

# Notice of the Annual General Meeting

NOTICE is hereby given that the Seventeenth Annual General Meeting of PVR Limited will be held at Mapple Emerald, Rajokri, NH-8, New Delhi – 110 038 on Friday, 28<sup>th</sup> day of September, 2012 at 10:00 A.M. to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To note and confirm the payment of Special Interim Dividend @ Rs. 4/- per equity share paid to the Members for the financial year 2011-12.
3. To declare Dividend on Equity Shares for the Financial Year 2011-12.
4. To appoint a Director in place of Mr. Ravi K. Sinha who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Sanjay Khanna who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

## SPECIAL BUSINESS

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:  

**“RESOLVED THAT** Mr. Sanjai Vohra, who was co-opted as an Additional Director of the Company on 30<sup>th</sup> September, 2011 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Sanjai Vohra for the office of Director, be and is hereby appointed

as a Director of the Company, liable to retire by rotation.”

By Order of the Board  
For PVR Limited

Place: Gurgaon  
Date: 29<sup>th</sup> May, 2012

**N. C. Gupta**  
Company Secretary

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY STAMPED, COMPLETED AND SIGNED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING. THE PROXY FORM IS ENCLOSED HERewith.**
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. In order to determine the entitlement for payment of Dividend, if any, declared at the Annual General Meeting of the Company, the Register of Members and Share Transfer Books of the Company shall remain closed from 24<sup>th</sup> September, 2012, Monday to 28<sup>th</sup> September, 2012, Friday (both days inclusive).
4. **Queries, if any, regarding accounts may please be sent to the Company Secretary at least 10 days before the date of Annual General**

- Meeting so as to enable the Company to keep the information ready.**
5. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of their attendance at the meeting.
  6. **Members holding shares in Demat/physical form are requested to notify any change in address, bank mandates, if any, and their E-mail ID for dispatch of Annual Reports and all other information, correspondences to the Company's Registrar and Share Transfer Agent Karvy Computershare Private Limited, by E-mail at pvr.cs@karvy.com or at their address at Plot No. 17-24, Vithal Rao Nagar, Madhapur, Hyderabad – 500 034.**
  7. **Members are requested to bring their Attendance Slips to the Meeting, as the same will not be distributed in the meeting.**
  8. As per the provisions of the Companies Act, 1956, facility for making nomination is available to the shareholders in respect of the shares held by them.
  9. **Members/ Proxies may also please note that only Tea/Coffee will be served and no Gift will be distributed at the venue of Annual General Meeting or elsewhere.**
  10. **Children who are not members of the Company would not be allowed to attend the Annual General Meeting.**
  11. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
  12. Documents relating to any of the items mentioned in the Notice are open for inspection at the Registered Office of the Company on any working day during business hours prior to the date of meeting and also at the meeting.

By Order of the Board  
**For PVR Limited**

Place: Gurgaon  
Date: 29th May, 2012

**N. C. Gupta**  
Company Secretary

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

### **ITEM NO. 7**

Mr. Sanjai Vohra is 52 years of age. He is BSc. in Physics from St. Stephen's College, Delhi and MBA (PGDM) Major in Finance, from I.I.M. Ahmadabad.

Mr. Vohra has over 25 years of experience in the banking industry in Asia, including 17 years at JP Morgan and 6 years at Citibank, India. He has covered a wide range of industries across Asia. His experience includes Private Equity, Private Finance, Risk Management and various Debt products. In his Private Equity role, he has been on the board of various companies. He was Managing Director of ING Bank NV and JP Morgan Chase & Co. Hong Kong and UBS AG-Singapore.

With the appointment of Mr. Vohra on the Board of the Company is expected to be benefitted with his invaluable advice, vision and contribution for the overall growth of the Company.

Mr. Sanjai Vohra was appointed as an Additional Director on the Board of the Company with effect from 30<sup>th</sup> September, 2011 under Section 260 of the Companies Act, 1956 who holds office upto the commencement of this Annual General Meeting. The Company has received a Notice under Section 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- from a shareholder proposing the name of Mr. Sanjai Vohra for the appointment as Director on the Board of the Company. The Board considers it desirable that the Company should continue to avail services of Mr. Vohra as Director of the Company.

The Board recommends the resolution at item no. 7 for the approval of the Shareholders.

Mr. Sanjai Vohra is interested in this resolution to the extent of his appointment as Director of the Company. No other Director of the Company is in any way concerned or interested in the proposed resolution.

