

# **GV** Films Ltd.

Annual Report

**2019 - 2020**



**Directors**  
**Ishari Ganesh Kadhivelan**  
 Director  
**Ishari Ganesh Arthi**  
 Director  
**Vithika Balagiri**  
 Director  
**Ashwinkumar Kamala Kannan**  
 Independent Director  
**Nirmal Anraj Gadhiya**  
 Independent Director (from 31.07.2020)  
**Rohini Vacher**  
 Independent Director (from 31.07.2020)  
**Nithya Kalyani**  
 Independent Director (upto 31.07.2020)  
**Magesh Kumar Pasupathy**  
 Independent Director (upto 31.07.2020)  
**Balakumar Vethagiri Giri**  
 Chief Executive Officer  
**V.S. Natarajan**  
 Chief Financial Officer  
**Pravinder Kaur**  
 Company Secretary

**AUDITORS**  
**M/s CNGSN & ASSOCIATES LLP**  
 (Chartered Accountants)

**BANKERS**  
 Bank of Baroda - R.K. Nagar, Chennai - 600 028.  
 The Cosmos Co. Operative Bank Ltd.

**REGISTERED OFFICE**  
 408, Sagar Avenue, 54B, S.V. Road,  
 Andheri West, Mumbai  
 Mumbai City MH – 400 058  
 Tel No:- 022 - 2613 5910  
 Mail Id: cs.gvfilms@gmail.com

**CORPORATE OFFICE**  
 521/ 5, Annasalai, Nandanam, Chennai - 600 035

**REGISTRAR & SHARE TRANSFER AGENT**  
 M/s Cameo Corporate Services Ltd  
 “Subramanian Building”, 1 Club House Road,  
 Chennai – 600 002, Phone: 044 - 28460390  
 E mail : narasimhan@cameoindia.com

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### **ANNUAL GENERAL MEETING**

The 31st Annual General Meeting of the Company will be conducted through Video Conferencing [“VC”] / Other Audio Visual Means [“OAVM”] on Monday 28th September 2020 at 3.00 P.M.

## NOTICE

NOTICE is hereby given that the 31<sup>st</sup> Annual General Meeting of the members of G.V. Films Limited will be held on Monday the 28<sup>th</sup> day of September 2020 at 3.00 p.m. [Indian Standard Time (IST)] through Video Conferencing ["VC"] / Other Audio Visual Means ["OAVM"] to transact the following businesses:

### ORDINARY BUSINESS :

**1. Adoption of Financial Statements :** To receive, consider and adopt (a) the audited standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon and in this regard;

To consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions:**

(a) **"RESOLVED THAT** the audited standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, laid before the 31<sup>st</sup> Annual General Meeting, be and are hereby considered and adopted."

(b) **"RESOLVED THAT** the audited consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon, laid before the 31<sup>st</sup> Annual General Meeting, be and are hereby considered and adopted."

**2. Appointment of Mrs. Vithika Bala Giri (DIN: 08166422) as a Director, liable to retire by rotation**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Vithika Bala Giri (DIN: 08166422), who retires by rotation at this Meeting, and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS

**3. Appointment of Mr. Nirmal Anraj Gadhiya (DIN 00678742), as an Independent Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the rules made there under, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Nirmal Anraj Gadhiya (DIN 00678742), who was appointed as an Additional Director of the Company with effect from July 31, 2020 pursuant to section 161(1) of the Act and as per Articles of Association of the Company and who has submitted the declaration that he meets the criteria of Independence as provided under the Act and the Listing Regulations and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of upto five (5) consecutive years with effect July 31, 2020 to July 30, 2025, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, things, matters and to execute all such documents as may be necessary in this regard."

**4. Appointment of Mrs. Rohini Vacher (DIN 08814457), as an Independent Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the rules made there under, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Rohini Vacher (DIN 08814457), who was appointed as an Additional Director of the Company with effect from July 31, 2020 pursuant to section 161(1) of the Act and as per the Articles of Association of the Company and who has submitted the declaration that she meets the criteria of Independence as provided under the Act and the Listing Regulations and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of upto five (5) consecutive years with effect July 31, 2020 to July 30, 2025, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, things, matters and to execute all such documents as may be necessary in this regard.”

**5. Shifting of Registered Office of the Company from Mumbai in the State of Maharashtra to Chennai in the State of Tamil Nadu**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rule 30 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s), or re-enactment(s) thereof for the time being in force) and subject to the approval of the Central Government (power delegated to Regional Director) and/or any other authority(ies) as may be prescribed from time to time and subject to such other approvals, permissions and sanctions, as may be required under the provisions of the said Act or under any other law for the time being in force, consent of the members of the Company and is hereby accorded for shifting the Registered Office of the Company from Mumbai in the State of Maharashtra to Chennai in the State of Tamil Nadu and that Clause II of the Memorandum of Association of the Company be substituted with the following clause:

**II. The Registered Office of the Company will be situated in the State of Tamil Nadu under the jurisdiction of Registrar of Companies, Chennai**

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall deem to include any of its duly constituted Committee) or any officer/ executive/representative and/or any other person so authorized by the Board, be hereby authorized on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any authority, while according approval, consent as may be considered necessary and to appoint counsels/consultant and advisors, file application/petitions, issue notices, advertisements, obtain orders for shifting of Registered Office from the authorities concerned and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds,

things, matters and to execute all such documents as may be necessary in this regard.”

By the order of the Board of Directors  
For G.V. Films Limited  
-Sd-

**Ishari Ganesh Kadhivelan**  
Director (DIN 00269445)

Place: Chennai

Date: 31<sup>st</sup> August 2020

**NOTES:**

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”) with respect to the special business set out in the Notice is annexed hereto. The Board of Directors have considered and decided to include Item Nos. 3, 4 & 5 given above as special business in the forthcoming AGM, as they are unavoidable in nature.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its general circular numbers 20/2020, 14/2020, 17/2020 and Securities and Exchange Board of India (“SEBI”) vide its circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 (hereinafter collectively referred to as “Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Circulars, the AGM of the Company is being held through VC / OAVM.
3. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
4. Since this AGM is being held through VC / OAVM pursuant to the Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website at [www.gvfilms.in](http://www.gvfilms.in), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the e-voting website of Central Depository Services (India) Limited (“CDSL”) at [www.evotingindia.com](http://www.evotingindia.com).

