st March 2019, 30th September 2019, 31st December 2019, 31st March, 2020, 30th June 2020, 30th September 2020, 31st December 2020 and 31st March 2021 beyond the time permitted under section 164(2)(b) of the Companies Act, 2013. However, as per the legal advice, management is of the view that even though the repayment has not been made within the period contemplated in the above referred section, the default has been ratified by the debenture holder with retrospective effect by virtue of which the management contents that the disqualification of directors as per the above provisions has not been attracted.

b) Fully Convertible Debentures (FCD) – Rs.5,000.00 lakhs

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

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

The Debentures are convertible into redeemable preference shares and/or equity shares of on or before 22nd January 2011. Each Debenture shall be converted into newly issued equity or redeemable preference shares in the share capital of the Company. As per the scheme of amalgamation sanctioned by the Honourable High Court of Judicature at Madras, the debenture holders are entitled to 65,14,215 fully paid-up equity shares. As per subscription agreement the company shall not transfer or encumber the entire shareholding in its Subsidiaries i.e., Cyberabad City Projects Private Limited (Now known as New Cyberabad City Projects Private Limited) and PVP Enterprises Limited (Now known as PVP Global Ventures Private Limited). Irrevocable and unconditional guarantee is furnished by Mr. Prasad V. Potluri (Promoter) to the debenture holder in connection with the Debentures till the Shares allotted upon conversion have been irrevocably and unconditionally repaid or discharged in full.

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

The Debentures will bear interest at the rate of 14.5% per annum. Interest on Debentures is payable semi-annually in arrears on 15th June and 15th December each year. Interest shall accrue on the overdue sum at the rate of 2 % per annum over and above the Interest Rate (the Default Interest Rate) from the due date.

The company had sought time from the debenture holder to pay the outstanding interest from time to time during the year. The interest has to be paid on or before June 30, 2022 vide the latest letter dated May 24, 2022.

Further, the debenture holder has stipulated that, in the case of default of payment of interest amount within the extended due date, default additional interest of 2% (over and above the coupon) is to be paid on the defaulted amount from the original due date to till the date of payment.

During the year, the Parent company has accounted finance cost of Rs.725.00 lakhs and as on reporting period, the outstanding principal amounting to Rs.5,000 lakhs. Total Outstanding as on 31st March 2022 is Rs.8,626.99 lakhs.

The Parent company has been advised that the tax has to be deducted at source from interest payable on debentures (payable to overseas debenture holders) only at the time of payment. Hence no tax has been deducted at source during the year from out of interest provision made.

(Refer note no. 68 to the consolidated financial statements for impact of Deferred Tax)

Under the circumstances, the company defaulted the repayment of interest which had fallen due on 15th December 2017, 15th June 2018, 15th June 2019, 15th December 2019, 15th June 2020 and 15th December 2020 beyond the time permitted under section 164(2)(b) of the Companies Act, 2013. However, as per the legal advice, management is of the view that even though the repayment has not been made within the period contemplated in the above referred section, the default has been ratified by the debenture holder with retrospective effect by virtue of which the management contents that the disqualification of directors as per the above provisions has not been attracted.

c) From Banks - Vehicle Loans

Vehicle Loans are secured by way of Hypothecation of respective vehicles and the interest varies from 8% to 10.91% p.a. and repayable in 1 to 4 years in monthly installments.

d) From Company

The group has availed Indian rupee loan from a company which is repayable based on the availability of funds and the interest rate charged at 12% on daily average balances..

e) From Others

The loan is repayable on or before 45 days from the first date of the disbursement but extendable at the discretion of the lender. The interest rate is 15% per annum.

f) Current Borrowings

i) The group has availed Indian rupee term loan from bank amounting to Rs.10,000 lakhs and interest rate charged is base rate +4.50% i.e., 14.70%. Loan is secured by a charge on the loans made to film finance and other related activities, apart from the collateral securities on the properties belonging to group companies and personal guarantee of Mr.Prasad V.Potluri and Smt.Jhansi Sureddi.

As on 31st March 2022, the group is overdue for a period of two years towards principal and interest amounting to Rs.23,856.85 lakhs to the bank.

ii) Rs. 286.75 lakhs – Current borrowings (From Others)

49. The current assets of the group include loans and advances amounting to Rs.1,633.14 lakhs (including interest amount of Rs. 509.94 lakhs net of provision) made by one of its subsidiaries viz. PHML, Chennai. The Board is confident of realizing the value at which they are carried not with standing the period of outstanding. The Board does not foresee any erosion in carrying value.

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

The above-mentioned carrying amount of Rs.1,633.14 lakhs (including interest amount of Rs. 509.94 lakhs) is after providing for doubtful advances to the tune of Rs. 2,152.18 lakhs, being, the advances granted to production houses now considered unrecoverable. This being exceptional in nature, it is disclosed accordingly under note no.33.

50. Film production-in-progress amounting to Rs. 3,861.90 lakhs mainly comprise of advance to artistes and co-producers. The company is evaluating options for optimal utilization of these payments in production and release of films. Accordingly, the company is confident of realizing the entire value of 'expenditure on films under production'. The management does not foresee any erosion in carrying value.

The above-mentioned carrying amount of Rs. 3,861.90 lakhs is after writing off inventory to the tune of Rs. 1,267.90 lakhs, being, the advances granted in respect of film production considered unrecoverable. This being exceptional in nature, it is disclosed accordingly under note no.33.

51. PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs. 23,856.85 lakhs (including interest accrued) as per the books of accounts as on 31st March 2022. The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and the same was agreed by the bank vide letter dated March 15, 2022. The lender bank has agreed for Rs 9,500 lakhs as OTS. PVP Capital Limited has remitted Rs 900 lakhs and the balance of Rs 8,600 lakhs has to be remitted by September 14, 2022.

