

B. SUJEET & CO.

Chartered Accountants

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Independent Auditor's Report To the Members of PVP Media Ventures Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of PVP Media Ventures Private Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 and presentation 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. 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 Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

We draw attention to the following matters in the Notes to the financial statements

- a) *Note No.1.4 in the financial statements which indicates that the Company has accumulated losses and its networth is fully eroded, the Company has incurred loss during the current and previous year(s) and the Company's current liabilities exceeded its current asset as at the balance sheet date. These conditions along with other matter set forth in Note No.1(B)(b) indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the mater described in the Basis for Qualified Opinion paragraph, the aforesaid 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 Loss and its cash flows for the year ended on that date.

Emphasis of Matter

- (a) *The Company has pledged 11,55,000 shares of Picturehouse Media Limited owned by it with State Bank of India with regard to loan availed by a third party with no benefit accruing to the Company out of this transaction. The sanctioned loan from SBI to the third party is 45 Crores and the outstanding loan as at 31st March, 2016 is 25.68 Crores.*

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 the paragraph 3 and 4 of the order.

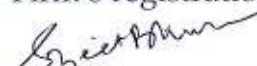
2. As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors 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 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which has an impact on its financial position in its financial statements.
 - 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 **B.Sujeet & Co.**

Chartered Accountants

Firm's registration number: 009308S


B. Sujeet Kumar

Proprietor

Membership number: 209547

Hyderabad

Date: 2nd May 2016



B. SUJEET & CO.,
Chartered Accountants

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2016, we report that:

- (i) The Company does not have any fixed assets. Hence paragraph 3(i) of the Order is not applicable to the Company.
- (ii) The Company is an Investment company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted loans to any Body Corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of duty or taxes which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or



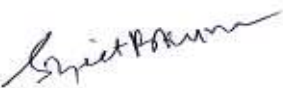
further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for the managerial remuneration during the year. Hence paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For B. Sujeet & Co.

Chartered Accountants

Firm's registration number: 009308S



B. Sujeet Kumar

Proprietor

Membership number: 209547



Hyderabad

2nd May 2016

**B. SUJEET & CO.,
Chartered Accountants**

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")**

We have audited the internal financial controls over financial reporting of Infosys Limited ("the Company") as of 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

We invite attention to the following:

- a) The Company does not have any employees and all the operations are being carried out by the employees of the holding company. Hence there is no internal control framework in place in the Company.
- b) The Company has pledged 11,55,000 shares of Picturehouse Media Limited owned by it with State Bank of India with regard to loan availed by a third



party with no benefit accruing to the Company.

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.

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2016.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company.

For **B. Sujeet & Co.**

Chartered Accountants

Firm's Registration Number: 009308S

B. Sujeet Kumar

B. Sujeet Kumar

Proprietor

Membership Number: 209547

Hyderabad

2nd May 2016

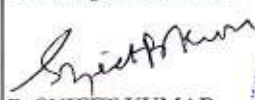


PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31-03-2016		As at 31-03-2015	
		₹	₹	₹	₹
Significant Accounting Policies	1				
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	1,90,000		1,90,000	
(b) Reserves and Surplus	3	(28,09,29,249)		(28,02,76,487)	
(c) Money Received against Share warrants		-	(28,07,39,249)	-	(28,00,86,487)
(2) Share application money pending allotment					
(3) Non-current liabilities:					
(a) Long-term borrowings	4	40,03,42,733		40,03,14,600	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities		-		-	
(d) Long-term provisions		-	40,03,42,733	-	40,03,14,600
(4) Current liabilities:					
(a) Short-term borrowings		-		-	
(b) Trade payables	5	11,450		11,236	
(c) Other current liabilities		-		-	
(d) Short-term provisions		-	11,450	-	11,236
Total			11,96,14,934		12,02,39,349
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets		-		-	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under development		-		-	
(b) Non-current investments	6	11,95,52,598		12,01,65,720	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances		-		-	
(e) Other non-current assets	7	-	11,95,52,598	-	12,01,65,720
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables		-		-	
(d) Cash and cash equivalents	8	62,336		73,629	
(e) Short-term loans and advances		-		-	
(f) Other current assets		-	62,336	-	73,629
Total			11,96,14,934		12,02,39,349

The accompanying Statement of Significant Accounting Policies and notes to financial statements form an integral part of the financial statement.

