

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PVP Capital Limited (formerly Known as Nahar Finance Limited),
Chennai.

Report on the Financial Statements

We have audited the accompanying financial statements of PVP Capital Limited, (formerly Known as Nahar Finance Limited and herein after referred to "the Company") which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable



and prudent; and the design, implementation and maintenance of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its Profit and its Cash Flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. B.(IV).(vi) in the notes to the financial statements pertaining to Loan Portfolio of Rs 35,66,00,357/- taken over from the Lender. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order), issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d. in our opinion, the aforesaid stand alone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.



- e. on the basis of written representation received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) There are no major pending litigations;
 - ii) The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for M/s MAHALINGAM & SRIVATSAN,
CHARTERED ACCOUNTANTS
Firm Registration No: 0019295

Place : Chennai
Date : 23rd May, 2016



A handwritten signature in blue ink, appearing to read 'M Narayanan'.

M Narayanan
Partner
Membership No: 022522

Annexure-A to the Independent Auditors' Report

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - (b) These Fixed Assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties requiring the verification of title deeds of immovable properties held in the name of the Company .
2. There are no Inventories as at the year end. Therefore, the provision of clause 3 (ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.
 3. In our opinion and according to the information and explanations given to us, the company has transferred to its Holding Company, a party covered in the register maintained under section 189 of the Act, Rs. 22,71,43,558/- being the loans extended by it ; the same is outstanding as at the year end. It is informed that the transfer is made for faster recovery considering the business relationship the Holding Company has with the subject parties and that there are no terms regarding interest or repayment in respect of the same. (Please refer Note B(IV)(x).



4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, to the extent applicable to the Company being a Non Banking Financial Company (NBFC).
5. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from public during this year. Therefore the provision of clause 3 (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.
6. As per the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Act and hence provision of clause 3 (vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit..
7. a. According to the information and explanation given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities, like Provident Fund, Employee's State insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess, wherever applicable. ***The Income tax due of Rs. 3,84,73,453/- pertaining to the Assessment Year 2015-16 is outstanding for a period of more than six months from the date it became payable, as at the last day of the financial year (Please refer Note B(IV)(ix).*** Based on the information and explanation given to us, there are no other undisputed Statutory outstanding dues as at 31st March, 2016 for a period of more than six months from the date they become payable.



- b. According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanation given to us, the company has not defaulted any loans or borrowings from financial institutions, bank or government or debenture holders and hence the provision of clause 3 (viii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.
9. In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer and the provision of clause 3 (ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.
10. In our opinion and according to the information and explanation given to us, there are no fraud by the company or any fraud on the company by its officers or employees and hence the provision of clause 3 (x) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. According to the information and explanation given to us, the company is not a Nidhi company and hence the provision of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.



13. According to the information and explanation given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanation given to us, the company has not made any preferential allotment of shares or private placement or shares or convertible debentures and hence the provision of clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.
15. According to the information and explanation given to us, the company is not entered into any non-cash transactions with directors or persons connected with them and hence the provision of clause 3 (xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company for the year under audit.
16. According to the information and explanation given to us, the company is registered under section 45-IA of Reserve Bank of India Act, 1934.

for M/s MAHALINGAM & SRIVATSAN
CHARTERED ACCOUNTANTS
Firm Registration No: 019295

Place : Chennai
Date : 23rd May, 2016



M.NARAYANAN
Partner
Membership No: 22522

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") (Referred to in paragraph 2(f) of Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date)

We have audited the internal financial controls over financial reporting of PVP Capital Limited (**formerly known as Nahar Finance Limited** and herein after called the "Company") as on 31 March 2016 in conjunction with our audit of the 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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.

for M/s MAHALINGAM & SRIVATSAN
CHARTERED ACCOUNTANTS
Firm Registration No: 01929S

Place : Chennai
Date : 23rd May, 2016



M.NARAYANAN
Partner
Membership No: 22522

PVP CAPITAL LIMITED (FORMERLY KNOWN AS NAHAR FINANCE LTD)