6. Members holding shares in physical mode and who have not registered their email address with the Company/Registrar & Share Transfer Agent ("RTA"), can register their email address by sending scanned copy of the following documents to RTA of the Company, Cameo Corporate Services Ltd at
  1. [cameo@cameoindia.com](mailto:cameo@cameoindia.com) or
  2. [investor@cameoindia.com](mailto:investor@cameoindia.com) or
  3. [www.cameoindia.com](http://www.cameoindia.com)
  - a) a signed request letter mentioning name, folio number and complete address of the member;
  - b) self attested scanned copy of the PAN Card; and
  - c) self attested scanned copy of any document (such as Aadhar Card, Driving License, Election Identity Card, Passport) in support of the address of the member as registered with the Company.
7. Members holding shares in dematerialized mode are requested to contact to their respective Depository Participant ("DP") to register/update their email address.
8. Members may note that the VC/OAVM Facility, provided by CDSL, allows participation of atleast 1,000 members on a first-come first-served basis. The large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 31st AGM without any restriction on account of first-come first-served principle.
9. Members may note that pursuant to the Circulars, the Company has enabled for the members, a temporary facility to update their email address by sending an email to [cs.gvfilms@gmail.com](mailto:cs.gvfilms@gmail.com) containing details such as name, address, folio/demat account no., PAN, number of shares etc., for the limited purpose of receiving the Annual Report 2019-20 and the Notice of the AGM electronically.
10. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload the same on the e-voting portal of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
11. Members are informed that in case of joint holders attending the AGM through VC, only such joint holder who is first in the order of names will be entitled to vote.
12. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.
13. Members are requested to send all communications relating to shares, change of address, bank details, email address, telephone/ mobile numbers, Permanent Account Number (PAN) etc. to the Company's RTA at the address: Cameo Corporate Services Ltd, Subramaniam Building, No. 1, Club House Road, Chennai, Tamil Nadu - 600002, Ph: 044 - 28460390, email: [cameo@cameoindia.com](mailto:cameo@cameoindia.com); [investor@cameoindia.com](mailto:investor@cameoindia.com). If the shares are held in dematerialized mode, then change of address, bank details, email address, telephone/mobile number, Permanent Account Number (PAN) etc. should be furnished to their respective DPs.
14. Pursuant to Section 72 of Act, members of the Company may nominate a person in whom the shares held by him/her/them shall vest in the event of his/her/their unfortunate death. Members holding shares in physical form may file nomination in the prescribed Form SH-13 with RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
15. SEBI has mandated the submission of PAN and Bank account details by every participant in securities market. Member(s) holding shares of the Company, either in electronic form or physical form are, therefore, requested to submit the PAN and provide Bank account details to their DPs with whom they are maintaining their demat accounts (in case of shares in electronic form) and to the Company's RTA (in case of shares are in physical form).
16. Since the AGM will be held through VC in accordance with the Circulars, the route map is not annexed to this Notice.
17. **VOTING THROUGH ELECTRONIC MEANS**
  - [a] Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations

and Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.

[b] The members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

[c] Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

[d] Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the **cut-off date i.e. September 21<sup>st</sup>, 2020** may obtain the login details in the manner as mentioned below.

**18. Instructions for members for remote e-Voting:**

- i. The remote e-voting period begins on **September 25<sup>th</sup>, 2020 from 9.00 A.M.** and ends **on September 27<sup>th</sup> 2020 at 6.00 P.M.** During this period members of the Company holding shares either in physical form or in dematerialized form, as on the **cut-off date of September 21<sup>st</sup>, 2020** may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Members who have already voted prior to the AGM date would not be entitled to vote at the AGM through VC.
- iii. The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders/Members" module.
- v. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical

Form should enter Folio Number registered with the Company.

- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for members holding shares in demat as well as physical mode).
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the demat / folio number in the Dividend Bank details field as mentioned in instruction v.</li> </ul>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For members holding shares in physical form, the details can be used only for

- e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant "G.V. FILMS LIMITED" on which you choose to vote.
  - xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - xix. Members can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- 19. Instructions for members for e-Voting during the AGM:**
- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
  - ii. Only those members, who are present in the AGM through VC facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
  - iii. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the Meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-Voting during the meeting is available only to the members attending the meeting.
- iv. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- Notes for Non-Individual members and Custodians**
- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email address at [cs.gvfilms@gmail.com](mailto:cs.gvfilms@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- 20. Process for those members whose email addresses are not registered with the Company/depositories for obtaining login credentials for e-Voting for the resolutions proposed in this Notice:**
- i. **For members holding shares in Physical mode:** Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy), Aadhar (self attested scanned copy) by email to [cameo@cameoindia.com](mailto:cameo@cameoindia.com) or [investor@cameoindia.com](mailto:investor@cameoindia.com).
  - ii. **For members holding shares in Demat mode:** Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy), Aadhar (self attested scanned copy) to [cameo@cameoindia.com](mailto:cameo@cameoindia.com) or [investor@cameoindia.com](mailto:investor@cameoindia.com)

