

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of PVP Global 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 Standalone Financial Statements

The Company's Board of Directors are 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 standalone 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 standalone 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 audit opinion on the standalone 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 Loss and its cash flows for the year ended on that date.

Emphasis of Matter

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

- a) Note No, 16.3 and 16.8 regarding Investments in various companies.
- b) Note No. 16.6 and 16.7 regarding advances given to various body corporates.

Our opinion is not modified in this regard.

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.

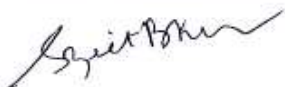


- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone 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 has disclosed all the pending litigations which has an impact on its financial position in its financial statements. Refer Note No. 16.12, 16.13 and 16.14
 - 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

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 standalone 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 Infrastructure cum 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'). Thus, 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 except as stated below.



Name of the statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Due since
Income Tax	Corporate Tax as Returned	74,49,194/-	April 2014 to March 2015	31 st March, 2015
Income Tax	Interest on delay in payment of corporate tax	44,52,193	April 2014 to March 2015	31 st March, 2015

- (b) According to the information and explanations given to us, there are no material dues of any duty or tax 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 managerial remuneration during the year. Accordingly 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 PVP Global Ventures Private 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 draw 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.



A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "CHARTERED ACCOUNTANT" and "INDEPENDENT MEMBER" around the perimeter, with "1912" at the bottom. The signature appears to be "S. S. S. S."

- b) The Company have been advancing loans to various body corporates for scouting for land for last few years with, no significant results from these body corporate, we envisage some weak controls in advancing loans to body corporates.
- c) The Company has not paid corporate tax dues of Rs. 74.49 lakhs for FY 2014-15 and interest of Rs 44.52 lakhs accruing upto 31st March, 2016.

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

Proprietor

Membership Number: 209547

Hyderabad

2nd May 2016



PVP GLOBAL VENTURES PRIVATE LIMITED (Formerly known as PVP ENERGY PRIVATE LIMITED)

Corporate Identification Number: U74999TN2006PTC065653

STANDALONE 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	8,82,28,690		5,60,28,690	
(b) Reserves and Surplus	3	(81,22,41,341)		(70,04,75,525)	
(c) Money Received against Share warrants		-	(72,40,12,651)	-	(64,44,46,835)
(2) Share application money pending allotment					
(3) Non-current liabilities:					
(a) Long-term borrowings	4	3,65,05,42,473		3,91,13,92,196	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities		-		-	
(d) Long-term provisions		-	3,65,05,42,473	-	3,91,13,92,196
(4) Current liabilities:					
(a) Short-term borrowings		-		-	
(b) Trade payables	5	16,27,188		15,70,658	
(c) Other current liabilities	6	1,26,300		1,49,382	
(d) Short-term provisions	7	1,19,01,387	1,36,54,875	93,40,273	1,10,60,313
Total			2,94,01,84,697		3,27,80,05,673
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	8	1,64,54,57,032		1,56,52,57,032	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances	9	1,28,27,67,541		1,70,02,45,519	
(e) Other non-current assets		-	2,92,82,24,573	-	3,26,55,02,551
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables		-		-	
(d) Cash and cash equivalents	10	2,85,880		6,28,878	
(e) Short-term loans and advances		-		-	
(f) Other current assets	11	1,16,74,242	1,19,60,122	1,18,74,242	1,25,03,120
Total			2,94,01,84,697		3,27,80,05,673

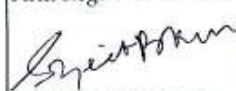
The accompanying Statement of Significant Accounting Policies and notes to financial statements form an integral part of the financial statement.