Further, the company had received communication letter from the Reserve Bank of India (RBI) letter dated 4th February 2021, stating that the company has not maintained the mandatory amount of Net Owned Fund of Rs.200 Lakhs. Further, RBI has instructed to furnish an action plan to achieve the mandatory amount of Net Owned Fund of Rs.200 Lakhs on or before 31st March 2021, failing which RBI would be constrained to initiate strict action including the cancellation of Certificate of Registration.

Management asserts that no adjustment to the carrying value on investment of Rs. 2,521.74 lakhs is required as it is confident that, by considering the aspects like recovery from the borrowers and other resources to bring additional cash flows will meet its obligations.

52. PVP Capital Limited has a book debt of Rs. 14,581.04 lakhs given to various film producers. Due to significant delay in completing the films, the Company's customers did not service the interest and loan repayment. Consequently, the company has made a cumulative provision of Rs. 13,889.46 lakhs for the expected credit loss. Management asserts that no adjustment to the carrying value is required as it is confident of recovery from the borrowers.
53. PVP Global Ventures Private Limited has advanced a sum of Rs. 10,366.39 Lakhs (PY: Rs 10,366.39 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.
54. PVP Global Ventures Private Limited also advanced a sum of Rs. 3,390.36 lakhs (PY: Rs. 3,389.09 lakhs) as intercorporate loan on long term basis to a related party. The Company has made a provision of Rs. 3,389.09 lakhs (PY: Rs. 1,739.54 lakhs) on this advance.
55. In respect of PVP Global Ventures Private Limited, The Enforcement Directorate had provisionally attached the land measuring 28 Acres and 8 Guntas of the Group in connection with the redemption of the investments in Mahalakshmi Energy Ventures Private Limited by the Group. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate. The Subsidiary Company has filed an appeal against the said Order. Based on the expert advice, the Subsidiary Company is confident of succeeding before the appellate authority.
56. In respect of PVP Global Ventures Private Limited, the Group holds investments of Rs.13,097.00 lakhs in Jagati Publications Limited. The transfer of share certificates for the said investments in the name of the Company is still pending. Since, the original certificates are seized by Central Board of Investigation (CBI) during search operation in connection with quid pro quo case relating to investments in Jagati Publications Limited by the group, the same couldn't be delivered along with the share transfer form. The CBI couldn't establish any quid pro quo against the group and therefore the Company as part of the group is not charge sheeted. However, the CBI is yet to return the original share certificates. Pending the original share certificates from CBI, the share certificates are still registered in the name of group companies.

Due to the ongoing case filed by CBI, the High Court of Telangana is monitoring the day-to-day operations of the Investee Company and transfer of shares of the Investee Company has kept in abeyance until the final Order is issued. In the backdrop of these facts, the valuation of the equity shares of Jagati Publication has been done by

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

the Company by considering the profitability of the Investee Company and the general rate of return on equity by other listed publishing companies after being adjusted for factors affecting the Investee Company. Based on the availability of information, the Board has estimated the provision of Rs.13,097.00 lakhs as at 31st March 2022.

57. PVP Global Ventures Private Limited had issued 707, Zero Percent Compulsory Convertible Debentures of Rs.1,00,000/- each ("CCDs") to Platex Limited, the ultimate holding company. These CCDs are mandatorily convertible into equity shares of the Company either upon occurrence of a triggering event (which is defined to include public offering, takeover or merger etc. of the Company) or in case of non-occurrence of a Trigger Event, at any time during the period between Five (5) years to Ten (10) years from the date of issuance of the CCDs i.e., between June 16, 2014 and June 16, 2019. The Debentures were supposed to be converted by June 16, 2019.

Platex Limited requested to continue and not to convert the CCDs as per the agreement and further requested to extend the term of conversion of other next five years in view of expecting perpetual returns for our investments vide letter dated 15th May 2019. Therefore, the company has extended the conversion period till 16th June 2024.

58. 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 Board has reviewed these investments and as a matter of prudence provision for the entire value has been made in the earlier years.

59. Material uncertainty related to Going Concern:

The Group was unable to honour its obligations towards repayment of principal and interest dues to its debenture holders and bank, further the company has obligations pertaining to operations includes unpaid creditors and statutory dues and incurring continuous losses. However, the group has taken various initiatives in relation to saving cost and optimizing revenue management opportunities. Further, the group is planning to launch residential lay out with infrastructure and amenities in 20 acres of land by considering the current situation of real estate sector. Therefore, the group is confident of meeting all the obligations by way of time bound monetization of its assets and receipts of various claims, which will result in improved operating performance. Notwithstanding the dependence on these material uncertain events, the group continues to prepare the consolidated financial results on a Going Concern basis.

60. COVID -19 Impact on Business Operations:

The spread of COVID-19 has impacted global economic activity as has been witnessed in several countries. There have been severe disruptions in businesses in India during the Lockdown period. The Group has assessed recoverability and carrying value of assets comprising property, plant and equipment, trade receivables, inventory, loans and advances and investments at balance sheet date. Based on the assessment by the management the net carrying values of the said assets will be recovered at values stated and there is no change in its ability to continue as Going Concern. The Group evaluated the internal controls with reference to financial statements which have found to be operating effectively given that there has been no dilution of such controls due to factors caused by COVID-19 situation.

61. Micro, Small and Medium Enterprises (MSME):

Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006 (as per information available with the Group)

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|---|------------------|------------------|
| (i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; | - | - |
| (ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| (iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006; | - | - |
| (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year and | - | - |
| (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

62. The previous year figures have been regrouped in accordance with amendment to Schedule III vide notification no. F. No. 17/62/2015-CL-V Vol-I dated March 24, 2021 issued by the Ministry of Corporate Affairs, wherever required.

