

THE GAME CHANGER



PVP Ventures Limited

Annual Report 2013-14





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2013-14

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The Game Changer

India's realty sector rooted its feet firmly in the ground as a growth engine and the same needs no greater explanation or emphasis.

Spurring major economic activity, real estate sector is playing a key role in the development of India's infrastructure base. PVP Ventures Ltd set its feet in this realm as a game changer and began its journey in the South Indian marketplace.

Media is another sector we have been focusing on. In the age of media explosion, we desire to leverage the growth opportunities.

Sports is an important part of India's entertainment story. India's entertainment is part of India's consumption story. When sports began wearing the robes of entertainment, legends are ushered into this arena to ensure that the activity flourishes more, perching PVP Ventures Ltd in an advantageous position and an attempt to work towards leadership.

At PVP Ventures Limited

Urban Infrastructure

The company foresees an exponential growth in the coming five years with an objective of emerging the leader in South India in the area of urban infrastructure and property development. The expected cash flows from the Binny Mills Project will enable the implementation of expansion. The sum would be prudently invested in the expansion of property development and urban infrastructure businesses. The company targets to line up projects aggregating to USD One billion in the ensuing five years across South India.

The company foresees exciting opportunities in the current financial year, as the Binny Mills project is going to be fast-tracked, apart from initiatives to launch the development of projects of similar size and scale in the urban infrastructure space in the next one year.

Sports & Entertainment

PVP Ventures Ltd has acquired the Hyderabad franchisee of Indian Badminton League (IBL) and christened it as the "Hyderabad Hot Shots". PVP Ventures has also acquired the Kerala Franchisee of Indian Super League, which is into soccer and christened it as "Kerala Blasters Football Club". The exposure in this sector will build a brand which intend to monetize in our property business and also explore other opportunities in the years to come.

Media

Media, as was explained earlier, has wide-ranging definition. Any media company with larger outlook has to adapt itself to the fast-changing technologies and tread the path of success by embedding innovation from time to time.

Television and internet media are surging ahead in the current context. Considering the growth phenomenon available, the key nucleus is content and we are at the epicenter in creation of content.

This will add to the growth in the topline and bottomline of the company.

Presence

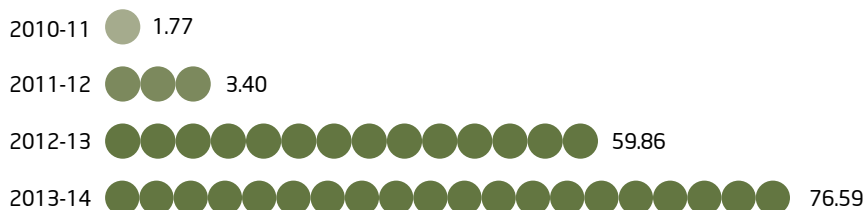
The company possessed a 70-acre land parcel - popularly known as Binny Mills - in the heart of Chennai. The Company also owns 135 acres of land in Shamshabad, Hyderabad, through its subsidiary and affiliate companies.



Performance Highlights

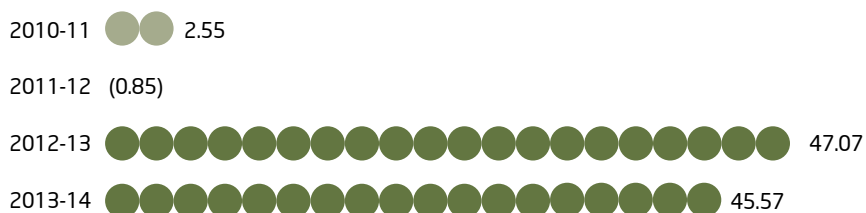
TURNOVER (GROSS) (₹ cr)