By Order of the Board  
**For PVR Limited**

Place: Gurgaon  
Date: 29th May, 2012

**N. C. Gupta**  
Company Secretary

**Detail of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (Pursuant to clause 49 of the listing Agreement)**

Name of Director	Mr. Sanjay Khanna	Mr. Ravi K Sinha	Mr. Sanjai Vohra
Date of Birth	21.04.1960	28.10.1947	05.09.1960
Qualification	B.Com	Graduate in Mechanical Engineering	PGDM from I.I.M. Ahmadabad, (Major in Finance)
Nature of Expertise in specific Functional Areas	19 Years of varied experience in various streams of business.	44 years experience in running of Business Organization.	25 years of varied experience in the Banking Industry, including Private Equity, Private Finance, Risk Management and various Debt products.
Directorship and Trusteeship in other Companies	-	PVR Pictures Limited Emergent Venture India Private Limited TPG Wholesale Private Limited Henkel Teroson India Limited	-
Members/Chairman of Committees of other Companies	-	PVR Pictures Limited Emergent Venture India Private Limited	-
No. of Shares held	7,500	-	-

# Attendance Slip

## PVR LIMITED

Registered Office: 61, Basant Lok, Vasant Vihar, New Delhi - 110057  
(To be handed over at the Attendance Counter)

Folio No.	DP ID No.
No. of Shares	Client ID No.

I/We record my/our presence at the 17<sup>th</sup> Annual General Meeting of the Company at Mapple Emerald, Rajokri, National Highway-8, New Delhi – 110 038 on Friday, the 28<sup>th</sup> day, of September 2012 at 10:00 A.M. or at any adjournment thereof.

1. Name of the Member : 1. Mr./Mrs./Miss \_\_\_\_\_  
And Joint Holder (s) 2. Mr./Mrs./Miss \_\_\_\_\_  
(In block letters) 3. Mr./Mrs./Miss \_\_\_\_\_
2. Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. Name of Proxy : Mr./Mrs./Miss \_\_\_\_\_

Signature of the Proxy

Signature(s) of Member and Joint Holder(s)

# Proxy Form

## PVR LIMITED

Registered Office: 61, Basant Lok, Vasant Vihar, New Delhi - 110057

Folio No.	DP ID No.
No. of Shares	Client ID No.

I/We \_\_\_\_\_ R/o \_\_\_\_\_  
\_\_\_\_\_ being a Member/Members of PVR Limited hereby appoint Mr./Mrs./  
Miss \_\_\_\_\_ R/o \_\_\_\_\_  
failing him/her Mr./Mrs./Miss \_\_\_\_\_  
\_\_\_\_\_ R/o \_\_\_\_\_ whose

specimen signatures are given hereunder, to vote for me/us and on my/our behalf at the 17<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 28<sup>th</sup> September, 2012 at 10.00 A.M. and at any adjournment thereof.

1.  
2.

Specimen signature of the Proxy (ies)

Signature of

Revenue  
Stamp

Member

Signed at this.....day of.....2012

**Note: The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours (i.e. latest by 10.00 A.M. on Wednesday, 26th September, 2012) before the time fixed for holding the aforesaid meeting. The proxy need not be a member of the Company.**



SCRIPTING  
ENTERTAINMENT'S  
SUCCESS STORY

ANNUAL REPORT  
2011-2012

PVR Limited

## **Board of Directors**

Mr. Ajay Bijli	Chairman cum Managing Director
Mr. Sanjeev Kumar	Joint Managing Director
Mr. Vicha Poolvaraluk	Director
Mr. Sumit Chandwani	Director
Mr. Vikram Bakshi	Director
Mr. Sanjai Vohra	Director
Mr. Ravi K. Sinha	Director
Mr. Sanjay Khanna	Director

## **Company Secretary**

Mr. N.C. Gupta

## **Auditors**

S.R. Batliboi & Co.  
Chartered Accountants,  
Firm's Registration No.: 301003E  
Gurgaon

## **Main Bankers**

DBS Bank Limited  
HDFC Bank Limited  
Axis Bank Limited

## **Registered Office**

61, Basant Lok, Vasant Vihar, New Delhi - 110057

## **Corporate Office**

Block A, 4th Floor, Building No. 9, DLF Cyber City, Phase-III,  
Gurgaon - 122002, Haryana, India

## **Subsidiaries**

PVR bluO Entertainment Limited  
PVR Pictures Limited

## **Registrar & Share Transfer Agents**

Karvy Computershare Private Limited,  
17-24, Vittal Rao Nagar, Madhapur,  
Hyderabad - 500 081  
Tel.: +91-40-2342 0815-828 Fax: +91-40-2342 0814  
[www.kcpl.karvy.com](http://www.kcpl.karvy.com)

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# Directors' Report

## Dear Shareholders

Your Directors have pleasure in presenting the 17<sup>th</sup> Annual Report on the business and operations of the Company and Audited Financial Statements for the year ended March 31, 2012.