**21. Instructions for members attending the AGM through VC/OAVM**

- i. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Members may access the same at [www.evotingindia.com](http://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii. Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to members on first-come first-served basis.
- iii. Members are encouraged to join the Meeting through Laptops /I-Pads for better experience.
- iv. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- v. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vi. Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request by Friday, September 25<sup>th</sup>, 2020, mentioning their name, demat account number/folio number, email id, mobile number at [cs.gvfilms@gmail.com](mailto:cs.gvfilms@gmail.com).
- vii. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at [cs.gvfilms@gmail.com](mailto:cs.gvfilms@gmail.com). Questions / queries received by the Company till 5.00 p.m. on Friday, 25<sup>th</sup> September, 2020 shall only be considered and responded during the AGM.
- viii. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves

the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

22. Members who need assistance before or during the AGM, can contact CDSL by sending an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). All grievances connected with the facility for voting by electronic means and participation in the AGM through VC may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Rakesh Dalvi (022-23058542) or Mr. Mehboob Lakhani (022-23058543).
23. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date i.e. Monday, September 21<sup>st</sup>, 2020**.
24. **M/s. Abid & Co, Company Secretaries** (Membership No. FCS 6579, CP No. 6625) have been appointed as the Scrutinizer to scrutinize the electronic voting at AGM including remote e-voting process in a fair and transparent manner.
25. The Scrutinizer shall after the conclusion of electronic voting at the AGM, will unblock the votes casted through remote e-voting and through electronic voting at the AGM in the presence of at least two witnesses not in the employment of the Company and shall submit a consolidated scrutinizer's report of the total votes casted in favour or against, if any, to the Chairman of the Meeting or in his absence to the Managing Director or Executive Director of the Company, within a period of not exceeding 48 hours from the conclusion of the Meeting, who shall countersign the same and declare the results of the voting forthwith.
26. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company ([www.gvfilms.in](http://www.gvfilms.in)) and on CDSL e-voting website immediately after the declaration of results by the Chairman of the Meeting or a person authorized by him and the same shall be communicated to BSE Limited (BSE).

**Explanatory Statement**

The following Explanatory Statement in terms of Section 102 of the Companies Act, 2013 is annexed to and forms part of the Notice convening the 31<sup>st</sup> Annual General Meeting:

**Item No. 3 - Appointment of Mr. Nirmal Anraj Gadhiya (DIN 00678742) as an Independent Director of the Company**

The Board, based on recommendation of the Nomination and Remuneration Committee ("NRC"), appointed Mr. Nirmal Anraj Gadhiya, as an Additional Director in the capacity of Independent Director of the Company with effect from July 31, 2020 pursuant to section 161 of the Companies Act, 2013 ("Act"). Mr. Nirmal Anraj Gadhiya shall hold office as an additional Director up to the date of 31st AGM and is eligible to be appointed as an Independent Director for a term up to five (5) consecutive years.

The Company has received necessary candidature notice under Section 160 of Act with respect to Mr. Nirmal Anraj Gadhiya, for appointment as Director of the Company. Mr. Nirmal Anraj Gadhiya is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director of the Company. Mr. Nirmal Anraj Gadhiya is not debarred from holding the position of a Director pursuant to any order of SEBI or any other authority. The Company has also received declaration from Mr. Nirmal Anraj Gadhiya that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Rules and regulation 16 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval of the members for the appointment of Mr. Nirmal Anraj Gadhiya as an Independent Director of the Company from July 31, 2020 upto July 30, 2025, not liable to retire by rotation.

Mr. Nirmal Anraj Gadhiya is interested in the Special Resolution set out at Item No. 3 with respect to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 3 of the Notice.

Copy of letter of appointment of Mr. Nirmal Anraj Gadhiya as an Independent Director of the Company would be available for electronic inspection without any fee by the members on the basis of the request being sent on cs.gvfilms@gmail.com.

Additional information in respect of Mr. Nirmal Anraj Gadhiya pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard 2 is annexed to this Notice.

**Item No. 4 - Appointment of Mrs. Rohini Vacher (DIN 08814457) as an Independent Director of the Company**

The Board, based on recommendation of the Nomination and Remuneration Committee ("NRC"), appointed Mrs. Rohini Vacher, as an Additional Director in the capacity of Independent Director of the Company with effect from July 31, 2020 pursuant to section 161 of the Companies Act, 2013 ("Act"). Mrs. Rohini Vacher shall hold office as an additional Director up to the date of 31st AGM and is eligible to be appointed as an Independent Director for a term upto five (5) consecutive years.

The Company has received necessary candidature notice under Section 160 of Act with respect to Mrs. Rohini Vacher, for appointment as Director of the Company. Mrs. Rohini Vacher is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director of the Company. Mrs. Rohini Vacher is not debarred from holding the position of a Director pursuant to any order of SEBI or any other authority. The Company has also received declaration from Mrs. Rohini Vacher that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Rules and regulation 16 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval of the members for the appointment of Mrs. Rohini Vacher as an Independent Director of the Company from July 31, 2020 upto July 30, 2025, not liable to retire by rotation.

Mrs. Rohini Vacher is interested in the Special Resolution set out at Item No. 4 with respect to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

Copy of letter of appointment of Mrs. Rohini Vacher as an Independent Director of the Company would be available for electronic inspection without any fee by the members on the basis of the request being sent on cs.gvfilms@gmail.com.

Additional information in respect of Mrs. Rohini Vacher pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard 2 is annexed to this Notice.

**Item No. 5 - Shifting of Registered Office of the Company from Mumbai in the State of Maharashtra to Chennai in the State of Tamil Nadu**

Presently the Registered Office of the Company is situated at Mumbai in the State of Maharashtra

## GV Films Ltd

and the Corporate Office overseeing the day to day operations of the Company is situated at Chennai in the State of Tamil Nadu. To exercise better administrative and economic control and enable the Company to rationalize and streamline its operations as well as the management of affairs, the Board of Directors of the Company in its meeting held on August 31<sup>st</sup>, 2020 has recommended to shift the Registered Office of the Company from Mumbai in the State of Maharashtra to Chennai in the State of Tamil Nadu.

The shifting of Registered Office from Mumbai in the State of Maharashtra to Chennai in the State of Tamil Nadu is in the best interest of the Company, shareholders and all concerned parties and will not be detrimental to the interest of members of the public shareholders, creditors or employees, in any manner whatsoever.

Pursuant to the provisions of Section 12, 13, 110 and all other applicable provisions, if any of the Act read with applicable Rules and Regulations made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), shifting of the Registered Office from one State to another and alteration of Clause II of the Memorandum of Association (the "MOA") of the Company requires the approval of the members of the Company by means of a Special Resolution through e-voting and approval

of the Central Government (power delegated to Regional Director).