CIN : U65191TN1988PLC015481

BALANCE SHEET AS AT 31st MARCH, 2016

	Note No.	As at 31-03-2016		As at 31-03-2015	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	25,00,00,000		25,00,00,000	
(b) Reserves and Surplus	3	25,07,31,570	50,07,31,570	18,10,33,429	43,10,33,429
(2) Share application money pending allotment					
(3) Non-current liabilities:					
(a) Long-term borrowings	4	44,18,81,368		31,74,30,990	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities		-		-	
(d) Long-term provisions	5	31,34,192	44,50,15,560	21,91,310	31,96,22,300
(4) Current liabilities:					
(a) Short-term borrowings	6	1,01,16,06,270		99,40,56,300	
(b) Trade payables	7	4,64,170		2,14,189	
(c) Other current liabilities	8	77,04,801		33,28,402	
(d) Short-term provisions	9	8,31,76,352	1,10,29,51,793	4,36,46,630	1,04,12,45,521
Total			2,04,86,98,923		1,79,19,01,250
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets	10	11,849		32,826	
(ii) Intangible assets		-		-	
(iii) Capital Advances		-		-	
(iv) Intangible assets under development		-		-	
(b) Non-current investments		-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances		-		-	
(e) Other non-current assets	11	10,84,315	10,96,164	23,13,874	23,46,700
(2) Current assets					
(a) Current investments	12	-		7,00,00,000	
(b) Inventories		-		-	
(c) Trade receivables		-		-	
(d) Cash and cash equivalents	13	3,30,084		34,00,526	
(e) Short-term loans and advances and other Current Assets.	14	2,04,72,72,675	2,04,76,02,759	1,71,61,54,023	1,78,95,54,550
Total			2,04,86,98,923		1,79,19,01,250

As per our Report of even date

For M/s MAHALINGAM & SRIVATSAN

CHARTERED ACCOUNTANTS

Firm Registration Number: 107985

M. NARAYANAN

Partner

Membership No. 2232

For and on behalf of the Board of Directors

VINAY CHILAKAPATI

Whole Time Director

R NAGARAJAN

Director

P. BHANU PRAKASH

Chief Financial Officer

MONA RAJORA

Company Secretary

Place : Chennai

Date : 23/05/2016

PVP CAPITAL LIMITED (FORMERLY KNOWN AS NAHAR FINANCE LTD)

CIN : U65191TN1988PLC015481

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

	Note No	For the Year ended 31-03-2016 Rs.	For the Year ended 31-03-2015 Rs.
I Revenue from operations		34,21,45,275	34,70,17,009
II Other income	15	506.00	-
III Total Revenue (I + II)		34,21,45,781	34,70,17,009
IV Expenses			
a Cost of materials consumed		-	-
b Purchases of Stock-in-Trade		-	-
c Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
d Employee benefit expenses	16	98,37,259	1,15,77,387
e Finance costs	17	21,36,10,391	17,25,54,910
f Depreciation and amortization expenses	18	20,977	20,921
g Other expenses		57,57,362	2,92,82,876
h Contingent Provision on Standard Assets		9,86,059	19,98,986
Total expenses		23,02,12,048	21,54,35,080
V Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		11,19,33,733	13,15,81,929
VI Exceptional items		-	-
VII Profit/(Loss) before extraordinary items and tax (V - VI)		11,19,33,733	13,15,81,929
VIII Extraordinary items		-	-
IX Profit/(Loss) before tax (VII - VIII)		11,19,33,733	13,15,81,929
X Tax expenses			
(1) Current tax		4,22,35,593	4,99,24,406
(2) Deferred tax		-	-
(3) Earlier Year Income Tax Paid/(Reversed)		-	(6,34,265)
XI Profit / (loss) for the year from continuing operations (IX - X)		6,96,98,140	8,22,91,788
XII Profit / (loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
XIII Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XIV Profit / (loss) for the year (XI + XIV)		6,96,98,140	8,22,91,788
XV Earnings per share:			
(1) Basic		2.79	3.29
(2) Diluted		2.79	3.29