## Financial Highlights

	(Rs. In Crores)	
	2011-12	2010-11
Income from Operations	467.47	350.74
Other Income	11.27	10.32
<b>Total Income</b>	<b>478.74</b>	<b>361.06</b>
Less: Expenditure	397.62	298.10
<b>Earnings before depreciation/ amortization interest and tax (EBDITA)</b>	<b>81.12</b>	<b>62.96</b>
<b>Add : Exceptional Items</b>	<b>2.69</b>	<b>-</b>
<b>EBDITA (Inclusive of Exceptional Items)</b>	<b>83.81</b>	<b>62.96</b>
Less : Depreciation & Amortization Expenses	31.36	24.11
Finance Cost	17.96	15.96
<b>Profit before Tax</b>	<b>34.49</b>	<b>22.89</b>
Provision for Tax Credit/ (Expense) (net)	(6.38)	(6.55)
<b>Net Profit after Tax</b>	<b>28.11</b>	<b>16.34</b>
Balance brought forward from previous year	<b>33.95</b>	<b>22.20</b>
<b>Profit available for appropriation</b>	<b>62.06</b>	<b>38.54</b>
<b>Appropriations</b>		
Transfer to Capital Redemption Reserve	<b>1.39</b>	<b>-</b>
<b>Dividend on:</b>		
Equity Shares	<b>15.44</b>	<b>2.86</b>
Tax on Dividend	<b>2.49</b>	<b>0.46</b>
Transfer to Debenture Redemption Reserve	<b>0.85</b>	<b>0.85</b>
Transfer to general Reserve on Dividend declared	<b>2.81</b>	<b>0.41</b>
<b>Balance Carried to Balance Sheet</b>	<b>40.47</b>	<b>33.95</b>



## Financial Review:

During the Financial year ended March 31, 2012, your Company has achieved new heights in terms of income and profitability. The total income increased from Rs. 361.06 Crores, during the preceeding year to Rs. 478.74 Crores in the year under review registering a growth of 32.57%. Operating Profit before interest, depreciation and tax increased to Rs. 81.12 Crores as against Rs. 62.96 Crores during the previous year.

Your company has recorded significant growth during the year under review. Consistency across operations and ongoing expansion has strengthened PVR's position as a leading Film exhibition company in India.

Kindly refer to Management Discussion & Analysis Report covered under Corporate Governance which forms part of this report for a detailed financial review.

## Dividend

During the year, your Company has paid Rs. 4/- (Rupees Four) per Equity Share as Special Interim Dividend to the members of the Company.

Your Directors have recommend a Final dividend of Rs. 2/- (Rupees Two) per Equity Share for the financial year ended March 31, 2012 for your approval. The Dividend outgo inclusive of Special Interim Dividend amounts to Rs. 15.44 Crores (exclusive of Dividend Distribution Tax of Rs. 2.49 Crores).

## Operation Review

Kindly refer to Management Discussion & Analysis Report covered under Corporate Governance which forms part of this report.

## Subsidiaries

As on March 31, 2012 the Company had two subsidiary companies PVR Pictures Limited (PVR Pictures), a wholly owned subsidiary and PVR bluO Entertainment Limited (PVR bluO) a Joint Venture Company. CR Retail Malls (India) Limited (CCR) ceased to be Company's subsidiary w.e.f. 17<sup>th</sup> May, 2011 i.e. the date of sale of the investment in Share Capital of CRR by your Company.

## PVR Pictures Limited (PVR Pictures)

Your Company bought back on 5<sup>th</sup> July, 2011, 1,43,33,334 Equity Shares of PVR Pictures Limited, from JP Morgan Mauritius Holding IV Limited (71,66,667 Equity Shares) and IDBI Trusteeship Services Limited (India Advantage Fund) (71,66,667 Equity Shares). With the acquisition of balance 40% Share Capital of PVR Pictures Limited by your Company, PVR Pictures Limited has become the wholly owned subsidiary of your Company.

## PVR bluO Entertainment Limited (PVR bluO)

Presently the Company operates two bowling alley centers at Ambience Mall-I, Gurgaon and Ambience Mall-II, at Vasant Kunj, New Delhi. The Company has made a roadmap for expansion of its business and will accordingly open additional bowling centers in India at Pune, Bangalore, Chandigarh, Ludhiana and Noida. These bowling centers on being operational are expected to enhance the income and profitability of the Company.

## Consolidated Financial Statements

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the Financial Year 2011-12.