In light of the above facts, the approval of the members is sought through e-voting for shifting of the Registered Office of the Company from Mumbai in the State of Maharashtra to Chennai in the State of Tamil Nadu and consequently for altering Clause II of the MOA.

Copy of the existing MOA, copy indicating the proposed amendments and other allied documents, if any, being referred in this resolution would be available for inspection by the members, free of cost, at the Registered Office of the Company during 11.00 a.m. to 1.00 p.m. on all working days (Monday to Friday), up to and including the last date of voting through e-voting.

None of the Director and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The Board recommends the resolution under Item No. 5 for approval of the members as a Special Resolution

Place: Chennai  
Date: 31<sup>st</sup> August 2020

By the order of the Board of  
Directors  
For G.V. Films Limited  
-Sd-  
Ishari Ganesh Kadhivelan  
Director (DIN 00269445)

### ANNEXURE

#### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY

Name	Vithika Balagiri	Nirmal Anraj Gadhiya	Rohini Vacher
Din	08166422	00678742	08814457
Date Of Birth	17.02.1998	31.12.1970	02.10.1969
Qualification	B. B. A	B. Com	B. Ed
Nature of Expertise	She Is Having Good Experience In The Field Of Media And Event Management Activities.	A Businessman Having More Than 25 Years of Experience In Construction, Property Development, NBFC's And Hotel Industry.	She Is Educationist Having More than 20 Years of Experience In Teaching, Training And Personality Development Field.
Relationship Between Directors	Daughter Of Mr. Balakumar Vedhagiri Giri (CEO)	Nil	Nil
Directorship In other Public Companies (excluding Section 8 Companies And Other Foreign Companies)	Nil	Nil	Nil
Membership In Committee of other Public Companies (includes Only Audit And Shareholders Relationship Committee)	Nil	Nil	Nil
Shareholding Of Director	Nil	Nil	Nil

## DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 31<sup>st</sup> Annual Report together with Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2020.

### 1. FINANCIAL HIGHLIGHTS :

The highlights of the financial results of the Company for the year ended 31.03.2020 as compared with the previous year are as follows:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2020	For the year ended 31.03.2019	For the Year ended 31.03.2020	For the Year ended 31.03.2019
Revenue from operation				
Profit before Interest,	1,062.50	105.00	1,201.01	248.30
Revenue from operation	1,062.50	105.00	1,201.01	248.30
Profit before Interest, Depreciation & Tax	(13.65)	(2,372.24)	92.31	(2,255.45)
Less: Finance costs	48.76	45.91	68.27	60.75
Profit/(Loss) before Depreciation & Tax	(62.41)	(2,418.15)	24.04	(2,316.20)
Less: Depreciation & Amortization expenses	6.42	1.74	37.14	50.36
Profit(Loss) before Taxation	(68.83)	(2,419.89)	(13.10)	(2,366.56)
Tax Expenses	-	-	(41.73)	(0.26)
Profit for the Year	(68.83)	(2,419.89)	28.63	(2,366.30)
Other comprehensive Income for the Year, net of tax	(68.83)	(2,419.89)	28.63	(2,366.30)
Add: Balance in Profit & Loss Account	(15,653.44)	(13,233.55)	(16,466.72)	(14,100.42)
Profit Available for Appropriation	-	-	-	-
Appropriations:	(68.83)	(2,419.89)	28.63	(2,366.30)
General Reserve				
Dividend	-	-	-	-
<b>Closing Balance</b>	<b>(15,722.27)</b>	<b>(15,653.44)</b>	<b>16,438.09</b>	<b>16,466.72</b>

### 2. PERFORMANCE REVIEW

During the year under review the company has generated an operational Revenue of Rs.1062.50 lakhs. During the last quarter the business is affected due to lockdown and pandemic and the management is looking at and considering various avenues and opportunities in near future to revive and re-establish the business.

### 3. DIVIDEND

In view of the accumulated losses, your Directors regret their inability to declare any dividend.

### 4. SHARE CAPITAL

During the year under review company has not raised its share capital and the share capital stands as 91,46,27,833 shares of Re.1/- each.

### 5. FINANCIAL STATEMENTS

Your Company prepares its financial statements in compliance with the requirements of Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter as notified under Section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. Further, in the financial statement for the year ending March 31, 2020, the financial statements for the previous year ended March 31, 2019 and the Balance Sheet as at March 31, 2019, have been prepared and presented as per Ind AS. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated. The estimates and judgments relating to the financial statements are made on a prudent basis so as to reflect in a true and fair manner, the form and substance of the underlying transactions and to reasonably present the state of affairs as on March 31, 2020.

### 6. CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of the Company and its subsidiaries have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards and the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ("SEBI LODR Regulations") and it forms part of the Annual Report. Pursuant to Section 129 (3) of the Act, a statement containing the salient features of the financial statements of the subsidiary company for the F.Y. 2019-20 is attached to the Financial Statements for the F.Y. 2019-20 in Form AOC-1. The Company will make available the said financial statements and related detailed information of the subsidiary company upon request by any member of the Company.

### 7. COVID-19

The COVID-19 outbreak isn't just a massive pandemic that the world worries about; it presents elevated levels of risk for global economies as well. Financial year 2019-20 was one of the most challenging years for the Indian economy, which faced several headwinds from a slowdown in domestic and global growth, and

geopolitical uncertainties. The management has exercised due care, in concluding significant accounting judgements and estimates, inter alia, recoverability of receivables, impairment assessment of financial and non-financial assets, realisability of inventory and accordingly noted to have significant impact on its financial statements.

**8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

During the year under review, the Company has no significant material changes or commitments affecting the financial position of the company.

**9. SUBSIDIARY COMPANY**

In accordance with the provision to sub section (3) of Section 129 of the Companies Act, 2013 (Act), the salient features of the financial Statement of the subsidiary Company M/s. G. V. Studio City Limited are set out in the prescribed form AOC -1, which forms part of the Annual Report. The said financial statements shall also be kept for inspection of Members at the Registered Office of the Company. The Company will provide, free of cost, a copy of the financial Statement in respect of its subsidiary to any Member of the Company upon receipt of a request for the same.