As per our Report of even date
For M/s MAHALINGAM & SRIVATSAN

CHARTERED ACCOUNTANTS

Firm Registration Number: 110792


M. NARAYANAN
Partner
Membership No. 22522

For and on behalf of the Board of Directors


VINAY CHILAKAPATI
Whole Time Director


R. NAGARAJAN
Director


P. BHANU PRAKASH
Chief Financial Officer


MONA RAJORA
Company Secretary

Place : Chennai
Date : 23/05/2016

PVP CAPITAL LIMITED (FORMERLY KNOWN AS NAHAR FINANCE LTD)
CIN : U65191TN1988PLC015481
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	Year Ended March 31, 2016	Year Ended March 31, 2015
	Rs.	Rs.
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before taxation	11,19,33,733	13,15,81,929
Adjustments for operating activities :		
Depreciation	20,977	20,921
Income from Current Investment	(1,39,527)	(24,932)
Contingent Provision against Standard Assets	9,86,059	19,98,986
Provision for Diminution in value of Investment	-	-
Provision no longer required written back	-	-
Profit on Sale of Fixed assets	-	-
Operating Profit before Working Capital Changes	11,28,01,242	13,35,76,904
Adjustments for :		
(Increase)/Decrease in Trade Receivables	-	-
(Increase)/Decrease in Long Term Loans and Advances	-	-
(Increase)/Decrease in Short Term Loans & Advances and Other Current Assets	(33,11,18,652)	(45,39,16,897)
Increase/(Decrease) in Long Term Provisions	9,42,882	19,94,854
Increase/(Decrease) in Short Term Provisions	18,153	20,437
Increase/(Decrease) in Current Liabilities & Trade Payables	46,26,380	27,53,334
Cash generated from operations	(21,27,29,994)	(31,55,71,369)
Income taxes paid	(24,80,323)	(5,22,22,341)
Net Cash from / (used in) Operating Activities (A)	(21,52,10,317)	(36,77,93,710)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase/ addition to Fixed Assets including capital advances	-	-
Investments in Mutual Fund	-	(7,00,00,000)
Inter Corporate Deposits	-	-
Proceeds from Sale of Fixed Assets including capital advances	-	3,87,15,200
Proceeds from Sale of Current Investment	7,00,00,000	-
Interest received	1,39,527	-
Income from Current Investment	-	24,932
Net cash from / (used in) investing activities (B)	7,01,39,527	(3,12,59,868)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from share capital	-	-
Proceeds from Long/Short Term Borrowings	1,75,49,970	40,11,89,074
Repayment of Long/Short Term Borrowings	12,44,50,378	-
Net cash from financing activities (C)	14,20,00,348	40,11,89,074
Net Increase in Cash and Cash Equivalents (A+B+C)	(30,70,442)	21,35,496
Cash and cash equivalents at the beginning of the year	34,00,526	12,65,030
Cash and cash equivalents at the end of the year	3,30,084	34,00,526

As per our Report of even date

For M/s MAHALINGAM & SRIVATSAN
 CHARTERED ACCOUNTANTS
 Firm Registration Number - 019295


M. NARAYANAN
 Partner
 Membership No. 22522

For and on behalf of the Board of Directors


VINAY CHILAKAPATI
 Whole Time Director


R. NAGARAJAN
 Director


P. BHANU PRAKASH
 Chief Financial Officer


MONA RAJORA
 Company Secretary

Date : 23/05/2016

Note-1:

A. SIGNIFICANT ACCOUNTING POLICIES:

1. SYSTEM OF ACCOUNTING

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013. The Company follows the directions prescribed by the Reserve Bank of India (RBI) for Non-Banking Financial Companies.

2. REVENUE RECOGNITION:

Company recognizes income and expenditure on accrual basis except interest on loans which are classified as non-performing assets and are accounted for on realization basis.

3. CASH FLOW STATEMENTS

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

4. FIXED ASSETS AND DEPRECIATION :

Fixed Assets are stated at the cost of acquisition less accumulated depreciation. The cost of acquisition includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Depreciation is provided on straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013, as amended.

5. INVESTMENTS :

There are no Long-term investments. Current investments are valued at cost or market value whichever is lower.

6. INVENOTRIES :

There is no Inventory.

7. FOREIGN CURRENCY TRANSACTIONS :

There are no foreign currency transactions during the year.

8. LEASE RENTALS :

There are no Lease rentals for the year.

9. RETIREMENT BENEFITS :

There are no employees covered under PF and ESI. The Company accounts liability towards Gratuity and Leave Encashment based on an actuarial valuation, as at the Balance Sheet date.

10. BORROWING COST :

Borrowing costs are expensed in the year in which it is incurred, except those attributable to acquisition of assets that takes a substantial period to get ready for its intended use, then the borrowing cost incurred on such assets are capitalized to its cost.



11. PROVISIONS AND CONTINGENCIES :

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made the fact is disclosed.

