



PVP VENTURES LIMITED

Annual Report 2009 -10

PVP VENTURES LIMITED

19th Annual Report 2009-10

Contents

Company Information	Page No. see below
Notice of Annual General Meeting	1-3
Directors' Report	4-9
Report on Corporate Governance	10-17
Management Discussion and Analysis	18-19
Auditors' Report on Standalone Financial Statements	23-25
Balance Sheet	26
Profit & Loss Account	27
Cash Flow Statement	28-29
Schedules forming part of Balance Sheet and Profit and Loss Account	30-37
Significant Accounting Policies and Notes on Accounts	38-46
Auditors' Report on Consolidated Financial Statements	49
Consolidated Financial Statements	50-53
Schedules forming part of Consolidated Financial Statements	54-61
Significant Accounting Policies and Notes on Consolidated Accounts	61-71
Attendance Slip and Proxy Form	73

Company Information

Board of Directors

Mr. Prasad V. Potluri
(Chairman & Managing Director)
Mr. R. Nagarajan
Mr. N. S. Kumar

Chief Financial Officer

Mr. Deepak Nagori

Company Secretary and Compliance Officer

Mr. Dhiraj Kumar Sinha

Auditors

M/s. PKF Sridhar & Santhanam
Chartered Accountants
Chennai

Bankers

Union Bank of India
HDFC Bank Limited
Kotak Mahindra Bank Limited

Board Committees

Audit Committee

Mr. R. Nagarajan (Chairman)
Mr. N. S. Kumar

Remuneration Committee

Mr. R. Nagarajan (Chairman)
Mr. N. S. Kumar

Shareholders'/Investors'

Grievance Committee

Mr. R. Nagarajan (Chairman)
Mr. N. S. Kumar
Mr. Prasad V. Potluri

Registrar & Transfer Agents

M/s. Karvy Computershare Private Limited
Plot No. 17 to 24, Vithalrao Nagar,
Hitech City road, Madhapur
Hyderabad-500086
Phone: +91-40-23420818-828
Fax: +91-40-23420814
Email: einward.ris@karvy.com

Registered Office

KRM Centre, 9th Floor,
Door No. 2, Harrington Road,
Chetpet, Chennai-600031
Telephone: +91-44-30285570
Fax: +91-44-30285571
Email: investorrelations@pvpglobal.com

Corporate Office

Suite No. 1, Vatika Business Centre,
Third Floor, NSL Icon, Plot No. 1-4,
Road No. 12, Banjara Hills,
Hyderabad, India
Tel: +91-40-44311111
Fax: +91-40-44311159
Email: investorrelations@pvpglobal.com

Notice

NOTICE is hereby given that the 19th Annual General Meeting of the members of PVP Ventures Limited will be held on Thursday, September 30, 2010 at 10.00 A.M. at "Kamaraj Arangam", No. 492 (Old No.574-A), Anna Salai, Chennai-600 006, to transact the following Businesses:

Ordinary Businesses

1. To consider and adopt the Audited Balance Sheet of the Company as at March 31, 2010, the Profit & Loss Account for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. N. S. Kumar, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. CNGSN & Associates, Chartered Accountants, as the Statutory Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

The following resolution is proposed to be passed, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224(1) and other applicable provisions, if any, of the Companies Act, 1956, M/s. CNGSN & Associates, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors."

Special Business

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION to re-appoint Mr. Prasad V. Potluri as Chairman and Managing Director of the Company:

"RESOLVED THAT pursuant to the provisions of section 269 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, Mr. Prasad V. Potluri, be and is hereby re-appointed as the Chairman and Managing Director of the Company for a period of five years effective from December 04, 2010 to December 03, 2015 at a salary of Re. 1/- per annum and on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the terms and conditions of his appointment including remuneration herein may be altered and varied from time to time by the

Board of Directors of the Company (which term shall be deemed to include the Remuneration Committee constituted by the Board), so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By order of the Board
For **PVP Ventures Limited**

Dhiraj Kumar Sinha
(GM-Legal & Company Secretary)

Hyderabad,
August 19, 2010

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
2. An explanatory statement, pursuant to Section 173(2) of the Act, relating to the special business, to be transacted at the Meeting is annexed hereto.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting. Members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, September 23, 2010 to Thursday, September 30, 2010 (both days inclusive).