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



VINAY CHILAKAPATI

Director

DIN: 01429386

PVP GLOBAL VENTURES PRIVATE LIMITED (Formerly known as PVP ENERGY PRIVATE LIMITED)

Corporate Identification Number: U74999TN2006PTC065653

STANDALONE 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	12	-	11,87,58,315
III Total Revenue (I + II)		-	11,87,58,315
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	13	44,52,193	2,16,96,956
f Depreciation and amortization expenses		-	-
g Other expenses	14	5,79,334	5,22,207
Total expenses		50,31,527	2,22,19,163
V Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		(50,31,527)	9,65,39,152
VI Prior Period & Exceptional items	15	10,67,34,288	8,50,00,000
VII Profit/(Loss) before extraordinary items and tax (V - VI)		(11,17,65,815)	1,15,39,152
VIII Extraordinary items		-	-
IX Profit/(Loss) before tax (VII - VIII)		(11,17,65,815)	1,15,39,152
X Tax expenses			
(1) Current tax		-	1,93,15,372
(2) Deferred tax		-	-
(3) Earlier Years		-	10,76,286
Less: MAT Credit Entitlement		-	2,26,02,050
XI Profit / (loss) for the year from continuing operations (IX - X - XI)		(11,17,65,815)	(3,14,54,556)
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)		(11,17,65,815)	(3,14,54,556)
XVI Earnings per share:	16		
(1) Basic		(12.67)	(5.61)
(2) Diluted		(12.67)	(5.61)

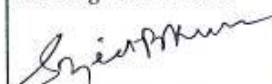
The accompanying Statement of Significant Accounting Policies and notes to financial statements form an integral part of the financial statements.

As per our Report of even date

For M/s B. SUJEET & CO.,

CHARTERED ACCOUNTANTS

Firm Regn No. 009308S



B. SUJEET KUMAR

Membership No. 209547



For and on behalf of the Board of Directors



RAJEEV
KAMINENI

DIN: 02531703



VINAY
CHILAKAPATI

DIN: 01429386

Place : Hyderabad

Date : 2nd May, 2016

Place: Hyderabad

Date : 2nd May, 2016

Standalone 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	(11,17,65,815)	1,15,39,152
Adjustments for operating activities :		
Interest Received	-	(11,86,99,250)
Miscellaneous Income	-	(59,065)
Provision no longer required	(18,91,079)	
Interest and Finance Charges	44,52,193	2,16,96,956
Operating Profit before Working Capital Changes	(10,92,04,701)	(8,55,22,207)
Adjustments for :		
Increase/(Decrease) in Trade Payables	56,530	-
Increase/(Decrease) in Other Current Liabilities	(23,082)	(8,50,138)
(Increase)/Decrease in Long Term Loans and Advances	13,78,26,978	17,46,08,568
(Increase)/Decrease in Other Current Assets	2,00,000	(2,00,000)
Cash generated from operations	2,88,55,725	8,80,36,223
Income Tax paid	-	(2,15,03,664)
Income Tax paid for earlier years	-	(10,76,286)
Net Cash from/ (used in) Operating Activities after extraordinary items (A)	2,88,55,725	6,54,56,273
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Investments	-	-
(Purchase)of Long Term Investments	(8,02,00,000)	8,50,00,000
(Increase)/Decrease in Intangible Assets	-	-
Interest received	-	11,86,99,250
Net cash from / (used in) investing activities (B)	(8,02,00,000)	20,36,99,250
B. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Share Capital	3,22,00,000	-
Proceeds from Long Term Borrowings	1,88,01,277	(24,72,93,436)
Repayment of Short Term Borrowings	-	-
Interest Paid	-	(2,16,96,956)
Net cash from/(used in) financing activities (C)	5,10,01,277	(26,89,90,392)
Net Increase in Cash and Cash Equivalents (A+B+C)	(3,42,998)	1,65,131
Cash and cash equivalents at the beginning of the year	6,28,878	4,63,746
Cash and cash equivalents at the end of the year	2,85,880	6,28,878

Note: Restructuring of loans in the group has been not considered as there is no effective cash flows.