**10. BUSINESS OUTLOOK OF THE SUBSIDIARY**

The Company's wholly owned subsidiary Company GV Studio City Limited is into the business of providing the blends of Miniplex and food court, leisure and entertainment experience at the affordable prices.

**11. DIRECTORS**

**a. Induction :** There were no fresh appointments of Directors during the year under review.(i.e. as on 31<sup>st</sup> March 2020).

**b. Retirement and Re-appointments :** Pursuant to the provisions of Section 152 of the Act and the Articles of Association of the Company, Mrs Vithika Bala Giri retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers herself for reappointment.

Further pursuant to provisions of the Companies Act 2013, Mr. Nirmal Anraj Gadhiya and Mrs. Rohini Vacher were appointed as Additional Directors. Now the said Directors are seeking to be appointed as Independent Directors of the Company for the period of five years, not liable to retire by rotation.

The Board recommends the aforesaid appointment / re appointment of the Directors. Brief profile of the respective Directors is annexed to the Notice convening the ensuing Annual General Meeting.

**c. Resignations :** During the year under review, none of the directors have resigned from the Board of the Company(i.e. as on 31<sup>st</sup> March 2020).

**12. MEETINGS OF THE BOARD**

The meetings of the Board are scheduled at regular intervals to decide and discuss on business performance, policies, strategies and other matters of significance. The schedules of the meetings are circulated in advance, to ensure proper planning and effective participation in meetings. Detailed information regarding the meetings of the Board is included in the report on Corporate Governance, which forms part of the Board's Report.

**13. KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company are Mr. Balakumar Vethagiri Giri, Chief Executive Officer (CEO); Mr. Vadakantari Subramaniam Natarajan, Chief Financial Officer (CFO) and Ms. Parvinder Kaur, Company Secretary (CS).

**14. RELATED PARTY TRANSACTION :** There were no related party transaction during the year under review other than those disclosed in relevant notes and accounts.

**15. RISK MANAGEMENT**

The audit committee has robust process in place to identify key risks across the organisation and prioritise relevant action plans to mitigate these risks. It has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings

**16. ENVIRONMENTAL PROTECTION & POLLUTION CONTROL**

Your Company regards preservation of the environment as one of its primary social responsibilities. Accordingly, the Company places great emphasis on compliance with pollution control norms where ever applicable.

**17. PUBLIC DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 and, as such, no amount of principal or interest on public deposits was outstanding as of the Balance Sheet date.

**18. PREVENTION OF SEXUAL HARASSMENT**

Your Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The said Committee has been set up to redress complaints received regarding sexual harassment at the workplace.

During the year under review, the Company has not received any complaints on sexual harassment and no complaints were pending to be resolved as on March 31, 2020.

#### **19. STATUTORY COMPLIANCES**

Your Company has complied with all the rules and regulations which are stipulated on the corporate sectors time to time by various Statutory Authorities.

#### **20. MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), the Management Discussion and Analysis is set out in the Annual Report.

#### **21. CORPORATE GOVERNANCE**

We strive to maintain high standards of Corporate Governance in all our interactions with our stakeholders. The Company has conformed to the Corporate Governance code as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Corporate Governance along with a certificate from the Practising Company Secretary confirming the level of compliance is attached and forms part of the Board's Report.

#### **22. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 is appended in **Annexure A** to the Board's Report.

#### **23. BOARD COMMITTEES**

The details of Boards Committees – the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship / Grievance Committee have been disclosed separately in the Corporate Governance Report which is annexed to and forms part of this annual report.

Accordingly the Company has now Audit Committee, Stakeholder Relationship / Grievance committee and Nomination & Remuneration Committee constituted in accordance with provisions of LODR. The details of members of these Committees are stated in Corporate Governance Report annexed to this Annual Report separately.

#### **24. BOARD EVALUATION**

Your Company believes in striving and excelling through effective and efficient Board monitoring. As required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an evaluation of all the directors, the Board as a whole and its committees was conducted based on the criteria and framework

adopted by the Board.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like the composition of Committees, effectiveness of committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairperson was also evaluated on the key aspects of his role.

#### **25. STATUTORY AUDITORS**

Pursuant to the provisions of section 139 of the Companies Act 2013, and rules framed thereafter M/s. CNGSN & Associates LLP, Chartered Accountants, (Firm Registration No 004915S / S200036) was appointed as statutory auditors of the Company from the conclusion of 30th Annual General Meeting till the conclusion of 35th Annual General Meeting to be held in the year 2024.

#### **26. AUDITOR'S REPORT**

The Statutory Auditor has provided qualified opinion in audit report and justification for the same is mentioned in independent auditor's report both standalone and consolidated financial statement for the year ended 31.03.2020.

**27. Board's Reply to Auditor's Qualification:** The observations and comments given in the Auditors' Report read together with notes to accounts are self-explanatory and do not call for any further information and explanation under Section 134(3)(f) of the Companies Act, 2013.

#### **28. SECRETARIAL AUDIT REPORT**

The Secretarial Auditor has issued the Secretarial Audit Report for the financial year 2019-20 pursuant to Section 204 of the Companies Act, 2013 which is annexed to Directors Report (Refer **Annexure B**). The Secretarial Audit report for the year under review does not contain any qualification, reservation or adverse remarks, however disclosed about the orders passed by SEBI against the Company during the year under review.

#### **29. SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

#### **30. INTERNAL CONTROL SYSTEMS**

The Company has laid down certain guidelines, processes and structure, which enables implementation of appropriate internal financial controls across the organisation. Such internal

financial controls encompass policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively.

The Company has, in all material respects, an adequate internal financial controls system and such internal financial controls were operating effectively based on the internal control criteria established by the Company considering the essential components of internal control, stated in the Guidance Note on Audit of Internal Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

The Audit Committee reviews the reports submitted by the Internal Auditors and monitors follow-up and corrective action by Management.