12. PROVISIONS FOR TAXATION :

- Provision for current tax is made for the amount of tax payable in respect of taxable income for the year under Income Tax Act, 1961.
- Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

13. IMPAIRMENT OF ASSETS :

There is no impairment of Fixed Assets during the year.

14. EARNINGS PER SHARE :

The company reports Basic and Diluted earnings per share in accordance with the Accounting Standard – 20- 'Earnings Per Share'.

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend, if any and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as fraction of an equity share to the extent that they were entitled to participate in dividends related to a fully paid equity share during the reporting year.

15. SEGMENT REPORTING :

The operation of the company is under a single segment and hence no segment reporting for the year is necessary.



PVP CAPITAL LIMITED (FORMERLY KNOWN AS NAHAR FINANCE LTD)

CIN : U65191TN1988PLC015481

NOTES TO THE ACCOUNTS AS AT 31st MARCH, 2016

		As at 31-03-2016	As at 31-03-2015
		Rs.	Rs.
Note: 2	(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
	Authorised Share Capital		
	5,00,00,000(PY 5,00,00,000) Equity Shares of Rs. 10/- each	50,00,00,000	50,00,00,000
	Issued, Subscribed and Paid Up		
	2,50,00,000(PY 2,50,00,000) Equity Shares of Rs. 10/- each	25,00,00,000	25,00,00,000
		25,00,00,000	25,00,00,000
	(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
	Number of equity shares outstanding as at the beginning of the year	2,50,00,000	2,50,00,000
	Add: Number of Shares allotted during the year		
	Less: Number of Shares bought back		
	Number of equity shares outstanding	2,50,00,000	2,50,00,000
(C) Shares in the company held by each shareholder holding more than 5%:			
		No of shares at 31.03.2016	No of shares at 31.03.2015
Name of shareholder		% as at year end	
Picture House Media Limited and nominees		100	2,50,00,000
		2,50,00,000	2,50,00,000
Note: 3 RESERVES AND SURPLUS			
a General Reserves			
Opening Balance		86,000	86,000
Add: Additions during the Year		-	-
Less: Deductions during the year		-	-
Closing Balance (a)		86,000	86,000
b Surplus (P&L a/c) as under:			
Opening Balance		14,48,15,646	7,89,82,216
Profit / (Loss) for the period - From P & L		6,96,98,140	8,22,91,788
Less: Proposed dividends		-	-
Tax on distributed profits		-	-
Balance of Profit / Loss		21,45,13,786	16,12,74,004
Less: Transfer to Statutory Reserves		1,39,39,628	1,64,58,358
Closing Balance (b)		20,05,74,158	14,48,15,646
c Statutory Reserve *			
Opening Balance		3,61,31,783	1,96,73,425
Add: Additions during the Year		1,39,39,628	1,64,58,358
Less: Deductions during the year		-	-
Closing Balance (c)		5,00,71,411	3,61,31,783
d Total (a+b+c)		25,07,31,570	18,10,33,429
* - Transfer to Statutory Reserve made @ 20% of the profit after tax as per Section 43-IC of RBI Act, 1934			
Note 4 LONG TERM BORROWINGS			
Secured			
Loan from others *		44,18,81,368	31,74,30,990
(Including Interest accrued and Due)			
* The above Loan is secured by a second charge on the Loans made to film finance and other related activities, and personally guaranteed by a Director of the company.		44,18,81,368	31,74,30,990