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

Place: Hyderabad

Date: 2nd May, 2016

VINAY CHILAKAPATI

Director

DIN: 01429386

PVP GLOBAL VENTURES PRIVATE LIMITED (Formerly known as PVP ENERGY PRIVATE LIMITED)
Corporate Identification Number: U74999TN2006PTC065653
NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016

Note: 2 SHARE CAPITAL

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

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
Authorised Share Capital 90,50,000 (2015: 60,00,000) Equity Shares of ₹. 10/- each	9,05,00,000	6,00,00,000
Issued, Subscribed and Paid Up 88,22,869 (2015: 56,02,869) Equity Shares of ₹. 10/- each	8,82,28,690	5,60,28,690
	8,82,28,690	5,60,28,690

(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	56,02,869	56,02,869
Add: Number of Shares allotted during the year	32,20,000	-
Less: Number of Shares bought back	-	-
Number of equity shares outstanding as at the end of the year	88,22,869	56,02,869

(C) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates
PVP Ventures Limited and it's nominees

88,22,869 56,02,869

(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	88,22,869	56,02,869
	88,22,869	56,02,869
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

32,20,000 NIL

Refer Note No. 16.2

(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.

Note: 3 RESERVES AND SURPLUS

	As at 31/3/2015	Additions during the year	Deductions during the year	As at 31/3/2016
Securities Premium Reserve	5,36,44,71,310	-	-	5,36,44,71,310
Surplus (P&L a/c) as under:	(6,06,49,46,835)	(11,17,65,815)	-	(6,17,67,12,651)
	(70,04,75,525)	(11,17,65,815)	-	(81,22,41,341)
Opening Balance	(6,03,34,92,279)	-	-	(6,06,49,46,835)
Profit / (Loss) for the year - From P & L	(3,14,54,556)	(11,17,65,815)	-	(11,17,65,815)
Balance of Profit / Loss	(6,06,49,46,835)	(11,17,65,815)	-	(6,17,67,12,651)
Less: Transfer to General Reserve	-	-	-	-
	(6,06,49,46,835)	(11,17,65,815)	-	(6,17,67,12,651)



PVP GLOBAL VENTURES PRIVATE LIMITED (Formerly known as PVP ENERGY PRIVATE LIMITED)

Corporate Identification Number: U74999TN2006PTC065653

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
Note-4 LONG-TERM BORROWINGS:		
Debentures	7,07,00,000	7,07,00,000
707 Compulsorily convertible Debentures of ₹. 1,00,000/each held by Platex Limited, the Ultimate Holding Company.		
Refer Note No. 16.4		
Loans and advances from related parties		
Interest free loan		
- from Holding Company - PVP Ventures Limited	3,57,98,42,473	3,64,68,02,584
- from Subsidiary Company - Adobe Realtors Limited	-	2,73,58,964
- from fellow Subsidiary Company -		
- New Cyberabad City Projects Private Limited	-	16,65,30,648
	<u>3,65,05,42,473</u>	<u>3,91,13,92,196</u>
Note-5 TRADE PAYABLE		
Sundry Creditors for services	16,27,188	15,70,658
	<u>16,27,188</u>	<u>15,70,658</u>
On the basis of the information available with the company, there were no transactions during the year with any supplier who is a small scale industrial undertaking and registered under MSME Act, 2006 and there is no amount remaining unpaid as on 31 March 2016 to any supplier who is a small scale industrial undertaking. (FY: Nil).		
Note-6 OTHER CURRENT LIABILITIES		
TDS Payable	26,300	49,382
Other Liabilities	1,00,000	1,00,000
	<u>1,26,300</u>	<u>1,49,382</u>
Note-7 SHORT TERM PROVISIONS		
Provision of Income Tax for Earlier Years	1,19,01,387	18,91,080
Provision of Income Tax for current year (Net of Prepaid Taxes Rs. 1,24,64,567)	-	74,49,193
	<u>1,19,01,387</u>	<u>93,40,273</u>
Note-8 NON CURRENT INVESTMENTS		
Investment in equity instruments		
Long term, Trade - Quoted (At Cost)		
(A) PVP Ventures Limited	22,69,38,767	22,69,38,767
[10,90,235 (2015: 10,90,235) Equity Shares of ₹. 10 each fully paid up]		
Market Value - ₹. 52,11,323 (2015 - ₹. 56,80,124)		
(Refer Note No. 16.3)		
(B) Picturehouse Media Limited	26,87,19,186	11,35,19,186
[11,236,641 (2015: 31,36,569) Equity Shares of ₹. 10 each fully paid up]		
Market Value - ₹. 109,220,149 (2015- ₹. 2,82,29,769)		
(C) Jagati Publications Limited	1,30,96,99,080	1,30,96,99,080
[36,38,053 (2015: 36,38,053) Equity Shares of ₹. 10 each fully paid up]		
at a premium of ₹. 350/- per equity share		
(Refer Note No. 16.8)		
(D) Adobe Realtors Pvt Ltd	1,00,000	1,00,000
[10,000 (2015:10,000) Equity Shares of ₹.10 each fully paid up]		
	<u>1,80,54,57,032</u>	<u>1,65,02,57,032</u>
Less: Provision for permanent diminution in value of Investments	<u>(16,00,00,000)</u>	<u>(8,50,00,000)</u>
	<u>1,64,54,57,032</u>	<u>1,56,52,57,032</u>