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



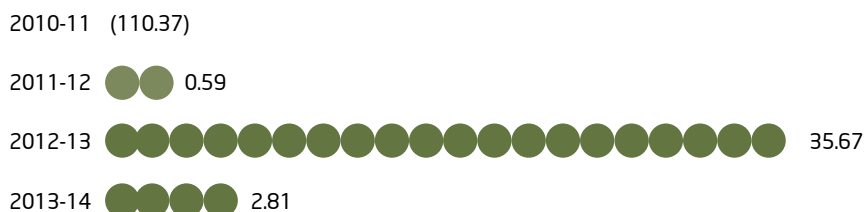
OPERATING PROFIT (₹ cr)

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



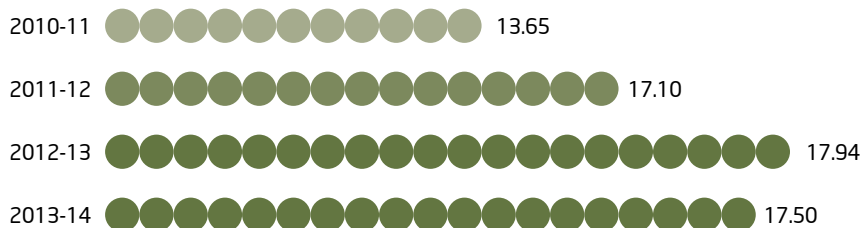
EARNINGS PER SHARE (₹)

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



PVP VENTURES LIMITED IS POSITIONED AS A COMPANY WITH A DIFFERENCE

Dear Shareholder,

There has been an explosion in several sectoral opportunities in India. PVP Ventures Ltd has been created with an express objective of owning and managing multiple businesses with a definite growth potential .

As you are aware, the Consumer is driving India's growth. Though India remained an under-consuming nation across most of the products and commodities for several decades, the wave of reforms and globalization has spurred the personal disposal incomes of the consumers in the last two decades. This naturally triggered an increase in consumer spending.

PVP Ventures has chosen to position itself as a company with interest in businesses that are riding the Indian consumption wave and enjoy specific competitive advantages that liberate it from being 'me-too' syndrome, which are not held hostage by technology obsolescence and are not engaged in areas marked by regulatory control.

PVP Ventures Ltd will keep incrementally adding to its portfolio of various business verticals, by utilizing its cross-Group competencies and optimizing its corporate growth potential.

These companies will be managed through a balance of control; and delegation that makes it possible to reconcile the enunciated strategic direction with operational empowerment.

For PVP Ventures Ltd, the journey in the last five years has been that of learning the challenges in India, and maintaining equanimity especially with an entrepreneur from the West at the helm. A lot of geo-political situations have pushed us into a turbulence due to the persistent agitations over the bifurcation of the State of Andhra Pradesh during the last 5 years.



Message from the Chairman

We just started our enterprise in 2007 and were planning to diversify ourselves by venturing into power sector and other areas in September 2008. But, the Lehmann Brothers crisis in 2009 had hit us very hard.

We went into a turbulent situation of investigations, and remained as a questionable company in the last five years. However, there has been tremendous amount of learning as to how to wade through in times of turbulence in the last five years, while navigating in the complex terrain of Indian environment as an organization.

Post 2011, we changed our growth strategy focusing more on Media (Broadcasting) & Entertainment, Sports Management. We held our horses together. Today, we are one of the few companies with no financial stress and with a comprehensive strategy in place.

The strategy is that PVP Ventures will totally focus on property development and urban infrastructure development leveraging its expertise that it has gained in the last five to seven years,

not only as a landlord but as a developer too. As a developer, we built institutional competency and we understand that in urban infrastructure what is also important, apart from institutional competency, is brand and goodwill.

The strategic importance of India's realty sector as an engine of growth cannot be emphasised more. While playing a central role in the development of the country's infrastructure base, the real estate sector is one of the largest generators of economic activity. With multiple cross-linkages across various industries like cement, steel, chemicals, IT/ITeS, manufacturing and retail, the real estate sector is at the core of the construction industry and is a conduit for private sector participation in India's built environment.

So, the goal in the next five years is to grow as a leader in the realm of urban infrastructure and property development and scale up Media & Entertainment business. A steady cash flow from the Binny Mills Project will take care of the investments required for our