### 31. POLICY

**A) WHISTLE BLOWER POLICY / VIGIL MECHANISM :** The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The policy safeguards the whistle blowers to report concerns or grievances and also provides direct access to the Chairman of the Audit Committee.

**B) NOMINATION AND REMUNERATION POLICY :** The Nomination and Remuneration policy on appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel is disclosed in **Annexure - A**.

**C) CORPORATE SOCIAL RESPONSIBILITY (CSR) :** This provision of the Companies Act, 2013 is not applicable for your Company

### 32. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Loans, guarantees and investments, if any covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in the Annual Report.

### 33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

During the year under review, SEBI passed order

restraining the Company from accessing the Securities Market including by issuing prospectus, offer document or advertisement soliciting money from the public and is further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner vide order no. WTM/SKM/EFD1-DRAI/ 04 /2019-20 dated 25th June 2019.

Further SEBI vide Adjudication Order No. ORDER/PM/RR/2019-20/6630-6635 dated 29th January 2020 for violation of provision of Section 12A(a), (b) and (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c) & (d), 4(1), 4(2) (f), (k) and (r) of SEBI PFUTP Regulations, 2003, Section 21 of SCRA, 1956 read with Clause 36(7) of the Listing Agreement, imposed penalty of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) on the Company u/s. 15 HA of the SEBI Act, 1992, and Section 23E of SCRA, 1956.

The Board is decided to file the appeal against on above said matter and confident of getting order in favor of the Company.

### 34. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in Form MGT-9 pursuant to Section 92 (3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed as "Annexure C" to this Report

### 35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO

Since the Company is not a manufacturing company, the disclosure related to conservation of energy and technology absorption is not applicable. However Company has taken necessary steps for conservation of energy in its day to day energy consumption.

The Company does not have any foreign exchange inflow and outgo during the year.

### 36. DIRECTORS' RESPONSIBILITY STATEMENT

Based upon the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors, and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2019-20.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. pursuant to Section 134(3)(c) of the Companies Act, 2013 your Directors submit that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any, has been furnished;
- b. 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 at the end of the financial year 31<sup>st</sup> March 2020 and of the profit and loss of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis; and
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Explanation- For the purpose of this clause, the term "internal financial controls" means the policies and procedures adopted by the Company 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

- f. and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information;
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 37. PARTICULARS OF EMPLOYEES

The Company does not have any employee drawing Remuneration as prescribed in terms of sub-section 12 of section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules.

### 38. HUMAN RESOURCE & INDUSTRIAL RELATIONS

Your Directors believe that the key to the success of any Company are its employees. Industrial Relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations and their commitment towards the growth of the Company.

### 39. ACKNOWLEDGEMENT

Your Directors would like to express their sincere gratitude for the continued support and co-operation extended by Shareholders, Banks, Government Departments, and valued customers and employees, who have contributed to the Company.

**For and on behalf of the Board  
of Directors of G.V. Films Ltd  
-Sd-  
Ishari Ganesh Kadhivelan  
Chairman  
DIN: 00269445**

Place: Chennai

Date: 31.08.2020

## Annexure A

### NOMINATION AND REMUNERATION POLICY

#### 1. BACKGROUND

The Nomination and Remuneration Policy was formulated by the Nomination and Remuneration Committee and approved by the Board of Directors in accordance with the requirement of Section 178 of the Companies Act, 2013 and LODR.

#### 2. DEFINITIONS AND INTERPRETATIONS

2.1 Unless the context requires otherwise, capitalized terms used in this Policy shall have the following meanings:

"Act" means the Companies Act, 2013 and any modifications thereto or amendments thereof.

"Board" means the collective body of the Directors of the Company.

"Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time in accordance with the applicable provisions of the Companies Act, 2013 and the Listing Agreement.

"Company" means G.V. FILMS Limited. "Director" means a Director of the Company.

"Independent Director" means Director appointed in accordance with Section 149(6) of the Companies Act, 2013, Regulation 16 (b) of the LODR.

"Key Managerial Personnel" or "KMP" means

- (i) the Chief Executive Officer or the Managing Director or the Manager;

- (ii) the Whole-time director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed under the applicable law.

“Listing Agreement” shall mean the Listing Agreement executed between the Company and the relevant stock exchange(s), as amended from time to time;

“Other Employees” means all the employees other than the Directors, KMPs and the Senior Management Personnel.

“Senior Management Personnel” or “Senior Management” means the personnel of the Company who are members of its core management team excluding Board comprising of all members of management one level below the Managing Director, including the functional heads.

- 2.2. Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Act or the Rules made thereunder (as may be amended from time to time) or the Listing Agreement shall have the meaning respectively assigned to them in the Act the Rules made there under, or the Listing Agreement, as the case may be.
- 2.3 All requirements under all applicable laws (including, but not limited to the Act and the Rules made there under, the LODR and the directions issued by the Securities Exchange Board of India) with respect to the nomination and remuneration committee are deemed to have been incorporated herein.

### 3. OBJECTIVE

The key objective of this policy is to provide a framework that allows for competitive and fair rewards for the achievement of key deliverables and also aligns with practice in the industry and shareholders’ expectations.

- 3.1 The objectives of the Policy include the following:
- 3.1.1 To guide the company in identifying and/ or evaluating persons who are qualified to become directors, KMP and Senior Management personnel after taking into account the qualifications, positive attributes and independence and recommend to the Board their appointment/removal.
  - 3.1.2 To determine that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully and recommend to the Board a policy,

relating to the remuneration of the directors, KMP and other employees;

- 3.1.3 That correlation of remuneration to performance is clear and meets appropriate performance benchmarks;
- 3.1.4 That remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### 4. MATTERS TO BE DEALT WITH PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