Efforts are under process to get the shares in Jagati Publications Limited transferred to the Company's name



PVP GLOBAL VENTURES PRIVATE LIMITED (Formerly known as PVP ENERGY PRIVATE LIMITED)
Corporate Identification Number: U74999TN2006PTC065653
NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
Note-9 LONG TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans to Related Parties		
PVP Media Ventures Private Limited	-	27,96,51,000
- to fellow Subsidiary Company		
Other Advances	1,28,27,67,541	1,42,05,94,519
	<u>1,28,27,67,541</u>	<u>1,70,02,45,519</u>
Note-10 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents	20,421	20,421
(As Certified By the Management)		
Balance with banks in current accounts	2,65,459	6,08,457
	<u>2,85,880</u>	<u>6,28,878</u>
Note-11 OTHER CURRENT ASSETS		
Advance Income Tax/TDS	1,16,74,242	1,16,74,242
Prepaid Expenses	-	2,00,000
	<u>1,16,74,242</u>	<u>1,18,74,242</u>



PVP GLOBAL VENTURES PRIVATE LIMITED (Formerly known as PVP ENERGY PRIVATE LIMITED)
Corporate Identification Number: U74999TN2006PTC065653
NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	For the year ended 31-03-2016 ₹	For the year ended 31-03-2015 ₹
Note-12 OTHER INCOME		
Interest income on Intercompany Loan	-	11,86,99,250
Miscellaneous Income	-	59,065
	-	<u>11,87,58,315</u>
Note-13 FINANCE COSTS		
Interest on Intercompany Loan	-	2,04,57,534
Interest on Income Tax	44,52,193	12,39,422
	<u>44,52,193</u>	<u>2,16,96,956</u>
Note-14 OTHER EXPENSES		
Rates and taxes	36,085	13,295
Payment to statutory auditors as auditors	2,29,500	2,24,720
for tax audit	56,750	56,180
for tax representation		
Legal, Professional and consultancy	2,54,908	1,26,945
Bank charges	344	-
Donation	-	1,00,000
Miscellaneous expenses	1,748	1,067
	<u>5,79,334</u>	<u>5,22,207</u>
Note-15 EXCEPTIONAL ITEMS		
Goodwill on Merger	3,21,48,647	-
Merger Expenses	14,76,720	-
Provision for Diminution in value of Investments	7,50,00,000	8,50,00,000
Excess Provision For Income Tax No Longer Required	(18,91,079)	
	<u>10,67,34,288</u>	<u>8,50,00,000</u>



**PVP Global Ventures Private Limited
(Formerly PVP Energy Private Limited)**

Corporate Identification Number: U74999TN2006PTC065653

Notes forming part of the Standalone financial statements for the year ended March 31, 2016

NOTE 1:

A. Background: The Company is incorporated in the state of Tamilnadu in 2006. Bloomfield Power Projects Private Limited was merged with the Company in 2014 in a scheme of merger approved by the High Court of Madras. The appointed date of merger is 10th November, 2014. The Company is into energy sector and has been scouting for land for establishing power project. The Company looks forward to work in the areas of renewable energy and has made strategic investments in media and entertainment companies.