19th Annual Report 2009-2010

7. Members are requested to quote their Registered Folio Number/Client ID on all correspondence with the Company/RTA and notify the Company's RTA, or the Depository Participants, in case of shares in dematerialized form, immediately of change, if any, in their registered address.
8. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company had transferred the unpaid or unclaimed dividends, for the previous financial years upto 2001-02 to the Investor Education and Protection Fund (IEPF) established by the Central Government.
9. Further, in terms of section 205C (2) of the Companies Act, 1956 and the Rules made thereunder, the Company on December 15, 2009, deposited the unclaimed and unpaid deposit of Rs. 4,43,162/- with the IEPF.
10. The Unclaimed Dividend for the year 2002-03 is lying in the Unpaid Dividend Account and can be claimed upto April 05, 2011. The Shareholders are requested to get in touch with the Company/RTA to encash the unclaimed dividend, if any, standing to the credit of their account related to 2002-03. The shareholders are requested to note that after April 05, 2011, such unclaimed dividend shall be transferred to the IEPF and thereafter, no claims in this respect shall lie against the IEPF or the Company and no payment shall be made in respect of such claims.
11. Non-Resident Indian Members are requested to inform the Company's RTA immediately of :
 - (i) Change in their Residential status on return to India for permanent settlement.
 - (ii) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
12. The Company has designated an exclusive email ID viz. investorrelations@pvpglobal.com, which would enable the investors/shareholders to post their grievances and monitor its redressal. Any member having any grievances can post the same to this email ID for the quick redressal.
- 13. Details of Directors seeking appointment/re-appointment at the forthcoming AGM (pursuant to clause 49 of the Listing Agreement)**

At the ensuing AGM, Mr. N. S. Kumar is retiring by rotation and being eligible, offers himself for reappointment as Director. Further, it is also proposed to re-appoint Mr. Prasad V. Potluri as Chairman and Managing Director of the Company for a period of five years from 04.12.2010 till 03.12.2015. In terms of clause 49 of the Listing Agreement, their profiles etc. are as follows:

Name of Director	Mr. N.S. Kumar	Mr. Prasad V. Potluri
Date of birth	06-01-1947	08-09-1970
Date of appointment on the Board	19-03-2001	04-12-2007
Qualifications	M. S. (Computer Science), B. E.	BME, MES
Expertise	Over 30 years of experience in IT Industry and management of projects	Over 20 years of entrepreneurship experience with a track record of interface with both US & Indian Markets. Expertise in building successful organizations based on organic growth and inorganic consolidation.
Directorships held in other public companies	Telephoto Entertainments Limited Electro Scan India Limited	Telephoto Entertainments Limited
Chairmanship/Membership of Committee in other public companies	Member-Audit Committee and Shareholders & Investors Grievances' Committee of PVP Ventures Limited & Telephoto Entertainments Limited	Member of Shareholders & Investors Grievances' Committee of PVP Ventures Limited
No. of shares held	NIL	NIL
Relationship with other directors of the Company	NIL	NIL

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 5**

The Shareholders of the Company in the 16th Annual General Meeting had appointed Mr. Prasad V. Potluri as Chairman and Managing Director from 04.12.2007 till 03.12.2010.

The Board of Directors at its meeting held on August 16, 2010 had re-appointed Mr. Prasad V. Potluri as Chairman and Managing Director for a period of five years from 04.12.2010 till 03.12.2015, subject to the approval of the members in the Annual General Meeting.

Hence, it is proposed to seek approval of the members for the re-appointment and remuneration payable to Mr. Prasad V. Potluri. Broad particulars of the terms of his appointment are as follows:

(i) He shall receive a salary of Re. 1/- per annum.

(ii) Perquisites

Medical re-imbursement, leave travel assistance for self and family, premium on personal accident/mediclaime insurance and such other benefits and allowances, in accordance with the rules applicable to the Senior Executives of the Company.

The value of these perquisites shall be determined in accordance with applicable laws and in the absence thereof, these perquisites shall be valued at actual cost to the Company.