#### 4.1 The Committee shall inter alia:

- 4.1.1 Make recommendations to the Board with respect to remuneration for Managing Director(s) and remuneration to non-executive Director(s)/Independent Directors.
- 4.1.2 Identify persons who are qualified to become Director(s) and KMP.
- 4.1.3 Recommend to the Board, appointment / removal of Director(s) and KMP of the Company and carry out evaluation of every Director’s performance.
- 4.1.4 Formulate criteria for determining qualification, positive attributes and independence of Directors.
- 4.1.5 Review the performance of Managing Director at the time of re-appointment.
- 4.1.6 Annually review the duties and performance of the chairman of the Board and recommend the process to the Board for his election.
- 4.1.7 Assist the Board in the establishment and implementation of an appropriate performance evaluation / self-assessment process for the members of the Board and its committees.
- 4.1.8 Perform review and evaluation, of the performance of the member of the Board and the committee members, at least annually.
- 4.1.9 Periodically review the composition and duties of the Company’s permanent committees and recommend any changes in these committees to the Board.
- 4.1.10 Formulate a criteria for evaluation of Independent Director(s) and the Board.
- 4.1.11 Devise a policy on Board diversity.
- 4.1.12 Carry out any other responsibilities and duties delegated to it by the Board from time to time.

### 5. POLICY AND CRITERIA FOR IDENTIFICATION, APPOINTMENT, TENURE, EVALUATION, RETIREMENT

**AND REMOVAL OF DIRECTORS AND KMP**

**5.1 Identification and Appointment criteria and qualifications of Directors/KMPs**

- 5.1.1 Directors
- 5.1.2 Any person who in the opinion of the Board is not disqualified to become a Director, under Section 164 of the Companies Act, 2013 and who in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.
- 5.1.3 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director (including Independent Directors), KMP, Senior Management personnel and employees and recommend to the Board his/her appointment.
- 5.1.4 Such person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned person.
- 5.1.5 The Company may also appoint or continue the employment of any person as a Managing Director or a Whole-time Director who has attained the age of seventy five years. Provided that the term of the person holding this position may be extended beyond the age of seventy five years with the approval of shareholders by passing a special resolution subject to the provisions of Section 196 read with Rule 3 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Schedule (V) of the Companies Act, 2013.

**5.2 Independent Directors**

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in the Act and the Rules made there under (including but not limited to Section 149 of the Act and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014); and Regulation 16(b) of the LODR.

**6. TERM / TENURE:**

- 6.1 **Managing Director/ Whole-time Director:**  
The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- 6.2 **Independent Director:**  
An Independent Director shall hold office for a term up to five consecutive years on the Board and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- 6.3 Subject to the provisions of Section 152(2) of the Companies Act, 2013 no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- 6.4 If a person has already served as an Independent Director for 5 (five) years or more in the Company as on 1st October 2014, he / she shall be eligible for appointment for only one more term of 5 (five) years.  
At the time of appointment of Directors (including Independent Directors) the Committee should ensure that the persons proposed to be appointed as Directors (including Independent Directors) do not exceed the maximum number of directorships a person can hold as per applicable laws.

**7. Evaluation:**

- 7.1 The Committee shall carry out evaluation of performance of every Director or KMP at such intervals as it may determine, but at least once a year.
- 7.2 **Evaluation of Directors:**  
In terms of Section 149 of the Act read with Schedule IV of the said Act and LODR the Independent Directors shall at its separate meeting without the attendance of non-independent directors and members of management and review the performance of non-independent Directors based on the parameters that are considered relevant by the Independent Directors.
- 7.3 The Board as a whole shall evaluate the performance of Independent Directors. During such evaluation the Director being evaluated shall be excluded from the meeting.
- 7.4 **Evaluation of KMP and Senior Management Personnel**  
Criteria for evaluating performance of KMP (other than Directors) has been delegated to the Managing Director. The evaluation performance of Senior Management and Employees shall be delegated to the Personnel Department of the Company.

**8. Removal**

- 8.1 Subject to the provisions of applicable laws, the Committee may recommend to the Board, with reasons recorded in writing, removal of a Director or KMP.
- 8.2 Removal of Senior Management Personnel and Other Employees has been delegated to the Managing Director.

**9. POLICY RELATING TO THE REMUNERATION FOR THE DIRECTOR AND KMP**

- 9.1 The remuneration/ compensation/ commission etc. to Directors (including Managing Director/ Whole-time Director) and their remuneration will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
- 9.2 The remuneration and commission to be paid to Directors shall be as per the statutory provisions of the Act, and the rules made thereunder for the time being in force.
- 9.3 Increments to the existing remuneration/ compensation structure payable to Directors may be recommended by the Committee to the Board which should be approved by the shareholders, and where the range of remuneration has been approved, the remuneration should be within such range or slabs.
- 9.4 Where any insurance is taken by the Company on behalf of its Directors and Senior Management Personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- 9.5 Remuneration to Directors (other than Independent Directors):
  - 9.5.1 Fixed pay:
    - 9.5.1.1. Directors (excluding Independent Directors) shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force and subject to approval of the Central Government if salary payable is not within limits prescribed.
    - 9.5.1.2 The break-up of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the

recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

- 9.5.1.3 KMPs (other than Directors) Senior Management Personnel and employees shall be eligible to monthly remuneration and quantum of perquisite including employer's contribution to Provident Fund, pension scheme, medical expenses etc. as per internal guidelines of the Company.

9.5.1.4 Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Directors (excluding Independent Directors) in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the prior approval of the Central Government.

**10. Remuneration to Independent Director:**

10.1 Remuneration/ Commission:

The remuneration/ commission shall be in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force.

10.2 Sitting Fees:

The Non-Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or its committee. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

10.3 Remuneration to Senior Management Personnel:

The remuneration payable to Senior Management Personnel shall be determined in accordance with internal guidelines of the Company.

**11. DISCLOSURE OF INFORMATION**

Disclosures required under applicable laws and accounting standards regarding the remuneration paid by the Company shall be made in the financial statements of the Company.