PVP CAPITAL LIMITED (FORMERLY KNOWN AS NAHAR FINANCE LTD) CIN : U65191TN1988PLC015481 NOTES TO THE ACCOUNTS AS AT 31st MARCH, 2016		
	As at 31-03-2016	As at 31-03-2015
Note-5 LONG TERM PROVISIONS Employee Benefits	31,34,192	21,91,310
	31,34,192	21,91,310
Note-6 SHORT TERM BORROWING Secured Loan from Bank** (Including Interest accrued and Due)	1,01,16,06,270	99,40,56,300
	1,01,16,06,270	99,40,56,300
**The above 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 their corporate guarantees and personal guarantee of Mr Prasad V Potluri and Sent Jhansi Suredidi.		
Note-7 TRADE PAYABLE Sundry Creditors for Expenses	4,64,170	2,14,189
	4,64,170	2,14,189
Note-8 OTHER CURRENT LIABILITIES TDS Payable Service tax Payable Allowances payable CSR expenditure payable	50,74,715 72,863 6,37,223 19,20,000	33,24,152 - 4,250 -
	77,84,801	33,28,402
Note-9 SHORT TERM PROVISIONS Provision for Income Tax (Net of TDS / Advance Tax) Employee Benefits Contingent Provision against Standard Assets (made at 0.30% of the outstanding loans ; Previous year 0.25%)	7,69,99,146 39,803 61,37,604	3,84,73,435 21,650 51,51,545
	8,31,76,553	4,36,46,630
Note-11 OTHER NON CURRENT ASSETS Others- Advance Income Tax/TDS / Refund receivable	10,84,315	23,13,874
	10,84,315	23,13,874
Note-12 CURRENT INVESTMENTS Investments in Mutual funds - Reliance Liquid Fund	-	7,00,00,000
	-	7,00,00,000
Note-13 CASH AND CASH EQUIVALENTS Balance with banks Cash on hand	3,29,309 775	33,98,152 2,375
	3,30,084	34,00,527
Note-14 SHORT TERM LOANS AND ADVANCE Secured - Considered Good Loans - Film Finance Unsecured - Considered Good Advances to Related Party Loans and advances to employees Loans and advances to Others Other Current assets	1,81,87,21,953 22,71,43,558 40,000 13,67,164 -	1,71,47,90,442 - 1,05,000 12,08,940 49,641
	2,04,72,72,675	1,71,61,54,023



		For the year ended 31-03-2016 Rs.	For the year ended 31-03-2015 Rs.
Note-15	OTHER INCOME		
	Other Income	506	-
		506	-
Note-16	EMPLOYEE COST		
	Salaries and allowance	98,12,259	1,15,76,601
	Staff welfare	25,000	786
	Other Allowance	-	-
		98,37,259	1,15,77,387
Note-17	FINANCE COST		
	Interest Expenses	20,97,33,690	16,82,86,262
	Others	38,76,701	42,68,648
		21,36,10,391	17,25,54,910
Note-18	OTHER EXPENSES		
a	Legal, Professional and consultancy	22,58,739	7,74,467
b	Brokerage & Commission	-	2,80,90,000
c	BCC Fees	34,952	6,168
d	Audit Fees	1,95,306	2,13,486
e	Communication expenses	-	2,636
f	Travelling & Conveyance	1,79,148	38,172
g	Rates & Taxes	1,03,236	4,190
h	TDS Written off	1,33,561	-
i	CSR Expenditure	19,20,000	-
j	Other Expenses	9,32,420	1,53,766
		57,57,362	2,92,82,878



PVP CAPITAL LIMITED (FORMERLY KNOWN AS NAHAR FINANCE LTD)									
CIN : U65191TN1988PLC015481									
FIXED ASSETS SCHEDULE AS AT 31st MARCH, 2016									
Note-10 :FIXED ASSETS - TANGIBLE									
Description	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at 1st April, 2015	Addition	Deletion	As at 31st March, 2016	As at 1st April, 2015	Addition	Deletion	As at 31st March, 2016	As at 31st March, 2015
Computers & Related Assets	Rs. 36,990	-	-	Rs. 36,990	Rs. 16,487	13,016	-	Rs. 29,503	Rs. 20,503
Office Equipments	20,949	-	-	20,949	8,626	7,961	-	16,587	12,323
Previous year	57,939	-	-	57,939	25,113	20,977	-	46,090	32,826
Capital Advances	57,939	-	-	57,939	4,192	20,921	-	32,826	53,747
	-	-	-	-	-	-	-	-	-



PVP Capital Limited (Formerly known as Nahar Finance Limited)
Notes forming part of the financial statements for the year ended March 31, 2016

B.Additional Information:

1	CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)	Year ending 31/03/2016	Year ending 31/03/2015
a	Claims against the company not acknowledged as debts	NIL	NIL
b	Guarantees	NIL	NIL
c	Other moneys for which the company is contingently liable	NIL	NIL
d	Estimated amounts of contracts remaining to be executed on capital account and not provided for	NIL	NIL
e	Uncalled liability on shares and other investments partly paid	NIL	NIL
f	Other commitments	NIL	NIL
2	OTHERS		
I	Earnings per share (EPS)		
	Profit available for shareholders- in Rs. A-	6,96,98,140	8,22,91,788
	Number of shares outstanding - per share- B	2,50,00,000	2,50,00,000
	Basic EPS-*	2.79	3.29
	Diluted EPS-*	2.79	3.29
	* Based on the weighted average number of equity shares outstanding during the year.		
II	<u>Related Parties transactions</u>		
	<u>Name of the Related Party and relationship</u>		
	(1) <u>Holding Company</u>		
	Picturehouse Media Limited		
	PVP Ventures Ltd		
	(2) <u>Key Management Personnel</u>		
	a) <u>Directors</u>		
	Mr. Vinay Chilakapati		
	Mr. R Nagarajan		
	Mr. Arasu V R		
	Mr. Kumar N S		
	Mr. Rajeev Kanmineni*		
	*Mr. Rajeev Kamineni has resigned as Director w.e.f. 04/09/2015		
	b) <u>Others</u>		
	Mr. Vinay Chilakapati - CEO		
	Mr. P Bhanu Prakash - CFO		
	Mrs. Mona Rajora - CS		
	<u>Transactions with Related Parties in Rs.</u>		
	<u>Due from Holding Company</u>		



PVP Capital Limited (Formerly known as Nahar Finance Limited)
Notes forming part of the financial statements for the year ended March 31, 2016

	PictureHouse Media Limited	22,71,43,558	NIL
	Corporate Guarantee given by Group Companies for the Bank loan		
	PictureHouse Media Limited	100,00,00,000	100,00,00,000
	PVP Ventures Limited	100,00,00,000	100,00,00,000
	<u>Transactions with KMP</u>		
	Remuneration to KMP (Rs.)	60,36,261	82,58,498
III	Fees to Auditor(Includes Service Tax & Cess)		
	Statutory Audit (in Rs.)	1,48,850	1,46,068
	Tax Audit (in Rs.)	46,456	44,944
IV	<p>i. The Company has come under the Non Deposit (ND) category consequent to the redefining of 'systemic significance' for NBFCs-ND with asset size of less than Rs. 500 crore.</p> <p>ii. The Company is regular in filing of the prescribed Returns applicable to NBFC ND category.</p> <p>iii. Consequent to the redefining of 'systemic significance', the NBFCs-ND with asset size of less than Rs. 500 crore, are exempted from the requirement of maintaining CRAR and complying with Credit Concentration Norms.</p> <p>iv. The leverage ratio of the company is 3.09 as on 31st March, 2016 as against the prescribed maximum of 7 times.</p> <p>v. Prudential Norms prescribed duly followed both for Income Recognition and Asset Classification.</p> <p>vi. The "Loans – Film Finance" grouped under "Short Term Loans and Advances" include Rs.35,66,00,357/- being the loan portfolio taken over from the Lender during the year and is Guaranteed by the Lender.</p> <p>vii. There are no exposures to Real Estate, direct or indirect.</p> <p>viii. The maturity pattern of Assets and Liabilities is given below:</p> <ul style="list-style-type: none"> All the Assets represented by Film Financing are repayable within 1 year and extensions are considered and granted on a case to case basis at the discretion of the management on a need basis after reviewing the progress. The Liabilities represented by Bank Over-draft are repayable within one year and from other Parties are repayable after 1 year. <p>ix. The "Provision for Income Tax (Net of TDS / Advance Tax)" Grouped under "Short Term Provisions" includes a sum of Rs. 3,84,73,435/- pertaining to the Income tax due for the AY 2015-16, which remains unpaid till 31st March,2016.</p> <p>x. The "Advance to Related party" Grouped under "Short Term Loans and Advances" amounting to Rs.22,71,43,558/- represents the advances taken over by the Holding Company to facilitate recovery by way of availing services from the parties.</p>		



PVP Capital Limited (Formerly known as Nahar Finance Limited)
Notes forming part of the financial statements for the year ended March 31, 2016

- xi. There are no litigations pending as on 31st March, 2016
- xii. The Company has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence the required disclosures such as amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.
- xiii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- xiv. The Company has not entered into any Derivative transactions during the year. There are no outstanding foreign currency exposures.
- xv. 'Loans - Film finance' are made for film finance are on the security of hypothecation of assets , mortgage of property, personal guarantee, assignment of rights, lien on film negative , undertaking to create security, etc
- xvi. CSR Expenditure

