

UNLOCKING **POTENTIAL** UNLEASHING **VALUE**



FORWARD-LOOKING STATEMENT

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, unless and otherwise there is a Regulatory/Statutory requirement.

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AT PVP VENTURES LIMITED,

WE HAVE SELECTED TO OWN BUSINESSES OR COMPANIES ENGAGED IN SCALABLE AND CONSUMPTION-DRIVEN OPPORTUNITIES.

OUR BUSINESS PRESENCE IS SPREAD OVER URBAN INFRASTRUCTURE DEVELOPMENT, MEDIA & ENTERTAINMENT AND SPECIAL SITUATIONS.

WE ARE OPTIMISTIC THAT THIS PRESENCE WILL TRANSLATE INTO ATTRACTIVE NUMBERS THAT HAVE BEGUN TO EMERGE DURING 2012-13 AND WILL BECOME INCREASINGLY VISIBLE FROM 2013-14 ONWARDS.





AT PVP VENTURES LIMITED

POSITIONING

PVP Ventures Limited (formerly SSI Limited) was acquired in the year 2007 (incorporated in the year 1991) and listed since 1995. PVP Ventures has majority ownerships in subsidiary companies and as a result, it is a business entity in its own right and a holding company as well. The businesses of the parent company and subsidiaries are managed by separate teams of professionals.

BUSINESS

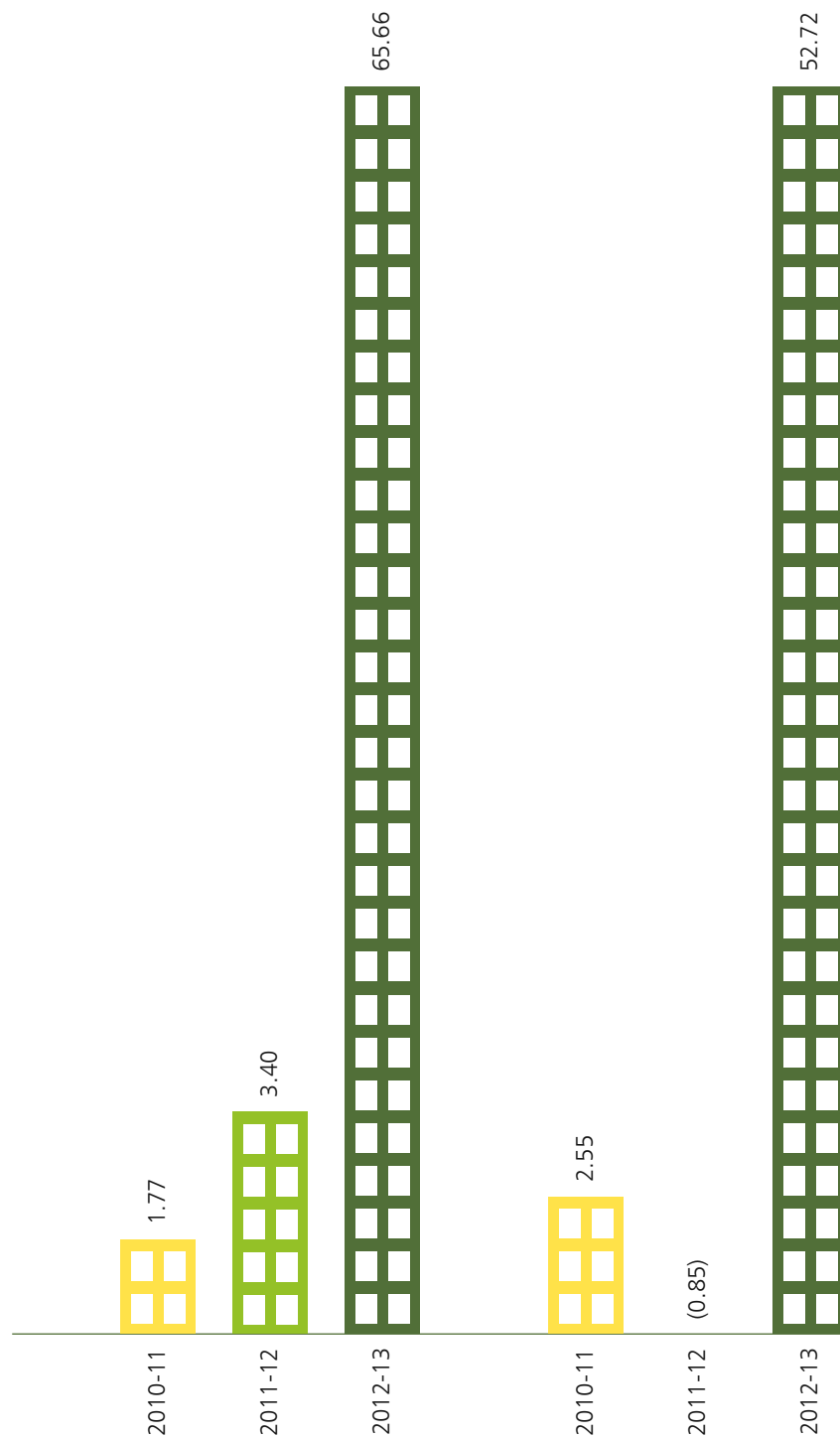
PVP Ventures operates in three segments – urban infrastructure, media & entertainment and special situations.