63. Leases

a) Effective 01st April 2019, the group had adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing as on 01st April 2019 using the modified retrospective approach.

b) Details of the Right to use of Asset held by the Group as follows:

| Particulars | Building (Rs. in Lakhs) |
|---------------------------------------|-------------------------|
| Balance as at 1st April, 2020 | 194.62 |
| Addition | 208.01 |
| Deletion | 145.49 |
| Depreciation | 62.20 |
| Balance as at 31st March, 2021 | 194.94 |
| Addition | 5.78 |
| Deletion | 1.05 |
| Depreciation | 42.96 |
| Balance as at 31st March, 2022 | 156.71 |

c) Movement in Lease liability

| Particulars | Building (Rs. in Lakhs) |
|---------------------------------------|-------------------------|
| Balance as at 1st April, 2020 | 316.66 |
| Addition | 208.01 |
| Deletion | 246.41 |
| Finance Cost Accrued | 50.46 |
| Payment of Lease Liability | 116.79 |
| Balance as at 31st March, 2021 | 211.93 |
| Addition | 5.78 |
| Deletion | 1.05 |
| Finance Cost Accrued | 30.77 |
| Payment of Lease Liability | 69.36 |
| Balance as at 31st March, 2022 | 178.07 |

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|--|------------------|------------------|
| Maturity analysis - contractual undiscounted cash flows | | |
| Not later than one year | 58.75 | 58.75 |
| Later than one year and not more than five years | 150.07 | 168.91 |
| More than five years | 88.3 | 128.17 |
| Total undiscounted liabilities | 297.12 | 355.83 |

d) Breakup of Current and Non-Current lease liabilities

| Particulars | As on 31Mar 2022 Building | As on 31Mar 2021 Building |
|------------------------------|------------------------------|------------------------------|
| Non-Current Liability | 159.88 | 147.30 |
| Current Liability | 18.19 | 64.63 |

e) Incremental borrowing rate applied to lease liabilities is 14.12% p.a (average).

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

f) The expenses relating to short term leases accounted and leases of low value assets during the year is **NIL**.

g) Non cash financing and investing activities

| Particulars | For the year ended 31-03-2022 | For the year ended 31-03-2021 |
|---|----------------------------------|----------------------------------|
| Non cash financing and investing activities | | |
| - Acquisition of Right-of-use Asset | 5.78 | 208.01 |

64. Contingent Liabilities

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|------------------------|
| 1. Claims against the company not acknowledged as debts | | |
| - Income Tax | 2,077.63 | 2,077.63 |
| - Service Tax | 1,911.07 | 1,911.07 |
| - Non-Compliance of SEBI Regulations | - | - |
| - Others | - | - |
| Total | 3,988.70 | 3,988.70 |

65. Corporate Social Responsibility (CSR):

Gross amount required to be spent during the year is Nil. (Last year Nil).

Average Net Profits of the Group for the last three financial years is negative. Hence the provisions of Section 135 of the Act are not applicable for the year ended 31st March 2022.

The Group had spent Rs.180 lakhs pertaining to the financial year 2015-2020 during the current financial year in Educational Institution.

66. Other Commitments

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

SAT vide order dated 20th June, 2018 reduced the penalty of Rs. 1,530 lakhs on Mr. Prasad V Potluri to Rs. 515 Lakhs upheld the penalties of Rs. 1,500 lakhs imposed on PVP Global and Rs.15 Lakhs on PVP. Hence, miscellaneous Applications No.180 and 181 dt. 2nd July 2018 were filed before the Honourable SAT for staying its order for which the SAT granted 6 weeks' time to appeal with Honourable Supreme Court. Also on 6th July 2018, as Security, the appellants deposited Original Title deeds of Land valuing more than Rs.3000 lakhs, held by its subsidiaries for realization and payment of the aforesaid demand. Civil appeal No.9092 dated 16th August 2018, was filed before the Honourable Supreme Court, which was dismissed on 14th September 2018, and the SAT Orders were upheld. A demand was raised by the Recovery Officer, SEBI, Vide No.1770, 1771 and 1772 dated 26th October 2018 with Interest from, 27th March 2015, the date of order from Adjudicating Officer. The appellants filed review petitions before the Honorable SEBI/SAT, Mumbai on 10th November 2018 and 21st November 2018, stating technical and legal reasons, that the final SAT order was dated 20th June 2018, whereas the Interest was calculated since 2015 and the orders dated 27th March 2015 and 28th June 2018 are silent on levy of interest.

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

Further, Arete Real Estate Developers Private Limited and Expressions Real Estate Private Limited subsidiaries of PVP Global, have provided land parcel as security deposit towards penalty amount against the SEBI's penalty order for Insider Trading. PVP Global has not remitted the pending dues till date.

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

67. Earnings per Share (EPS)

| Particulars | Refer | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|--|------------|-----------------------------|-----------------------------|
| Nominal Value of Equity Shares (Rs. per Share) | A | 10 | 10 |
| Weighted average number of Equity Shares outstanding during the period | B | 24,39,62,466 | 24,39,62,466 |
| Profit/(Loss) after Taxes After Exceptional items (Rs. in Lakhs) | C | (9,522.55) | (8,062.13) |
| Earnings Per Share – Basic and diluted | C*100000/B | (3.89) | (3.29) |

68. Deferred Tax

Deferred tax asset has not been recognised in respect of the following items:

| Particulars | 31st March 2022 | | 31st March 2021 | |
|---|------------------|-------------------------|------------------|-------------------------|
| | Gross Amount | Unrecognised tax effect | Gross Amount | Unrecognised tax effect |
| Deductible temporary differences | 91,522.41 | 23,795.83 | 33,644.34 | 8,747.53 |
| Unabsorbed Business loss | 5,351.06 | 1,391.28 | 5,087.44 | 1,322.74 |
| Effect of expenses not allowed for tax purpose in the previous year | 379.88 | 98.77 | 89.37 | 23.24 |
| Total | 97,253.35 | 25,285.88 | 38,821.15 | 10,093.51 |

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31st March 2022.