(iii) Re-imbursement of expenses

Re-imbursement of expenses incurred for travelling, boarding and lodging during business trips, provision of company's car with driver, petrol and maintenance for use on the Company's business, provision of internet, telephones and mobile phone expenses and club membership shall be re-imbursed and not considered as perquisites.

(iv) General

(a) The Office of Managing Director may be terminated by the Company or the concerned

Director by giving 3 (three) months prior written notice.

- (b) Mr. Prasad V. Potluri shall be entrusted with the substantial powers of management of the Company's business and its affairs, subject to the superintendence, control and directions of the Board of Directors. He shall carry out the orders and directions given by the Board from time to time and shall also assist the Board in proper and effective exercise of its powers and discharge of functions.
- (c) During the continuance of his appointment, he shall devote his full time and attention to the Company's work and shall use his best Endeavour for promotion of the interest and welfare of the Company.
- (d) If he ceases to hold office of the Director for any reason, he shall immediately cease to be the Managing Director.
- (e) He shall not be entitled to any sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
- (f) His services will be governed by the service rules of the Company, as may be in force from time to time in so far as they are not at variance with the terms herein contained.

Mr. Prasad V. Potluri satisfies all the conditions as set out in Part-I of Schedule XIII to the Act for being eligible for the re-appointment.

The above may be treated as an abstract of the terms of his appointment under section 302 of the Act.

Mr. Prasad V. Potluri is interested in this resolution as it pertains to his appointment and remuneration. Save and except Mr. Prasad V. Potluri, none of other directors of the Company is, in any way, concerned or interested in the Resolution.

The Board recommends this Resolution for your approval by way of Ordinary Resolution.

By order of the Board
For **PVP Ventures Limited**

Dhiraj Kumar Sinha
(GM-Legal & Company Secretary)

Hyderabad,
August 19, 2010

Directors' Report

Your Directors have pleasure in presenting the Nineteenth Annual Report on the business and operations of the Company together with audited annual accounts for the financial year ended March 31, 2010.

Consolidated Financial Results

(Rs. in Lakhs)

Particulars	2009-10	2008-09
Total Income	420.04	2167.77
Operational, Administration and other expenses	48,765.49	3627.48
Profit/(Loss) before Depreciation, Interest and Tax	(48,345.45)	(1459.71)
Depreciation	104.66	353.19
Interest and Finance Charges	1,346.94	2559.6
(Loss) before Extra ordinary items, Minority interest and income tax	(49,797.05)	(4372.51)
(Loss) before tax and Minority Interest	(49,824.12)	(4372.51)
Provision for taxation	(106.8)	74.14
Provision for minority interest	-	(161.34)
(Loss) after tax and Minority Interest	(49,717.32)	(4285.31)

Review of Operations

The Company is yet to recover from the unprecedented global meltdown in real estate market and macroeconomic environment of the last financial year. However, as per the independent valuation, the estimated value of its Perambur land is around Rs. 700 Crores. Further, during the last year, PVP Corporate Parks Private Limited ("PVPCP"), a wholly owned subsidiary of the Company sold Vadapalani property at Chennai to M/s. SRM University for a sale consideration of Rs. 140.04 Crores. The sale proceeds thereof was utilised to pay off the debts of the secured creditors (Banks) and other financial commitments of PVP Group. Further, during the year, PVPCP sold few floors of KRM Centre, Chennai to repay the debts of a secured creditor. However, the Company is considerably deleveraged with minimal debt and high quality asset base.

Perambur Project

The Perambur project of the Company is expected to receive all the necessary approvals very soon and may be launched within the current fiscal year.

Investments in Malaxmi Energy Ventures

The Company, through its subsidiary and associate, had invested in excess of Rs. 15 Crores in Malaxmi Energy Ventures (India) Private Limited ("MEV") with the main understanding/agreement that its stake in Navabharat Power Private Limited ("NPPL") would be vested with the

Company, either by way of merger or acquisition. Your Directors inform the members that the Company made these investments to fund the project related expenses and working capital requirements of MEV and NPPL, at the time when the global and Indian economy were under financial distress. However, the promoters of MEV, in spite of PVP Group having pledge over 100% of shareholding of MEV, had fraudulently sold their stake in NPPL to a third party. The Company has approached the Court(s) seeking appropriate legal remedy(ies) against MEV, its promoters and NPPL.