- In the real estate/urban infrastructure segment, PVP signed a joint development agreement with Unitech and Arihant Housing to build an integrated 70-acre township called North Town in Chennai.
- In the sports consumption space, the Company acquired the Hyderabad franchisee of the Indian Badminton League (IBL) and christened it as the Hyderabad Hot Shots.
- In the special situations vertical, we are continuously evaluating opportunities to build a portfolio of scalable and stable businesses driven by the burgeoning Indian consumption story.

PRESENCE

The acquired company possessed a 70-acre land parcel - popularly known as Binny Mills - in the heart of Chennai. The Company also owns 135 acres of prime land in Shamshabad, Hyderabad, through its subsidiary and affiliate companies.

PERFORMANCE HIGHLIGHTS

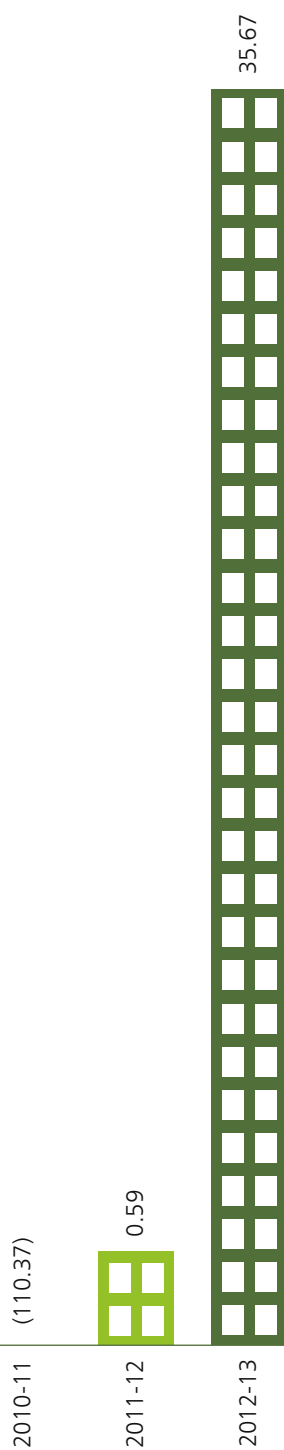


TURNOVER (GROSS) (₹ cr)

... Leading to a growing turnover derived from higher apartment sales...

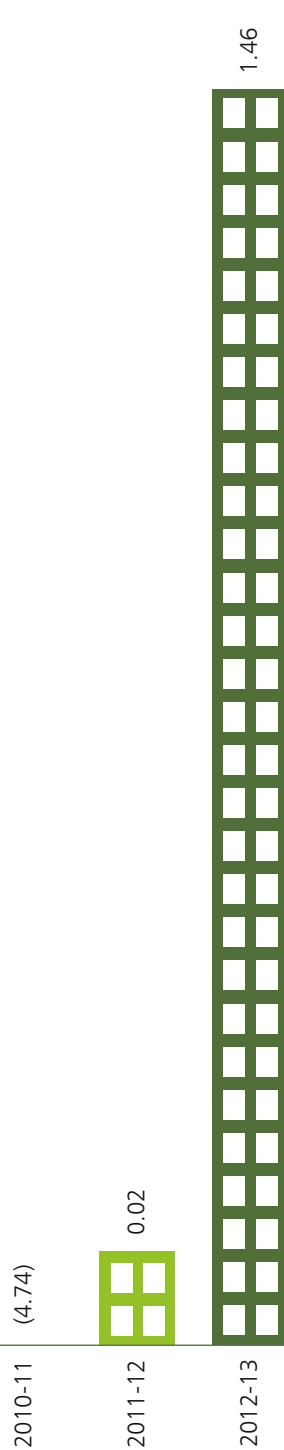
OPERATING PROFIT (₹ cr)