Sl. No	Particulars	31.03.2016	31.03.2015
		(Rs.)	(Rs.)
1	Average Net Profits of the Company for last three financial years	9,59,72,322	3,22,22,416
2	CSR Expenditure to be incurred for the current year	19,20,000	6,50,000
3	Unspent Amount of the Previous year	6,50,000	-
4	Total Amount to be spent for the current financial year	25,70,000	6,50,000
5	Amount Spent During the Year	6,50,000	-
6	Amount Unspent (4- 5)	19,20,000	6,50,000

V Previous year figures have been regrouped wherever necessary

As per our Report of even date

For M/s MAHALINGAM & SRIVATSAN
 CHARTERED ACCOUNTANTS
 Firm Registration Number - R19295


M. NARAYANAN
 Partner
 Membership No. 22522

For and on behalf of the Board of
 Directors


VINAY CHILAKAPATI
 Whole Time Director


R. NAGARAJAN
 Director


P. BHANU PRAKASH
 Chief Financial Officer


MONA RAJORA
 Company Secretary

Place: Chennai
 Date: 23.05.2016

(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

	Particulars		
	Liabilities side :		
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured		
	: Unsecured		
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate loans and borrowing	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Other Loans *	1,45,34,87,638	Nil
	* Secured by charge on the Loans made to film finance and other related activities and personally guaranteed by a Director of the company		
	Assets side :	Amount Outstanding	
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured	1,81,87,21,953	
	(b) Unsecured	22,71,43,558	
3	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	Nil	
	(b) Operating lease	Nil	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	Nil	
	(b) Repossessed Assets	Nil	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	Nil	
	(b) Loans other than (a) above	Nil	
4	Break-up of Investments :		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	Nil	
	: (b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of mutual funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others (please specify)	Nil	
	2. Unquoted :		



(i) Shares : (a) Equity	Nil		
(b) Preference	Nil		
(ii) Debentures and Bonds	Nil		
(iii) Units of mutual funds	Nil		
(iv) Government Securities	Nil		
(v) Others (please specify)	Nil		
Long Term investments :			
1. Quoted :			
(i) Shares : (a) Equity	Nil		
(b) Preference	Nil		
(ii) Debentures and Bonds	Nil		
(iii) Units of mutual funds	Nil		
(iv) Government Securities	Nil		
(v) Others (please specify)	Nil		
2. Unquoted :			
(i) Shares : (a) Equity	Nil		
(b) Preference	Nil		
(ii) Debentures and Bonds	Nil		
(iii) Units of mutual funds	Nil		
(iv) Government Securities	Nil		
(v) Others (please specify)	Nil		
Borrower group-wise classification of assets 5 financed as in (2) and (3) above :			
	Amount net of provisions		
Category	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties - Holding Company	-	22,71,43,558	22,71,43,558
2. Other than related parties	1,81,87,21,953	-	1,81,87,21,953
Total	1,81,87,21,953	22,71,43,558	2,04,58,65,511
Investor group-wise classification of all 6 investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	
1. Related Parties			
(a) Subsidiaries	Nil	Nil	
(b) Companies in the same group	Nil	Nil	
(c) Other related parties	Nil	Nil	
2. Other than related parties			
Total	Nil	Nil	
7 Other information			
Particulars	Amount		
(i) Gross Non-Performing Assets			
(a) Related parties	Nil		
(b) Other than related parties	Nil		
(ii) Net Non-Performing Assets			
(a) Related parties	Nil		
(b) Other than related parties	Nil		
(iii) Assets acquired in satisfaction of debt	Nil		



CIN : U65191TN1988PLC015481

1	Asset pattern	Amount (Rs.)	%
	Total Assets of the company	2,04,86,98,923	100%
Less	Accumulated loss		
	Total Assets	2,04,86,98,923	100%
a	HP/Hypothecation loans	NIL	
b	Leasing	NIL	
c	Loan/ Advances	2,04,72,72,675	99.9%
d	Investments	-	0.0%
e	Cash & Cash Equivalent	3,30,084	0.0%
f	Advance tax	10,84,315	0.1%
f	Capital advance	NIL	
g	Fixed Assets [Net]	11,849	0.001%
i	Other Current Assets	NIL	
2	Income Pattern		
	Total Income	34,21,45,781	100%
	Income from		
a	HP/Hypothecation loans	NIL	
b	Leasing	NIL	
c	Loan/ Advances	34,20,05,748	99.96%
d	Investments	1,39,527	0.04%
e	Other Income	506	0.00%