Dividend

In view of the losses of the Company, no dividend has been recommended by the Board for the financial year 2009-10.

Conversion of FCDs held in PVP Energy Private Limited

During the year, the Company converted 54,104 Fully Convertible Debentures of Rs. 1,00,000 each held in its 100% subsidiary company, PVP Energy Private Limited (formerly known as PVP Malaxmi Energy Ventures Private Limited) into 45,92,869 fully paid up equity shares of Rs. 10 each at a premium of Rs. 1168/- per share.

Directors

As on the date of this Report, the Board of Directors of the Company comprises of three (3) directors, Mr. Prasad V. Potluri, Mr. R. Nagarajan and Mr. N. S. Kumar.

During the year, Mr. Tarun Gandhi and Mr. Sachendra Tummala resigned w.e.f. June 30, 2009 and Mr. Y. Harish Chandra Prasad resigned w.e.f. November 24, 2009.

As per the Articles of Association, Mr. N.S. Kumar, retires by rotation in the ensuing AGM and being eligible, offers himself for reappointment. Further, the Board of Directors at its meeting held on August 16, 2010 had re-appointed Mr. Prasad V. Potluri as Chairman and Managing Director for a period of five years from 04.12.2010 till 03.12.2015, subject to the approval of the members in the Annual General Meeting.

Brief profiles etc. of Mr. N.S. Kumar and Mr. Prasad V. Potluri, as stipulated under Clause 49 of the Listing Agreements, are provided in the notes attached to the Notice calling the AGM. The broad particulars of the terms and conditions of appointment of Mr. Prasad V. Potluri as Chairman and Managing Director are also contained in the explanatory statement calling the AGM. Further, necessary resolution for his appointment is incorporated in the Notice calling the AGM.

Subsidiaries

As on March 31, 2010 and on the date of this report the Company has the following Ten (10) subsidiaries:

Telephoto Entertainments Limited	New Cyberabad City Projects Private Limited
PVP Corporate Parks Private Limited	Maven Infraprojects Private Limited
AGS Hotels and Resorts Private Limited	PVP Business Ventures Private Limited
PVP Energy Private Limited	Cuboid Real Estates Private Limited
PVP Business Towers Private Limited	PVP Screens Private Limited*

* Direct subsidiary of Telephoto Entertainments Limited

The Ministry of Corporate Affairs, Government of India, vide order No. 47/542/2010-CL-III dated June 10, 2010 has granted approval that the requirements to attach various documents in respect of the subsidiary companies, as set out in sub-section (1) of Section 212 of the Companies Act, 1956, shall not apply to the Company. Accordingly, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached to the Balance Sheet of the Company. Financial information of the subsidiary companies, as required by the said order, is annexed as **Annexure-I** to this Report. The Company will make available the annual accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection by any investor at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies.

Operations of the Subsidiaries

During the year, PVP Corporate Parks Private Limited sold its Vadapalani property at Chennai to M/s. SRM University for a sale consideration of Rs. 140.04 Crores and also sold few floors of its property KRM Center, Chetpet at Chennai. PVP Group utilised the sale proceeds to pay off secured lenders and honour other financial commitments.

PVP Energy Private Limited ("PEL") has been exploring various options to diversify into power and energy space and is currently in discussions with various parties to acquire greenfield and/or operating power projects. Further, during the year, PEL sold the certain treasury stocks of the Company to raise funds for working capital and power generation initiatives.

New Cyberabad City Projects Private Limited owns substantially large real estate asset at Shamshabad, near International Airport at Hyderabad. However, in view of the down-turn in the real estate sector and the continuing political imbroglio in Hyderabad, a significant delay is expected for this Project.

Group

Pursuant to the intimation from the Promoters and Promoters Group, the entities comprising of the Group, in terms of Regulation 3 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, are as follows:

M/s. Platex Limited	M/s. Maven BPO Services Private Limited
Mr. Prasad V. Potluri	M/s. Whitcity Infrastructure (India) Private Limited
Mrs. Jhansi Sureddi	M/s. Godavari Infracore Private Limited
M/s. Waltair Promoters Private Limited	

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

Corporate Governance

The Company is committed to maintain the prescribed standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the mandatory stipulations prescribed. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from M/s. V. Mahesh & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

Auditors' report

The Auditors Report together with the Audited Accounts for the financial year ended March 31, 2009 and the Notes on Accounts are self-explanatory and therefore do not call for any further comments.