... And value-led growth has led to a rising operating profit



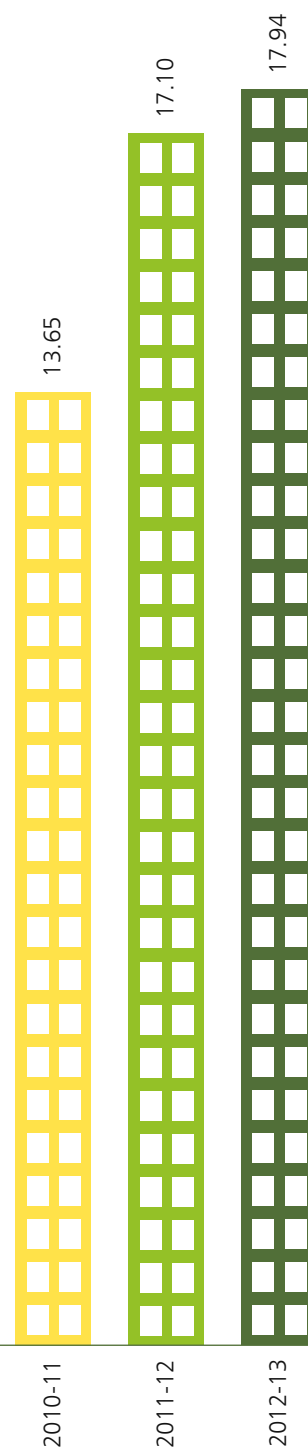
POST-TAX PROFIT (₹ cr)

... And rising net profit, especially driven by zero interest outflow



EARNINGS PER SHARE (₹)

Our growing ability to earn and ploughback surpluses has strengthened our earnings...



BOOK VALUE PER SHARE (₹)

... And enhancing our valuation potential reflected in an attractively placed per share book value



MESSAGE FROM THE CHAIRMAN

Dear Shareholders

PVP VENTURES LIMITED IS POSITIONED AS A COMPANY WITH A DIFFERENCE.

Over the last couple of decades, there has been an explosion in sectoral opportunities in India. PVP Ventures has been created with the express objective of owning and managing multiple businesses with attractive potential.

India is passing through a consumption-driven inflection point. For decades, India was an under-consumed nation across most products and commodities. However, over the last couple of decades, the sweep of reform and globalisation has increased disposable personal incomes, which in turn has triggered an increase in consumer spending. Within the broad gamut of products and services, there are niches marked by a large unmet demand coupled with a supply side inadequacy that is expected to sustain.

The objective for PVP Ventures is to be engaged in these spaces through businesses that are relatively de-risked on the one hand and enjoy attractively sustainable prospects on the other.

HOLDING COMPANY

PVP Ventures has selected to position itself as a holding company with interests in businesses that are riding the Indian consumption wave, enjoy specific competitive advantages that liberate it from being 'me too', are not hostaged by technology obsolescence and are not engaged in areas marked by regulatory control.

The very nature of a holding company implies that PVP Ventures will keep incrementally adding to its portfolio of businesses, utilise promoter and cross-Group competencies to grow the various businesses and ensure that corporate growth translates into attractive value in the hands of its owner. These companies will be managed through a balance of control and delegation that makes it possible to reconcile enunciated strategic direction with operational empowerment.

REVIEW

The last three years were challenging for the Company for various reasons.

However, I am pleased to state that the Company's performance surged during the financial year under review with net profit (standalone) rising from ₹19.26 lakh in 2011-12 to ₹3,629.12 lakh in 2012-13. I am optimistic that given the Company's fundamentals, the improvement will accelerate. Besides, this performance comes during a challenging period for the national economy and only vindicates the robustness of the Company's business model.