69. Income tax Expenses

Income tax expense in the statement of profit and loss comprises:

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--|------------------------------------|------------------------------------|
| Current Tax | 1.44 | - |
| Adjustments of current year tax of prior years | - | - |
| MAT Credit | (1.24) | - |
| Net Tax | 0.20 | - |
| MAT Credit reversals / (for earlier years) | - | - |
| Deferred Tax | - | - |
| Total Income tax expenses | 0.20 | - |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

| Particulars | 31st March 2022 | 31st March 2021 |
|--|-------------------|-------------------|
| Profit/(Loss) from the operation before income tax expenditure | (9,522.35) | (8,062.13) |
| Adjustment on account of Ind AS 115 | - | - |
| Add: Intercompany eliminations | - | - |
| Net Profit/(Loss) from the operation before income tax expenditure | (9,522.35) | (8,062.13) |
| Applicable Income tax rate | 26.00% | 26.00% |
| Tax effect at statutory income tax rate | (2,475.81) | (2,096.15) |
| Effect of expenses not allowed for tax purpose | 98.77 | 1070.97 |
| Effect of unrecognised deferred tax | 2,376.84 | (2,092.70) |
| Income tax related to earlier years | - | - |
| Differences in tax expenses on account of different tax rates when compared to previous year | - | - |
| MAT Credit reversals / (for earlier years) | - | - |
| Income tax expenses charged to the statement of profit and loss | 0.20 | - |

70. Disclosure in Accordance with Ind AS -24 Related Party Transactions

a) List of Related parties where control exists:

| Name of the person/ group | Nature of Relationship |
|---|---|
| Platex Limited (PL) | Holding Company |
| Mr. Prasad V.Potluri, Chairman and Managing Director | Key Managerial Persons |
| Mrs. Sai Padma Potluri, Executive Director (Resigned with effect from 01.06.2020) | |
| Mr. N S Kumar, Independent Director | |
| Mr. Sohrab Chinoy Kersasp, Independent Director | |
| Mrs. P J Bhavani, Non-Executive Woman Director (Appointed with effect from 31.07.2020) | |
| Mr. Nandakumar Subburaman, Independent Director | |
| Mr. Subramanian Parameswaran, Executive Director | |
| Mr. Karthikeyan Shanmugam, Chief Financial Officer (Joined with effect from 25.10.2020) | |
| Mrs. Jhansi Sureddi | |
| Bruma Properties Private Limited (BPPL) | Enterprises where KMP exercise significant influence |
| PV Potluri Ventures LLP, Hyderabad | |
| BVR Malls Private Limited, Hyderabad | A private company in which a director's relative is a member or director. |
| Ordeal Realtors Private Limited | A company in which the director is a director in the Company |
| Dakshin Realities Pvt Limited, Hyderabad | A private company in which a director's relative is a member or director |
| Axil Realtors Private Limited, Hyderabad | A company in which the director is a director in the Company |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

b) Summary of transactions with the related parties during the year ended 31st March 2022

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Interest Expenses | | |
| BVR Malls Private Limited, Hyderabad | 45.16 | 1.15 |
| Loans and advances repaid/(received) | | |
| PV Potluri Ventures LLP | - | 175.00 |
| BVR Malls Private Limited, Hyderabad | (823.56) | (106.00) |
| Dakshin Realties Private Limited, Hyderabad (nett) | 517.82 | 15.29 |
| Loan from Managing Director (Interest free) | 65.00 | - |
| Sitting Fees paid to Directors | | |
| Mr. N S Kumar | 2.70 | 2.65 |
| Mr. Sohrab Chinoy | 2.70 | 2.65 |
| Mr. Nanda Kumar | 1.80 | 1.50 |
| Mrs. P.J Bhavani | 1.46 | 1.80 |
| Mr. Subramanian Parameswaran | 0.63 | - |
| Sundry Creditors Written off | | |
| PV Potluri Ventures LLP, Hyderabad | - | 2.90 |
| Provision for doubtful advances | | |
| Ordeal Realtors Private Limited, Hyderabad | 1696.43 | 870.97 |
| Axil Realtors Private Limited, Hyderabad | 1.27 | 1.27 |

c) Summary of Outstanding balances with the related parties as on 31st March 2022

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Loans and advances payable to Others | | |
| PV Potluri Ventures LLP | - | - |
| BVR Malls Private Limited | 980.68 | 106.97 * |
| Interest payable to Others | | |
| PV Potluri Ventures LLP | - | - |
| Loans and Advances | | |
| Bruma Properties Private Limited, Delhi | 35.00 | 35.00 |
| Provision on Advances – Bruma Properties Private Limited, Delhi | 35.00 | 35.00 |
| Ordeal Realtors Private Limited, Hyderabad | 3,483.90 | 1,787.45 |
| Dakshin Realties Private Limited, Hyderabad | 10,366.39 | 10,366.39 |
| Dakshin Realties Private Limited, Hyderabad (payable) | 7,778.07 | 8,295.89 |
| Loan from Managing Director (Interest free) | 65.00 | |
| Corporate Guarantees granted/(received) | | |
| PVP Capital Limited, Chennai | 20,000.00 | 20,000.00 |
| Safetrunk Services Private Limited, Chennai | - | - |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Sitting fees payable to Directors | | |
| Mr. N S Kumar | 1.00 | - |
| Mrs. P J Bhavani | 1.64 | 0.92 |
| Mr. Sohrab K Chinoy | 1.00 | - |
| Mr. Nanda Kumar S | 0.77 | - |
| Mr. Subramanian Parameswaran | 0.41 | - |