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 reliability 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



**PVP Global Ventures Private Limited
(Formerly PVP Energy Private Limited)**

Corporate Identification Number: U74999TN2006PTC065653

Notes forming part of the Standalone financial statements for the year ended March 31, 2016

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 exceeds 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 Fixed Assets and Depreciation

There are no Fixed Assets held during the year. Goodwill on Merger Account has been written off in the year in which the amalgamation takes place.

1.6 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.

1.7 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 Retirement Benefits

There were no employees employed during the year.



1.10 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.

1.11 Segment Reporting

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

1.12 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.

1.13 Taxes on Income

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

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

1.14 Earnings per Share

The earnings considered for ascertaining the 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.


Chartered Accountant

**PVP Global Ventures Private Limited
(Formerly PVP Energy Private Limited)**

Corporate Identification Number: U74999TN2006PTC065653

Notes forming part of the Standalone financial statements for the year ended March 31, 2016

1.15 Provisions, Contingent Liabilities and Contingent Assets

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

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

1.16 Miscellaneous Expenditure

Expenses incurred for merger of Bloomfield Power Projects 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 took place.

A circular blue ink stamp with the text "Chartered Accountant" around the perimeter. A handwritten signature in black ink is written across the stamp.

PVP Global Ventures Private Limited
(Formerly PVP Energy Private Limited)

Corporate Identification Number: U74999TN2006PTC065653

Notes forming part of the Standalone financial statements for the year ended March 31, 2016

Note 16. Other Items

- 16.1 During the year, Bloomfield Power Projects Private Limited was merged with the Company in all share swap deal as per the scheme of merger approved by High Court of Madras. The appointed date of merger is 10th November, 2014. This year's financials have been drawn considering the financials of Bloomfield Power Projects Private Limited since 10th November, 2014 to 31st March, 2016. Hence the figures for this year cannot be strictly comparable with that of the previous year.
- 16.2 Pursuant to the aforesaid scheme of amalgamation, the shareholders of the Bloomfield Power Projects Private Limited were issued and allotted 32,20,000 shares of Rs. 10 each in the Company.
- 16.3 The Company holds investments aggregating to Rs. 2,269.38 lakhs (2015: Rs. 2,269.38 lakhs) in the equity shares of PVP Ventures Limited (**PVP**), its holding company, the market value of which as at March 31, 2016 was Rs. 52.11 lakhs (2015: Rs 56.80lakhs). The management is of the opinion that the assets held by PVP represent the value of these investments and hence no provision has been made in the books of account for the year towards diminution in the value of such investments.
- 16.4 The Company 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 trigger event (which is defined to include public offering, takeover or merger etc. of the Company) or in case of non-occurrence of a Trigger Event, at any time during the period between Five (5) years to Ten (10) years from the date of issuance of the CCDs i.e. between June 16, 2014 and June 16, 2019. During the year, no such trigger event has taken place.
- 16.5 The Company continues to hold 10,90,235 equity shares of PVP Ventures Limited, its holding company, as these shares were acquired before the Company became its subsidiary. However, in terms of the provisions of section 19(1)(c) of the Act, the Company does not have any rights to vote at meetings of PVP Ventures Limited or any class of members thereof over these shares.
- 16.6 The Company has advanced a sum of Rs.12,827.67 lakhs (PY: Rs. 14,205.94 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 Company may demand payment of the advance and shall not be obliged to acquire the land parcel from these parties.
- 16.7 The Holding Company has provided certain advances to the Company for various business purposes. The Company has provided a sum of Rs.9,428.59 Lakhs to a party for identifying land parcels for commercial development and energy related projects. Since no land were identified by the party, on the insistence by the holding company the Company assigned along with the party the interest accrued to the holding company for the year.



A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "Audited Accounts" and "2016" around the perimeter.