As per our Report of even date
For M/s B. SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No. 0093085


B. SUJEET KUMAR
Proprietor
Membership No. 209547



Place : Hyderabad
Date : 2nd May, 2016

For and on behalf of the Board of Directors


RAJEEV KAMINENI
Director
DIN: 02531703

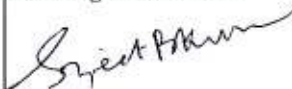

ARASU V R
Director
DIN: 01449751

PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	Note No	For the year ended 31-03-2016 ₹	For the year ended 31-03-2015 ₹
I Revenue from operations		-	-
II Other income		-	-
III Total Revenue (I + II)		-	-
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		-	-
e Finance costs		-	-
f Depreciation and amortization expenses		-	-
g Other expenses	9	39,640	21,658
Total expenses		39,640	21,658
V Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		(39,640)	(21,658)
VI Prior Period & Exceptional items	10	6,13,122	28,02,33,562
VII Profit/(Loss) before extraordinary items and tax (V - VI)		(6,52,762)	(28,02,55,220)
VIII Extraordinary items		-	-
IX Profit/(Loss) before tax (VII - VIII)		(6,52,762)	(28,02,55,220)
X Tax expenses			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Earlier Years		-	-
XI Profit / (loss) for the year from continuing operations (IX - X - XI)		(6,52,762)	(28,02,55,220)
XII Profit / (loss) from discontinuing operations		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV Profit / (loss) for the year (XI + XIV)		(6,52,762)	(28,02,55,220)
XVI Earnings per share:	11		
(1) Basic		(34.36)	(17.43)
(2) Diluted		(34.36)	(17.43)

The accompanying Statement of Significant Accounting Policies and notes to financial statements form an integral part of the financial statements.

As per our Report of even date
For M/s B. SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No. 0093085


B. SUJEET KUMAR
Proprietor
Membership No. 209547



Place : Hyderabad
Date : 2nd May, 2016

For and on behalf of the Board of Directors


RAJEEV KAMINENI
Director
DIN: 02531703


ARASU V R
Director
DIN: 01449751

PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016	Year ended March 31, 2015
	₹	₹
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net/(Loss) Profit before extraordinary items & taxation	(6,52,762)	(28,02,55,220)
Adjustments for operating activities :		
Add: Provision for Dimunition in value of Investments	6,13,122	28,00,00,000
Add: Goodwill on Merger written off	-	18,679
Operating Profit before Working Capital Changes	(39,640)	(2,36,541)
Adjustments for :		
Increase/(Decrease) in Trade Payables	214	1,236
Cash generated from operations	(39,426)	(2,35,305)
Income Tax paid	-	-
Income Tax paid for earlier years	-	-
Net Cash from/ (used in) Operating Activities after extraordinary items (A)	(39,426)	(2,35,305)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Goodwill	-	-
(Purchase)of Long Term Investments	-	-
Net cash from/ (used in) investing activities (B)	-	-
B. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Share Capital		
Proceeds from Long Term Borrowings	28,133	1,59,600
Repayment of Short Term Borrowings	-	-
Interest Paid	-	-
Net cash from/(used in) financing activities (C)	28,133	1,59,600
Net Increase in Cash and Cash Equivalents (A+B+C)	(11,293)	(75,705)
Cash and cash equivalents at the beginning of the year	73,629	1,13,733
Cash and cash equivalents of the merged company	-	35,601
Cash and cash equivalents at the end of the year	62,336	73,629

Note: Non Cash Flow Items on account of Merger have not been considered. However, cash balance of the merged company has been considered

As per our Report of even date

For M/s B. SUJEET & CO.,

CHARTERED ACCOUNTANTS

Firm Regn No. 0093085



B. SUJEET KUMAR

Proprietor

Membership No. 209547



For and on behalf of the Board of Directors



RAJEEV KAMINENI

Director

DIN: 02531703



ARASU V R

Director

DIN: 01449751

Place: Hyderabad

Date: 2nd May, 2016

PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
Note: 2 SHARE CAPITAL		
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
Authorised Share Capital		
1,00,000 Equity Shares of ₹. 10/- each	10,00,000	10,00,000
Issued, Subscribed and Paid Up		
19,000 Equity Shares of ₹. 10/- each	1,90,000	1,90,000
	1,90,000	1,90,000
(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	19,000	12,000
Add: Number of Shares allotted during the year	-	7,000
Less: Number of Shares bought back	-	-
Number of equity shares outstanding as at the end of the year	19,000	19,000
(C) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates		
PVP Ventures Limited and it's nominees	19,000	19,000
(D) Shares in the company held by each shareholder holding more than 5%:		
Name of shareholder	No of shares at year end	
PVP Ventures Limited and it's nominees	19,000	19,000
	19,000	19,000
Name of shareholder	% as at year end	
PVP Ventures Limited and it's nominees	100	100
	100	100
(E) Rights, preferences and restrictions attaching to various classes of shares	NIL	NIL
(F) Shares reserved for issue under options and contracts:	NIL	NIL
(G) Commitments for sale of shares/ divestment	NIL	NIL
(H) Details of allotment of shares for consideration other than cash, allotments of bonus shares and shares bought back	70,000	70,000
Refer Note. 11.1		
(I) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.		
(J) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.		



PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016

	As at 31-03-2016 ₹		As at 31-03-2015 ₹	
Note-3 RESERVES AND SURPLUS				
	As at 31/3/2015	Additions during the year	Deductions during the year	As at 31/3/2016
Surplus (P&L a/c) as under:	(28,02,76,487)	(6,52,762)		(28,09,29,249)
	(28,02,76,487)	(6,52,762)	-	(28,09,29,249)
Opening Balance	(21,267)			(28,02,76,487)
Profit / (Loss) for the year - From P & L	(28,02,55,220)	(6,52,762)	-	(6,52,762)
Balance of Profit / Loss	(28,02,76,487)	(6,52,762)	-	(28,09,29,249)
	(28,02,76,487)	(6,52,762)	-	(28,09,29,249)
Note-4 LONG-TERM BORROWINGS:				
(Unsecured)				
Loans And Advances from related parties				
PVP Ventures Ltd, Holding Company			8,61,06,842	1,64,600
New Cyberabad City Projects Pvt Ltd - Fellow Subsidiary Company			29,46,61,891	10,09,25,000
PVP Global Ventures Pvt Ltd - Fellow Subsidiary Company			-	27,96,51,000
Other Intercompany Loans			1,95,74,000	1,95,74,000
			40,03,42,733	40,03,14,600
Note-5 TRADE PAYABLE				
Sundry Creditors for services			11,450	11,236
			11,450	11,236
Note-6 NON CURRENT INVESTMENTS				
Investment in Equity Instruments				
Long term, Trade- Quoted (At Cost)				
Picturehouse Media Limited			40,01,65,720	40,01,65,720
1,22,99,650 (2015: 1,22,99,650) equity Shares of Rs.10/- each fully paid up]				
Market Value -₹.119,552,598 (2015:₹. 110,696,850)				
Less: Diminution in value of Investments			(28,06,13,122)	(28,00,00,000)
			11,95,52,598	12,01,65,720
Note-7 OTHER NON-CURRENT ASSETS				
(To the extent of not written off)				
Merger Expenses			-	2,14,883
(Less) Amount written Off			-	(2,14,883)
			-	-
Note-8 CASH AND CASH EQUIVALENTS				
Cash in hand			5,000	5,000
(as certified by management)				
Balance with banks in current accounts			57,336	68,629
			62,336	73,629



PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	For the year ended 31/3/2016 ₹	For the year ended 31/3/2015 ₹
Note-9 OTHER EXPENSES		
Rates and taxes	3,200	8,400
Payment to statutory auditors as auditors	- 11,450	- 12,472
Legal, professional and consultancy	24,933	-
Bank charges	57	786
	<u>39,640</u>	<u>21,658</u>
Note-10 EXCEPTIONAL ITEMS		
Goodwill on Merger written off		18,679
Merger Expenses written off		2,14,883
Provision for Dimunition in value of Investments	6,13,122	28,00,00,000
	<u>6,13,122</u>	<u>28,02,33,562</u>



PVP Media Ventures Private Limited
Corporate Identification Number: U92120TN2013PTC091100
Notes forming part of the financial statements for the year ended March 31, 2016

NOTE 1:

A. Background: The Company is incorporated in the state of Tamilnadu in 2013. Southfield Energy Private Limited was merged with the Company in 2014 effective from 17th December, 2013. The Company is into media and entertainment business and has made strategic investments in a media and entertainment company.

B. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

- (A) The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. Accounting Policies have been consistently applied except where a newly 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 have been prepared on an accrual basis of accounting and under the historical cost convention.
- (B) The classification of assets and liabilities of the Company is done into current and non current based on the operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date.
- (C) All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates.

1.2 Revenue Recognition

As a consistent practice, the Company recognizes revenue on an accrual basis. Interest Income is recognized on time proportion basis on the outstanding amount.

1.3 Use of Estimates

In preparation of financial statements conforming to GAAP requirements certain estimates and assumptions are essentially required to be made with respect to items such as provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful life period of Fixed Assets. Due care and diligence have been exercised by the Management in arriving at such estimates and



assumptions since they may directly affect the reported amounts of income and expenses during the year as well as the balances of Assets and Liabilities including those which are contingent in nature as at the date of reporting of the financial statements.

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

1.4 Going Concern

The Company has not been able to generate any dividends out of investments as of now. Further the Company's liabilities far exceed the assets of the Company. The Company's net worth is fully eroded and the ability of the Company to continue as going concern depends on support from its holding company and other group companies.

1.5 Investments

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

1.6 Investments in Associated Companies

Investments in associated companies are stated at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in associated companies, the difference between net disposal proceeds and the carrying amount of the investment is taken to the income statement.