*Net of Tax Deducted at Source

Related Party as per Companies Act, 2013

| Name of the person | Nature of Relationship |
|---|--------------------------|
| Mr. Karthikeyan Shanmugam, Chief Financial Officer (Joined with effect from 25.10.2020) | Key Managerial Personnel |
| Mr. A Praveen Kumar, Chief Financial Officer * | |
| Mr. Challa Siva Prasad Naga, Executive Director * | |
| Mr. Ajay Babu Chigurupati, Executive Director * | |
| Mr. Poonamallee Jayavelu Bhavani, Executive Director * | |
| Mrs. Rukmani, Company Secretary * (Appointed with effect from 11th Nov, 2021) | |
| Mr. Vamsi Sesa Sai Ivaturi, Company Secretary* | |
| Mrs. K. Ramyanka Yadav, Company Secretary (Resigned with effect from 10th Nov, 2021) | |

*Key Managerial Personnel of subsidiary companies.

Compensation of Key Managerial Personnel of the Group

| Particulars | 31st March, 2022 | 31st March, 2021 |
|--|------------------|------------------|
| Remuneration to Key Managerial Personnel | 81.37 | 65.62 |

71. Gratuity and other post-employment benefit plans

Defined Benefit Plan - Gratuity

| Gratuity | 31st March, 2022 | 31st March, 2021 |
|--|------------------|------------------|
| Gratuity Plan: | | |
| Defined benefit obligation (DBO) | 21.76 | 26.95 |
| Fair value of plan assets (FVA) | - | - |
| Net defined benefit (asset)/liability | 21.76 | 26.95 |

The following table summarizes 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 2022.

| Particulars | 2021-22 | 2020-21 |
|----------------------|-------------|-------------|
| Current Service Cost | 2.99 | 3.76 |
| Net Interest Cost | 1.82 | 2.06 |
| Total | 4.81 | 5.82 |

Amount recognised in Other Comprehensive Income for the year ended 31st March 2022

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

| Particulars | 2021-22 | 2020-21 |
|---------------------------------------|---------|---------|
| Actuarial (gain)/ loss on obligations | (10.00) | (7.01) |

Changes in the present value of the defined benefit obligation for the year ended 31st March 2022 are as follows:

| Particulars | 2021-22 | 2020-21 |
|--|--------------|--------------|
| Opening defined obligation | 26.95 | 30.11 |
| Current service cost | 2.99 | 3.76 |
| Interest cost | 1.82 | 2.06 |
| Actuarial (gain)/ loss - experience | - | - |
| Actuarial (gain)/ loss - demographic & Financial assumptions | (10.00) | (7.01) |
| Benefits paid | - | (1.97) |
| Actuarial (gain)/ loss on obligations | - | - |
| Defined benefit obligation | 21.76 | 26.95 |

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

| Particulars | Gratuity | |
|--------------------------|------------------|------------------|
| | 31st March, 2022 | 31st March, 2021 |
| Discount rate (in %) | 6.80% - 7.12% | 6.80% |
| Salary Escalation (in %) | 7.50% | 7.50% |

A quantitative sensitivity analysis for significant assumption as at 31 March 2022 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 has 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 2022 is as shown below:

| Particulars | 31-Mar-22 | | 31-Mar-21 | |
|--|-----------------|-----------------|-----------------|-----------------|
| | Decrease | Increase | Decrease | Increase |
| Defined Benefit Obligation (Base) | | | 26.95 | |
| (%change compared to base due to sensitivity) | Decrease | Increase | Decrease | Increase |
| Discount Rate (- / + 1%) | 23.93 | 19.59 | 29.59 | 24.71 |
| Salary Growth Rate (- / + 1%) | 17.52 | 24.68 | 22.30 | 30.62 |
| Attrition Rate (- / + 1%) | 20.02 | 23.18 | 25.21 | 28.51 |
| Mortality Rate (- / + 1%) | 21.55 | 21.62 | 26.91 | 26.98 |

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, 2022 | 31st March, 2021 |
|--|------------------|------------------|
| Within the next 12 months (next annual reporting period) | 3.22 | 4.48 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Compensated Absences

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

Defined Contribution Plan

Eligible employees receive benefits under the provident fund which is a defined contribution plan. These contributions are made to the funds administered and managed by the Government of India. The group recognised Rs.0.74lakhs (previous year 1.24lakhs) for provident fund contribution in the statement of profit or loss account.

72. Disclosure of interest in Material Subsidiaries

| Name of the Company | Principal place of business | Principal activities of Business |
|---|-----------------------------|---|
| Picturehouse Media Limited | India | Movie production and related activities |
| PVP Capital Limited | India | Movie financing activities |
| New Cyberabad City Projects Private Limited | India | Real Estate Activities |

In respect of Picturehouse Media Limited and PVP Capital Limited:

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|--------------------------------------|-----------------------|-----------------------|
| Ownership interest held by the Group | 49.55% | 49.55% |
| Non-Controlling interest | 50.45% | 50.45% |

PVP Ventures Ltd along with its subsidiaries has less than a majority of voting rights (49.55%) in Picturehouse Media Ltd but still holds control over the management. Hence the Financial statements of Picturehouse Media Ltd along with its subsidiaries are consolidated while preparing the Consolidated Financial Statements as on 31st March, 2022 and 31st March, 2021 in compliance with Sec. 2(87) of the Companies Act, 2013.