As regard to the observations of the Auditors in the Auditors' Report on the Standalone and Consolidated Financial Statements, the Board would like to comment as follows:

Standalone financials

- (i) Board's comments on the Para 4 of the Auditors' Report

The Perambur Project of the Company expected to receive all the necessary approvals very soon and may be launched within the current fiscal year. The Company expects that once the Perambur project is launched, it would generate sufficient cash flow to meet the operating and administration expenses of the Company. Hence, the financial statements of the Company are prepared on a going concern basis.

19th Annual Report 2009-2010

- (ii) Board's comments on the Para 5(vi) of the Auditors' Report

The Directors, based on the independent valuations of the assets held by these companies, believe that the investments made and advances given are sufficiently covered and fully recoverable. Accordingly, the Directors feels that no further provision for these investments and advances, other than that made in the books, are required.

- (iii) Board's comments on the Para (iii)(a) of Annexures to the Auditors' Report

These unsecured loans were given to wholly owned subsidiaries of the Company and are repayable on demand for the value shown in the books.

Consolidated financials

- (i) Board's comments on the Para 4 of the Auditors' Report

The necessary adjustments have been made to reflect the correct position of Goodwill on consolidation.

- (ii) Board's comments on the Para 5(a) of the Auditors' Report

The Company credits the capital profits to its Reserves and Surplus instead to Profit & Loss Account.

- (iii) Board's comments on the Para 5(b) of the Auditors' Report

The Directors, based on the independent valuations of the assets held by these companies, believe that the investments made and advances given are sufficiently covered and fully recoverable. Accordingly, the Directors feel that no further provision for these investments and advances, other than that made in the books, are required

- (iv) Board's comments on the Para 5(c) of the Auditors' Report

In accordance with the provisions of section 309 (5A) of the Act, such amount is refundable to the subsidiary company and hence it is accordingly shown as receivable in the books. Until such amount is refunded, it will be held in trust for the subsidiary company.

Auditors

During the year M/s. Pricewaterhouse, Chartered Accountants had resigned as Statutory Auditors of the Company w.e.f. November 30, 2009 and M/s. PKF Sridhar & Santhanam, Chartered Accountants, Chennai were appointed as Statutory Auditors of the Company pursuant to the approval of shareholders w.e.f. March 19, 2010.

Further, M/s. PKF Sridhar & Santhanam, Chartered Accountants, Chennai, the retiring Auditors have expressed their unwillingness to be re-appointed as the Statutory Auditors of the Company at the ensuing Annual General Meeting. Hence, it is proposed to appoint M/s. CNGSN & Associates, Chartered Accountants, as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

The Company has received a letter from M/s. CNGSN & Associates, Chartered Accountants, confirming that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act. Necessary resolution for their appointment is incorporated in the Notice calling the AGM.

Consolidated Financial Statements

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, the audited Consolidated Financial Statements are provided in the Annual Report.

Public Deposits

The Company has not accepted/renewed any fixed deposits during the year under review. However, in accordance with the provisions of section 205C (2) of the Companies Act, 1956 and the Rules made thereunder, the Company on December 15, 2009, deposited the unclaimed and unpaid deposit of Rs. 4,43,162/- with the Investor Education and Protection Fund set up by the Central Government.

Particulars of employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees forms part of the Directors' Report.

However, in terms of provisions of Section 219(1)(b)(iv) of the Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

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

Particulars regarding technology absorption, conservation of energy and foreign exchange earning and outgo required under section 217 (1)(e) of the Companies Act,

1956 and Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are annexed as **Annexure-II** of this Report.

Responsibility Statement of the Directors

Pursuant to the requirements of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended March 31, 2010 and of the loss of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) the Directors have prepared the annual accounts on a going concern basis.