## Particulars under Section 212 of the Companies Act, 1956

The Ministry of Corporate Affairs, Government of India has granted a general exemption from attaching the audited accounts of the subsidiaries in the Consolidated Accounts of the Company vide General Circular No. 2/2011 dated 8<sup>th</sup> February, 2011.

## Corporate Governance

The Company is committed to uphold the highest standards of corporate governance. Your Company strongly believes that this relationship can be strengthened through corporate fairness, transparency and accountability. Your Company complies with all the provisions of Clause 49 of the Listing Agreement.

A report on Corporate Governance, along with a Certificate from Practicing Company Secretary is enclosed. A Certificate from Chairman cum Managing Director and CFO, confirming the correctness of the financial statements, adequacy of the internal control measures as enumerated in Clause 49 of the Listing Agreement are also enclosed.

## Management Discussion and Analysis Report

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

## Directors

Mr. Sanjai Vohra was co-opted as Additional Director on the Board of the Company effective from 30<sup>th</sup> September, 2011. A member of the Company under Section 257 of the Companies Act, 1956 has proposed the candidature of Mr. Vohra for the Office of the Director. Mr. Renaud Jean Palliere a Director of the Company has resigned from the Board of Directors of your Company w.e.f. 20<sup>th</sup> March, 2012. The Board

places on records its appreciation of the valuable contribution made by Mr. Renaud during the tenure of his Directorship.

Mr. Ravi K. Sinha and Mr. Sanjay Khanna retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. A brief resume of the Directors retiring by rotation alongwith other details, is given in the Corporate Governance Report.

### **Fixed Deposits**

During the year under review, your Company has not accepted any fixed deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules 1975.

### **Directors' Responsibility Statement**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii. That they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. That they had 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. That they had prepared the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2012 on a going concern basis.

### **CR Retail Malls (India) Limited**

During the year under review, your Company sold its investments in the Equity Share Capital of Two Crore Equity Shares of Rs. 10/-each aggregating to Rs. 20 Crores of CR Retail Malls (India) Limited a wholly owned subsidiary of the Company to M/s JM Financial Products Limited and JM Financial Investment Managers Limited at a consideration of Rs. 40.31 Crores. Through a long term lease back arrangement, operations of Seven Screen Multiplex at Lower Parel, Phoenix Mills Compound, Mumbai was transferred to PVR Limited from 22<sup>nd</sup> April, 2011. The profit on sale of investments amounting to Rs. 16.86 Crores has been disclosed as an exceptional item vide note no. 37 and 42 of the enclosed audited Annual Accounts for financial year 2011-12.

### **Buy-Back of Company's Own Equity Shares**

The Board of Directors at the meeting held on 27<sup>th</sup> May, 2011 had approved a Scheme of Buy-Back of Company's own equity shares at a price not exceeding Rs. 140/- per share upto an amount not exceeding Rs. 26.21 Crores, i.e. 10% of the paid-up equity shares capital and free-reserves as per last audited accounts in accordance with the applicable provisions under the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.

The Company, till close of the buy-back offer on 29<sup>th</sup> August 2011 bought back 13,88,328 Equity Shares of the Company for a sum of Rs. 15.82 Crores.

### **Sanction of Composite Scheme of Arrangement**

Pursuant to the Composite Scheme of Arrangement filed by the Company, the Hon'ble High Court of Delhi on February 2, 2012, approved the transfer of the production business undertaking from PVR Pictures Limited into the Company with effect from April 1, 2011 and the same has become effective from February 29, 2012. PVR Pictures Limited being wholly owned subsidiary of your Company therefore no shares were issued to PVR Limited, on merger of production business undertaking into your company.

The Composite Scheme of Arrangement further provided that from the effective date, relevant assets, after having deferred tax adjustments and proportionate reduction in value of investments in subsidiary, be adjusted to their fair values, by setting-off against specified reserves (including Securities Premium Account). Accordingly the Company has written down the value of such assets by Rs. 49.37 Crores and set off the same against reserves as per the aforesaid scheme.

### **Employee Stock Option Plan: "PVR ESOP Scheme 2011"**

Your Company had obtained Members' approval through Postal Ballot on 4<sup>th</sup> October 2011 for the introduction and implementation of PVR Employees Stock Option Scheme 2011.

During the financial year under review the Compensation Committee in the meeting held on 5<sup>th</sup> October 2011 granted 5,50,000 Options to the employees of the Company at a fair market price of Rs. 116.15/- per option in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines'). The Compensation Committee administers and monitors the said Scheme.

The Disclosure as required under Clause 12.1 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended is set out in Annexure 'III' to the Directors Report.