In respect of New Cyberabad City Projects Private Limited:

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|--------------------------------------|-----------------------|-----------------------|
| Ownership interest held by the Group | 80.99% | 80.99% |
| Non-Controlling interest | 19.01% | 19.01% |

The summarized separate financial information of subsidiary is as below:

| Balance Sheet | Picturehouse Media Limited | | PVP Capital Limited | | New Cyberabad City Projects Limited | |
|--------------------------|----------------------------|------------------|---------------------|--------------------|-------------------------------------|------------------|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Non-Current Assets | 2,669.55 | 2,705.77 | 103.82 | 104.39 | 3,094.17 | 3,079.24 |
| Current Assets | 5,618.19 | 9,023.67 | 3,829.21 | 3,266.85 | 22,211.25 | 22,235.38 |
| Total Assets | 8,287.74 | 11,729.44 | 3,933.03 | 3,371.24 | 25,305.42 | 25,314.62 |
| Non-Current Liabilities | 7,308.63 | 7,150.93 | - | - | - | - |
| Current Liabilities | 3,012.07 | 3,469.70 | 26,993.76 | 22,503.49 | 9.24 | 6.77 |
| Total Liabilities | 10,320.70 | 10,620.63 | 26,993.76 | 22,503.49 | 9.24 | 6.77 |
| Total Equity | (2,032.96) | 1,108.81 | (23,060.74) | (19,132.25) | 25,296.19 | 25,307.85 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

Profit & Loss account:

| Particulars | Picturehouse Media Limited | | PVP Capital Limited | | New Cyberabad City Projects Limited | |
|-----------------------------|----------------------------|---------|---------------------|------------|-------------------------------------|---------|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Total Income | 815.16 | 138.79 | 800.00 | - | 50.00 | - |
| Profit /(Loss) for the year | (3,149.63) | (85.26) | (3,928.49) | (4,717.72) | 7.93 | (2.60) |
| Other comprehensive income | 7.86 | 1.30 | - | 1.33 | - | - |
| Total comprehensive Income | (3,141.77) | (83.96) | (3,928.49) | (4,716.39) | 7.93 | (2.60) |

Summarized Cash flow:

| Particulars | Picturehouse Media Limited | | PVP Capital Limited | | New Cyberabad City Projects Limited | |
|---|----------------------------|----------|---------------------|---------|-------------------------------------|---------|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Cash flows from Operating activities | (208.97) | 495.04 | (182.64) | (0.62) | 20.60 | (0.08) |
| Cash flows from Investing activities | 114.88 | (259.52) | - | - | - | - |
| Cash flows from Financing activities | 82.23 | (223.36) | 182.64 | 0.62 | (19.60) | - |
| Net Increase in Cash and Cash Equivalents | (11.86) | 12.16 | - | - | 1.00 | (0.08) |

73. 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

| Particulars | Amount as on 31st March, 2022 | Amount as on 31st March, 2021 |
|---|-------------------------------|-------------------------------|
| Financial assets: | | |
| Fair value through Profit or Loss | | |
| Investments | - | 335.74 |
| Amortised Cost | | |
| Investments carried at cost | 1,421.37 | 1,421.40 |
| Cash and cash equivalents | 0.00 | 0.68 |
| Bank balance other than cash and cash equivalents | 33.34 | 392.71 |
| Trade Receivables | 169.70 | 162.13 |
| Loans | 1,822.47 | 4,134.86 |
| Other Financial Assets | 755.64 | 1,587.21 |
| Financial liabilities: | | |
| Amortised Cost | | |
| Borrowings | 37,114.66 | 35,314.66 |
| Trade Payables | 215.66 | 154.56 |
| Other Financial Liabilities | 24,485.99 | 18,816.60 |

The carrying amounts of all financial assets and liabilities appearing in the financial statements are reasonable approximation of fair values.

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

74. Financial risk management objectives and policies

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

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

i) Market risk

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

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's Long-Term borrowings of the company bearing floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The group's exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An Increase / Decrease of 100 basis points in interest rate at the end of the reporting period of the variable financial instruments would (Decrease) / Increase profit after taxation for the year by the amounts shown below. This analysis assumes all other remain constant.

Profit / (Loss) After taxation

| Particulars | 31st March, 2022 | 31st March, 2021 |
|---|------------------|------------------|
| Financial liabilities – Borrowings | | |
| +1% (100 basis points) | 74.00 | 74.00 |
| -1% (100 basis points) | (74.00) | (74.00) |

There are no hedging instruments to mitigate this risk.

b) Foreign currency risk

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

c) Equity price risk

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

Further, the Holding Company has offered its immovable property as a collateral to the said lender bank.

ii) Credit risk

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

a. Credit risk related to corporate guarantee furnished:

The Holding Company along with one of its subsidiaries have furnished a corporate guarantee of Rs 10,000 lakhs each to its step-down subsidiary company, PVP Capital Limited ('PVPCL'). PVPCL has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs. 23,856.85 lakhs (including interest accrued) as per the books of accounts as on 31st March 2022. The bank has taken

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same. The Board asserts that no provision is required to be made to the carrying value as it is confident that the payment obligation by PVPCL will be met in due course.

b. Credit risk related to financial services business:

The following table sets out information about credit quality of loan assets measured at amortized cost based on the months past due information. The amount represents gross carrying amount.

| Particulars | FY 2021-22 | FY 2020-21 |
|--|---------------|-----------------|
| Gross carrying value of loan assets | | |
| Neither past due nor impaired | - | - |
| Past Due but not impaired | - | - |
| 1 month past due | - | - |
| 2-3 months past due | 14,581.04 | 15,381.04 |
| Impaired (above 3 months) | (13,889.46) | (13,889.46) |
| Total Gross carrying value as at reporting date | 691.58 | 1,491.58 |

c. Credit risk related to Financial Loans:

Financial services business has a comprehensive framework for monitoring credit quality of its film production based on the status of the film production. Repayment by film producers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

The Group applies the simplified approach for providing expected credit losses prescribed by Ind AS 109, which permits the use of lifetime expected loss provision for all loans & advances. The group has computed expected credit losses based on the current information of the borrowers and status of the film production.