Acknowledgement

The Board acknowledges with gratitude the co-operation and assistance provided to your Company by its Bankers, Investors, Financial Institutions, Government as well as Non-Government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the Company during the year under review. Your Directors thank the vendors and other business associates for their continued support. Your directors are thankful to the shareholders for their continued patronage.

For and on behalf of the Board of Directors

Prasad V. Potluri
(Chairman and Managing Director)

August 16, 2010
Hyderabad

ANNEXURE-I

Financial information of the subsidiary companies as required by the Order No. 47/542/2010-CL-III dated June 10, 2010 of Ministry of Corporate Affairs, Government of India, forming part of the Directors' Report for the year ended March 31, 2010

(All Amounts in Rs.)

Name of the subsidiary	TEL	NCCPPL	PEL	PVPCP	AGS Hotels	PVP Screens	MPL	PVPBV	Cuboid	PVPBT
Particulars										
Paid up Capital	61,366,110	10,100,000	56,028,690	5,000,000	35,810,000	300,000	100,000	1,00,000	100,000	100,000
Reserves	(62,245,174)	(946,184,967)	423,476,023	362,720,046	(31,821,251)	(47,422,705)	(51,473,069)	(195,421)	(112,448)	(129,975)
Total Assets	633,041	2,559,361,980	20,656,864	289,883,147	4,051,068	291,088	29,378	200,563	201,796	296,788
Total Liabilities	1,512,105	3,495,446,947	1,220,291,756	86,963,101	62,319	47,413,793	51,402,447	550,295,664	350,214,244	300,326,763
Investments	Nil	Nil	1,679,139,607	164,800,000	Nil	Nil	Nil	549,999,680	350,000,000	300,000,000
Turnover	Nil	Nil	Nil	17,525,478	Nil	Nil	Nil	Nil	Nil	Nil
Profit/(Loss) Before Taxation	(557,817)	(303,495,223)	(4,430,445,378)	(10,169,416)	(115,109)	(139,407)	(45,001,386)	(610)	(500)	(500)
Provision for Taxation	Nil	Nil	Nil	12,060,392	Nil	Nil	Nil	Nil	Nil	Nil
Profit/(Loss) After Taxation	(557,817)	(303,495,223)	(4,430,445,378)	1,890,976	(115,109)	(139,407)	(45,001,386)	(610)	(500)	(500)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Abbreviations used:

TEL-Telephoto Entertainments Limited, NCCPPL-New Cyberabad City Projects Private Limited, PEL-PVP Energy Private Limited, PVPCP-PVP Corporate Parks Private Limited, AGS Hotels-AGS Hotels & Resorts Private Limited, PVP Screens-PVP Screens Private Limited, MPL-Maven Infraprojects Private Limited, PVPBV-PVP Business Ventures Private Limited, Cuboid-Cuboid Real Estates Private Limited, PVPBT- PVP Business Towers Private Limited

Notes:

- All the above information is as on March 31, 2010.
- All the above investments are in companies other than subsidiary companies.
- Investments made by PVPBV is in M/s. Jagati Publications Private Limited of 15,27,776 (Previous year-15,27,776) equity shares of Rs. 10 each fully paid @ Rs. 360 per share
- Investments made by Cuboid is in M/s. Jagati Publications Private Limited of 9,72,222 (Previous year-9,72,222) equity shares of Rs. 10 each fully paid @ Rs. 360 per share
- Investments made by PVPBT is in M/s. Jagati Publications Private Limited of 5,55,555 (Previous year-Nil) equity shares of Rs.10 each fully paid @ Rs. 360 per share and in M/s. Mimosa Enterprises Private Limited of 3,33,333 (Previous year-Nil) equity shares of Rs.10 each fully paid @ Rs. 300 per share
- Investments made by PEL includes:
 - 8,016,235 (Previous year-35,396,116) equity shares of Rs. 10 each fully paid up of PVP Ventures Limited, the Holding Company @ Rs. 208 per share acquired through Open Offer and from the erstwhile promoters of the Company
 - 6,85,487 (Previous year- 6,85,487) equity shares of Rs. 10 each fully paid up of Telephoto Entertainments Limited @Rs. 31.50 per share acquired through Open Offer

For and on behalf of the Board of Directors

Prasad V. Potluri

(Chairman and Managing Director)

August 16, 2010
Hyderabad