BUSINESS-WISE PERFORMANCE

Urban infrastructure development: The Company entered this business in 2007 and I am pleased to report that due to limited inventory in the Perambur (North Town location) region of Chennai, realisations strengthened in 2012-13. We have already begun to generate revenues from the sale of five of 10 planned phases of the project.

OUTLOOK

The outlook for the Company continues to be optimistic.

The solid performance reported during 2012-13 is expected to sustain, marked by improved success in both businesses.

On account of Chennai enjoying a high proportion of purchases by end-users (more than 80 percent), the buoyancy in real estate realisations in the North Town area is expected to sustain. Of the 23 proposed townships (spread across more than 25 acres) in Chennai, North Town is the only development in Northern and Central Chennai. The Company will progressively encash its total apartment inventory at the right junctures and enhance realisations.

As a result of the optimistic foundation in both businesses, the Company expects to report a healthy and growing topline in the ensuing years, thereby enhancing value for its stakeholders.

With my best regards,

Prasad V. Potluri

Chairman & Managing Director

OUR STRATEGIC BLUEPRINT

OUR VISION IS TO EMERGE AS THE BERKSHIRE HATHWAY OF INDIA THROUGH THE ACQUISITION AND 'PART-MANAGEMENT' OF ATTRACTIVE BUSINESSES.

The Company was created with the vision to inspire stakeholder trust through credible action.

Until not too long ago, urban infrastructure development companies generally delivered projects beyond their scheduled completion without any corresponding compensation. Besides, companies generally delivered properties with significant deviations from what had been promised. A large part of the transaction would be conducted in cash with no corresponding legal provision. The terms of trade would largely be skewed in favour of the seller.

PVP Ventures has conducted its business in a manner that its brand is completely trusted by prospective customers in terms of quality, timely and promised delivery, trusted by vendors and collaborators for its financial strength, trusted by stakeholders for extensive compliances and trusted by shareholders for business sustainability.

The result is that we expect to strengthen our brand, grow our volumes, protect margins, increase surpluses, share a part of this surplus with stakeholders and redeploy the rest into the business with the objective to create a larger and more vigorous virtuous cycle, thereby enhancing value for all the Company's stakeholders.

CONSERVATISM

PVP believes that sustainable growth can be achieved through predictable revenue/profit growth marked by low

debt and business returns (as defined by return on employed capital and return on equity) higher than the industry average.

SUSTAINABLE GROWTH

PVP has built its business around long-term sustainability. As per the Chennai Metropolitan Authority's estimates, the demand for housing is pegged at over two lakh units for the region out of a total of five lakh for the entire city by 2015. The Company believes that Chennai holds out attractive prospects for sustainable growth well into the long-term. The management recognises that it will endure as a business corporation if there is adequate value left on the table for vendors, customers, employees and ourselves. A focus on the long-term guides our decision-making process soon which will reflect in the Company's growing revenues and profits.

MULTI-FORMAT DEVELOPMENT

PVP's business model is significantly weighted towards residential project development marked by the phased sale of properties. However, going ahead, the Company may diversify its revenue mix towards commercial, retail and hospitality properties and may explore options beyond urban infrastructure development.

PARTNERSHIPS

PVP will leverage its cash assets to own land but associate with builders

to engage in construction, drawing on the partner's insight in being able to co-develop properties and leverage the power of its brand, construction experience, sales channels, pricing insight and timely completion. Case in point: our prestigious North Town project in Chennai is being jointly developed by Arihant Housing and Unitech. As far as the 135-acre Hyderabad land bank is concerned, we intend to explore opportunities at an appropriate time.

CORPORATISED

PVP selected to corporatise with speed in what is still largely an unorganised sector in India. The business is marked by a long-term approach to business, efficient governance strategies and management of business variables through a process-driven approach. The Company represents a functional balance of promoter-owners and professional managers. This structure is marked by strategic decision-making and hands-on business review by the promoters which is complemented through day-to-day management by professionals across all functions.

COMPETENCE

PVP recognises that true competitiveness in the infrastructure industry can be derived from efficient project execution, which reconciles knowledge, capability, equipment, processes, standard operating procedures and information technology. These help deliver projects faster than