The Group has adopted a policy of only dealing with credit worthy 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 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 the effect of mitigation through collateral security.

d. Trade Receivables

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

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

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

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

iii) Liquidity risk

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

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

The table below provides details regarding the contractual maturities of Financial Liabilities:

| Particulars | On demand | Less than 1 year | 1-5 years | More than 5 years | Total |
|------------------------------|-----------------|------------------|------------------|-------------------|------------------|
| As at 31st March 2022 | | | | | |
| Borrowings | 1,826.09 | 22,598.27 | 12,690.30 | - | 37,114.66 |
| Trade payables | - | 141.86 | 73.80 | - | 215.66 |
| Interest accrued | - | 24,445.91 | - | - | 24,445.91 |
| Lease liabilities | - | 18.19 | 159.88 | - | 178.07 |
| Other Financial Liabilities | - | 40.08 | - | - | 40.08 |
| Total | 1,826.09 | 47,244.31 | 12,923.98 | 0.00 | 61,994.38 |

| Particulars | On demand | Less than 1 year | 1-5 years | More than 5 years | Total |
|---|---------------|------------------|------------------|-------------------|------------------|
| As at 31st March 2021 | | | | | |
| Borrowings (including current maturities of long-term debt) | 721.28 | 20,170.34 | 14,423.04 | - | 35,314.66 |
| Trade payables | - | 92.12 | 62.44 | - | 154.56 |
| Interest accrued | - | 18,769.84 | - | - | 18,769.84 |
| Lease Liabilities | - | 211.93 | - | - | 211.93 |
| Other Financial Liabilities | - | 46.76 | - | - | 46.76 |
| Total | 721.28 | 39,290.99 | 14,485.48 | - | 54,497.75 |

75. Disclosure as required by DOR (NBFC).CC.PD.No.109/22.10.106/2019-20

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---------------------------------------|--|-------------------------------------|---|---------------------|--|--|
| (1) | (2) | (3) | (4) | (5)=(3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | - | - | - | - | - |
| | Stage 2 | - | - | - | - | - |
| Subtotal | | - | - | - | - | - |
| Non-Performing Assets (NPA) | | | | | | |
| Substandard | Stage 3 | - | - | - | - | - |
| Doubtful - up to 1 year | Stage 3 | - | - | - | - | - |
| 1 to 3 years | Stage 3 | 14,581.04 | 13,889.46 | 691.58 | 6,152.42 | 7,737.04 |
| More than 3 years | Stage 3 | - | - | - | - | - |
| Subtotal for doubtful | | 14,581.04 | 13,889.46 | 691.58 | 6,152.42 | 7,737.04 |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | 14,581.04 | 13,889.46 | 691.58 | 6,152.42 | 7,737.04 |
| Total | Stage 1 | - | - | - | - | - |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | 14,581.04 | 13,889.46 | 691.58 | 6,152.42 | 7,737.04 |
| | Total | 14,581.04 | 13,889.46 | 691.58 | 6,152.42 | 7,737.04 |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

76. Capital Management

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

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

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|--|-----------------------|-----------------------|
| Borrowings | 37,114.66 | 35,314.66 |
| Cash and Cash Equivalents | 0.00 | (0.68) |
| Bank Balances other than Cash and Cash Equivalents | (33.34) | (392.71) |
| Net Debt | 37,081.32 | 34,921.27 |
| Total Equity | (17,960.71) | (8,448.15) |
| Debt Equity Ratio | (2.06) | (4.13) |

77. 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. 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.

The Group has sold all assets relating to rendering of locker services during the year and has discontinued the said operation. Refer note no.31 for details.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2022 and 31st March 2021.

| | Particulars | 31st March 2022 | 31st March 2021 |
|----------|---|-----------------|-----------------|
| 1 | Segment Revenue | | |
| | Real Estate | 3,336.71 | 1,805.18 |
| | Media Related Activities | 1,614.29 | 138.80 |
| | Locker Services | - | 29.42 |
| | Unallocable Income | 0.86 | - |
| | Total | 4,951.86 | 1,973.40 |
| | Less: Intersegment revenue | - | - |
| | Net sales/Income from Operations | 4,951.86 | 1,973.40 |
| 2 | Segment profit/(loss) before finance and tax | | |
| | Real Estate | 2,384.68 | 1,272.25 |
| | Movie Related Activities | 322.64 | (1,498.13) |
| | Locker Services | (0.43) | (81.37) |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

| | Particulars | 31st March 2022 | 31st March 2021 |
|----------|---|-------------------|-------------------|
| | Unallocable Expenditure | (1,993.81) | (1,054.52) |
| | Segment profit/(loss) before finance and tax | 713.08 | (1,361.77) |
| | Less Finance Cost | 6,815.35 | 6,131.28 |
| | Total Loss before exceptional items | (6,102.27) | (7,493.05) |
| | Exceptional Items | 3,420.08 | 569.08 |
| | Total Loss before tax | (9,522.35) | (8,062.13) |
| 3 | Segment Assets | | |
| | Real Estate | 70,690.68 | 1,19,910.46 |
| | Movie Related Activities | 12,220.95 | 15,100.85 |
| | Locker Services | - | - |
| | Unallocable Assets | 10,649.27 | 12,656.76 |
| | Eliminations | (43,025.92) | (91,084.62) |
| | Total | 50,534.98 | 56,583.45 |
| 4 | Segment Liabilities | | |
| | Real Estate | 33,221.67 | 32,147.14 |
| | Movie Related Activities | 37,333.97 | 33,132.41 |
| | Locker Services | 55.87 | 55.59 |
| | Unallocable Assets | 985.49 | 2,481.58 |
| | Eliminations | (3,101.33) | (2,785.12) |
| | Total | 68,495.67 | 65,031.60 |