1.7 Foreign Currency Transactions

There were no foreign currency transactions undertaken during the year or foreign currency assets or liabilities outstanding as at the end of the year under review.

1.8 Leases

There were no assets taken on financial lease or operational lease during the year.

1.9 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of nature or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

A circular purple stamp is located in the bottom left corner of the page. Overlaid on the stamp is a handwritten signature in black ink, which appears to read 'Srinivasan'.

1.10 Segment Reporting

The Company is yet to commence its commercial activities, hence segment reporting is not applicable.

1.11 Borrowing Cost

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets is capitalized as part of the cost of that asset. Other borrowing costs are charged to revenue over the tenure of the loan.

1.12 Taxes on Income

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

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

1.13 Earnings per Share

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

1.14 Provisions, Contingent Liabilities and Contingent Assets

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

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present



PVP Media Ventures Private Limited
Corporate Identification Number: U92120TN2013PTC091100
Notes forming part of the financial statements for the year ended March 31, 2016

obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

1.15 Miscellaneous Expenditure

Expenses incurred for merger of Southfield Energy Private Limited is written off in the year in which it is incurred. Goodwill on Merger Account has been written off in the year in which the amalgamation takes place.

A handwritten signature in black ink is written over a faint, circular purple stamp. The signature appears to be "Srikanth". The stamp is partially obscured by the signature and is mostly illegible.

PVP Media Ventures Private Limited
Corporate Identification Number: U92120TN2013PTC091100
Notes forming part of the financial statements for the year ended March 31, 2016

Note 11. Other Items

- 11.1 During 2014-15, Southfield Energy Private Limited was merged with the Company in all share swap deal. Pursuant to the aforesaid scheme of amalgamation, the shareholders of the Southfield Energy Private Limited were issued and allotted 7000 shares of Rs. 10/- each in the Company.
- 11.2 The Company has pledged 11,55,000 shares of Picturehouse Media Limited with State Bank of India with regard to a loan availed by a third party M/s. Dakshin Realities Private Limited. There is no benefit accruing to the Company out of this transaction.

11.3 Earnings per Share

Particulars		March 31, 2016	March 31, 2015
Nominal Value of Equity Shares (Rs. per Share)		10	10
No. of Shares outstanding as at the year end	A	19,000	19,000
Weighted Average Number of the shares outstanding during the year	B	19,000	16,083
Net Profit before Exceptional Items (in Rs.)	C	(39,640)	(21,648)
Net Profit after Exceptional Items (in Rs.)	D	(652,762)	(28,02,55,220)
Earnings Per Share before Exceptional Items - Rs. Per Share (Basic & Diluted)	C/B	(2.09)	(1.35)
Earnings Per Share after Exceptional Items - Rs. Per Share (Basic & Diluted)	D/B	(34.36)	(17.43)

11.4 Related Party Disclosures

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

Name of related party	Relationship
PVP Ventures Limited (PVPV)	Holding Company
New Cyberabad City Projects Private Limited (NCCPPL)	Fellow Subsidiary Company
PVP Global Ventures Private Limited (PVPGVPL)	Fellow Subsidiary Company

Summary of transactions and outstanding balances with the above related parties:

Nature of transactions	Transactions for the year ended March 31 (^o)	Balance as at March 31 (^o)
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PVP Media Ventures Private Limited
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Notes forming part of the financial statements for the year ended March 31, 2016

	2016	2015	2016	2015
(i) Loans Availed				
(a) PVPV	8,59,42,242	159,600	8,61,06,842	1,64,600
(b) NCCPPL	19,37,36,891	10,09,25,000	29,46,61,891	10,09,25,000
(c) PVPGVPL	(27,96,51,000)	27,96,51,000	Nil	27,96,51,000


- 11.5 During the year, due to internal restructuring of the group, the loans & advances among the fellow subsidiaries of PVP Ventures Ltd have been regrouped and assigned within the group.
- 11.6 As at the year-end, there are no employees in the Company and hence the disclosure of benefits as per AS 15 (R) is not applicable.
- 11.7 The Company has not recognized deferred tax asset on carry forward losses on the grounds of prudence.
- 11.8 The Company has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure of any amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.
- 11.9 Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to those of the current year.
- 11.10 Explanatory notes 1 to 11 form an integral part of the Balance Sheet and Statement of Profit and Loss and are duly authenticated.


As per report of our even date
For M/s. B. Sujeet & Co
Chartered Accountants
Firm Reg.No.009308S

For and on behalf of the Board of Directors


B. Sujeet Kumar
(Proprietor)
M. No : 209547
Place: Hyderabad
Date: 2nd May, 2016




Rajeev Kamineni
(Director)
DIN: 02531703
Place: Hyderabad
Date: 2nd May, 2016


Arasu V R
(Director)
DIN:01449751
Place: Hyderabad
Date: 2nd May, 2016