PVP Global Ventures Private Limited
(Formerly PVP Energy Private Limited)

Corporate Identification Number: U74999TN2006PTC065653

Notes forming part of the Standalone financial statements for the year ended March 31, 2016

- 16.8 The Company holds investments of 130.97 Crores in M/s. 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 was not group is not charge sheeted. However the CBI is yet to return the original share certificates. The Management is of the opinion that considering the expected future cash flows and the business cycle of the media business, the Investment made on long term basis does not require any provision for Investments for the year 2015-16

16.9 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	88,22,869	56,02,869
Net Profit before Exceptional Items (in Rs.)	B	(5,031,527)	96,539,152
Net Profit after Exceptional Items (in Rs.)	C	(111,765,815)	(31,454,556)
Earnings Per Share Before Exceptional Items- Rs. Per Share (Basic & Diluted)	B/A	(0.57)	17.23
Earnings Per Share After Exceptional Items - Rs. Per Share (Basic & Diluted)	C/A	(12.67)	(5.61)

Pursuant to the scheme of merger, the Company allotted shares to the shareholders of the merged company on 1st April to related parties

16.10 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 (PVP)	Holding Company
Platex Limited (PLA)	Ultimate Holding Company
New Cyberabad City Projects Private Limited (NCCPPL)	Fellow Subsidiary Company
PVP Media Ventures Private Limited (PVP MVPL)	Fellow Subsidiary Company
Adobe Realtors Private Limited (ARPL)	Subsidiary Company



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

Nature of transactions	Transactions for the year ended March 31		Balance as at March 31	
	2016	2015	2016	2015
(i) Loans Availed				
(a) Ultimate Holding Company (PLA)	Nil	Nil	70,700,000	70,700,000
(b) Holding Company - PVP	(6,69,60,111)	(52,62,17,511)	357,98,42,473	364,68,02,584
(c) Fellow Subsidiary Company - NCCPPL	(16,65,30,648)	16,65,30,648	Nil	16,65,30,648
(d) Subsidiary Company - ARPL	(2,73,58,964)	2,73,58,964	Nil	2,73,58,964
(i) Loans Advanced				
(a) Subsidiary Company - PVP MVPL	(27,96,51,000)	27,96,51,000	Nil	27,96,51,000

- 16.11 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.
- 16.12 The Enforcement Directorate had provisionally attached the land measuring 28 Acres and 8 Guntas of the subsidiary Company in connection with the redemption of the investments in M/s. Mahalakshmi Energy Ventures Private Limited by the Company. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate. The Company has filed an appeal against the said Order. Based on the expert advice, the Company is confident of succeeding before the appellate authority.
- 16.13 The Company has received an order from Securities and Exchange Board of India (SEBI) imposing a penalty of Rs.15 crores for the Company and further penalty of Rs.15 crores for Prasad V Potluri as Promoter Director of the Company towards alleged violation of Prohibition of Insider Trading (PIT) regulations during 2009. Aggrieved by the said orders, the Company has filed an appeal challenging the impugned orders before the Securities Appellate Tribunal (SAT). Considering the facts and circumstances of the issues, the Company is hopeful of succeeding in the appeal, provisions has not been made in the books of accounts.
- 16.14 There is an Income Tax demand of Rs. 4.86 lakhs for Assessment Year 2012-13 pursuant to the scrutiny proceedings under section 143(3) of the Income Tax Act. The Company has preferred an appeal before the Commissioner of Income Tax



**PVP Global Ventures Private Limited
(Formerly PVP Energy Private Limited)**


Corporate Identification Number: U74999TN2006PTC065653

Notes forming part of the Standalone financial statements for the year ended March 31, 2016
(Appeals) and is confident of getting the demand quashed in appeal. Hence no provision has been made.

- 16.15 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.
- 16.16 The Company has not recognized deferred tax asset on carry forward losses on the grounds of prudence.
- 16.17 Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to those of the current year.
- 16.18 Explanatory notes 1 to 16 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

Vinay Chilakapati
(Director)
DIN: 01429386
Place: Hyderabad
Date: 2nd May, 2016