78. Financial information pursuant to Schedule III of Companies Act, 2013

| 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 2022 | | Year ended 31st March 2022 | | Year ended 31st March 2022 | | Year ended 31st March 2022 | |
| Holding Company | | | | | | | | |
| PVP Ventures Limited | -168% | 8,091.73 | 845% | (50,234.27) | 36% | 2.15 | 845% | (50,232.12) |
| Indian Subsidiaries | | | | | | | | |
| PVP Media Ventures Private limited | 2% | (72.53) | 0% | (5.51) | 0% | - | 0% | (5.51) |
| Safetrunk Services Private Limited | 1% | (55.87) | 0% | (0.43) | 0% | - | 0% | (0.43) |
| PVP Corporate Parks Private Limited | -35% | 1,691.85 | 0% | (0.63) | 0% | - | 0% | (0.63) |
| New Cyberabad City Projects Private Limited | -525% | 25,296.19 | 0% | 7.93 | 0% | - | 0% | 7.93 |
| PVP Global Ventures Private Limited | -202% | 9,736.30 | 34% | (1,993.59) | 0% | - | 34% | (1,993.59) |
| Adobe Realtors Private Limited | -14% | 698.41 | 0% | (0.17) | 0% | - | 0% | (0.17) |
| Arete Real Estate Developers Pvt Ltd | -19% | 905.18 | 1% | (50.38) | 0% | - | 1% | (50.38) |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

| | | | | | | | | |
|--------------------------------|-------|-------------|-------|------------|------|--------|--------|------------|
| Expression Real Estate Pvt Ltd | -16% | 785.65 | 0% | (6.82) | 0% | - | 0% | (6.82) |
| Picturehouse Media Limited | 42% | (2,032.96) | 53% | (3,149.63) | 130% | 7.86 | 53% | (3,141.77) |
| PVP Capital Limited | 479% | (23,060.74) | 66% | (3,928.49) | 0% | - | 66% | (3,928.49) |
| PVP Cinema Private Limited | 0% | (19.31) | 0% | (11.41) | 0% | - | 0% | (11.41) |
| Non-Controlling Interest | -273% | 13,143.75 | -60% | 3,575.13 | -66% | (3.96) | -60% | 3,571.16 |
| Inter-Company Eliminations | 829% | (39,924.61) | -838% | 49,850.85 | 0% | - | - 839% | 49,850.84 |
| Total | 100% | (4,816.96) | 100% | (5,947.42) | 100% | 6.05 | 100% | (5,941.39) |

79. Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs. Nil.

80. Disclosure on Accounting for revenue from customers in accordance with Ind AS 115

Disaggregated revenue information

A Type of goods and service

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|-------------------------------------|-------------------------------------|
| (a) Income from Real Estate | 3,220.64 | 1,753.10 |
| (b) Income from Movie Rights and Related Activities | 805.53 | 1.43 |
| (c) Income from Film Financing Activity | 800.00 | - |
| (c) Sale of lockers | - | 29.42 |
| Total Operating Revenue | 4,876.17 | 1,783.95 |
| In India | 4,876.17 | 1,783.95 |
| Outside India | - | - |

B Timing of revenue recognition

| Particulars | For the year ended 31st March, 2022 | | For the year ended 31st March, 2021 | |
|---|-------------------------------------|-----------------------|-------------------------------------|-----------------------|
| | At a point of time | Over a period of time | At a point of time | Over a period of time |
| Sale of products and other operating income | 4,876.17 | Nil | 1,783.95 | Nil |

C Contract balances

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|----------------------|-------------------------------------|-------------------------------------|
| Contract assets | Nil | Nil |
| Contract liabilities | Nil | Nil |

D Revenue recognised in relation to contract liabilities

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|-------------------------------------|-------------------------------------|
| Revenue recognised in relation to contract liabilities | Nil | Nil |

Notes to the Consolidated Financial Statements for the Year Ended 31st March 2022

E Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--------------------------------------|--|--|
| Revenue at contracted prices | 4,876.17 | 1,783.95 |
| Revenue from contract with customers | 4,876.17 | 1,783.95 |
| Difference | - | - |

F Unsatisfied or partially satisfied performance obligation

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Unsatisfied or partially satisfied performance obligation | Nil | Nil |

As per our report of even date.

For Sundaram & Srinivasan
Chartered Accountants
Firm Reg No. 004207S

Sd/-
Venkatasubramanian.S
Partner
Membership No. 219238

Place : Chennai
Date : May 25, 2022

For and on behalf of the Board of Directors

Sd/-
PRASAD V. POTLURI
Chairman & Managing Director
(DIN: 00179175)

Sd/-
Karthikeyan Shanmugam
Chief Financial Officer
Place : Chennai
Date : May 25, 2022

Sd/-
N.S. KUMAR
Director
(DIN: 00552519)

Sd/-
S. Rukmini
Company Secretary
ACS M. No. F11307
Place : Chennai
Date : May 25, 2022



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