**12. AMENDMENT**

Any change in this Policy shall, on recommendation of the Committee, be approved by the Board of the Company. The Board shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

**ANNEXURE - B  
FORM NO. MR. 3**

**Secretarial Audit Report for the Financial Year Ended  
31st March 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
**The Members,  
M/S. G.V. FILMS LIMITED  
408, SAGAR AVENUE, 54B, S.V. ROAD, ANDHERI-WEST  
MUMBAI – 400058**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. G.V. FILMS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company **M/S. G.V.FILMS LIMITED** and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S. G.V.FILMS LIMITED** for the financial year ended on **31st March 2020**, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (FEMA);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;( SAST)
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (PIT)
- c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 ('LODR');
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; **(Not relevant / applicable during the year under review)**
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not relevant / applicable during the year under review)**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not relevant / applicable during the year under review)** and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not relevant / applicable during the year under review)**

I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliance under other applicable acts, laws and regulations to the Company. The major acts, laws and regulations as applicable to the Company are given in **Annexure I**.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India effective from 1st July, 2015.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange(s).
- iii. Codes and Policies adopted by the Company

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., as mentioned above.

During the year under review, SEBI passed order restraining the Company from accessing the Securities Market including by issuing prospectus, offer document or advertisement soliciting money

from the public and is further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner vide order no. WTM/SKM/EFD1-DRAI/ 04 /2019-20 dated 25th June 2019.

Further note that SEBI passed the order against the Company vide Adjudication Order No. ORDER/PM/RR/2019-20/6630-6635 dated 29<sup>th</sup> January 2020 and imposed penalty of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) u/s. 15 HA of the SEBI Act, 1992, and Section 23E of SCRA, 1956 for violation of provisions of Section 12A(a), (b) and (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c) & (d), 4(1), 4(2) (f), (k) and (r) of SEBI PFUTP Regulations, 2003, Section 21 of SCRA, 1956 read with Clause 36(7) of the Listing Agreement.

I have not examined compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that there is no change in composition of Board of Directors of the Company and the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

I further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has given all the details of actions having a major bearing on the Company's Affairs in pursuance of above referred laws.

Place: Chennai  
Date: 28.08.2020

For Sunil Kumar Dixit  
(Company Secretaries)  
-Sd-  
**CS SUNIL KUMAR DIXIT**  
Proprietor  
CP No-23342  
UDIN: A026388B000625681

**ANNEXURE – I**

**To, The Members,  
M/S. G.V.FILMS LIMITED  
408, SAGAR AVENUE, 54B, S.V. ROAD, ANDHERI-  
WEST MUMBAI - 400058**

My report of even date is to be read along with this letter.

1. My examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances but the maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. I have obtained necessary management representation about the compliance of various laws, correctness of information shared and happening of events, wherever required.
5. Compliance with respect to the filings of various reports, returns, forms, certificates and documents under the various statutes as mentioned in my report is the responsibility of the management of the Company. My examination was limited to checking the execution and timeliness of filing and I have not verified the contents of such reports, returns, forms, certificates etc.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
Date: 28.08.2020

For Sunil Kumar Dixit  
(Company Secretaries)  
-Sd-  
**CS SUNIL KUMAR DIXIT**  
Proprietor  
CP No-23342  
UDIN: A026388B000625681

**ANNEXURE C**

FORM NO MGT-9

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on March 31, 2020**  
**Pursuant to Section 92(3) of the Companies Act, 2013**  
**and Rule 12(1) of the Companies (Management and**  
**Administration) Rules, 2014**

**I. REGISTRATION AND OTHER DETAILS**

CIN : L92490MH1989PLC238780

Name of the Company : GV Films Limited

Category/ Sub- Category of the Company : Company Limited by Shares

**Address of the Registered Office and Contact details:** 408, Sagar Avenue, 54B, S.V. Road, Andheri West, Mumbai, MH - 400 058.  
 Mail : cs.gvfilms@gmail.com

Whether Listed Company : Yes

**Name, Address and contact details of Registrar and Transfer Agent, if Any :**

M/s. Cameo Corporate Services Ltd.  
 Subramaniam Building, V-Floor, No. 1,  
 Club House Road, Chennai – 600 002,  
 Tel No. 044-28460390

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sl. No.	Name and Description of Services	NIC Code of the Service	% Turnover of the Company
1	Media & entertainment	591	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% Shares held	Applicable Section
GV STUDIO CITY LTD No 521/5, 2nd Floor, Anna Salai, Nandanam Chennai-600035	U92490TN2007PLC064155	Subsidiary	100%	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(i) Category-wise Share Holding**

Name of the Company	: G V FILMS NEW FV RE 1/-
Face Value	: 1 /-
Paidup Shares as on 31-Mar-2019	: 914627833
Paidup Shares as on 31-Mar-2020	: 914627833
For the Period From	: 30-Mar-2019 To : 31-Mar-2020

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDEDFAMILY	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	CENTRAL GOVERNMENT / STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	<b>SUB - TOTAL (A)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	<b>SUB - TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>TOTAL SHARE HOLDING OF PROMOTER &amp; PROMOTER GROUP (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B.</b>	<b>PUBLIC SHAREHOLDING</b>									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/BANKS	702500	100	702600	0.0768	702500	100	702600	0.0768	0.0000
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	16492833	16492833	1.8032	0	16492833	16492833	1.8032	0.0000
g.	FOREIGN VENTURECAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	<b>SUB - TOTAL (B)(1)</b>	<b>702500</b>	<b>16492933</b>	<b>17195433</b>	<b>1.8800</b>	<b>702500</b>	<b>16492933</b>	<b>17195433</b>	<b>1.8800</b>	<b>0.0000</b>
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	8752871	260150	9013021	0.9854	5926587	260150	6186737	0.6764	-0.3090
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	207183716	1474867	208658583	22.8134	202320439	1471717	203792156	22.2814	-0.5320
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	296433919	0	296433919	32.4103	304075641	0	304075641	33.2458	0.8355
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	104266	0	104266	0.0113	89093	0	89093	0.0097	-0.0016
	DIRECTORS AND THEIR RELATIVES	364132749	0	364132749	39.8121	364132749	0	364132749	39.8121	0.0000
	HINDU UNDIVIDED FAMILIES	16960225	0	16960225	1.8543	17092459	0	17092459	1.8687	0.0144
	NON RESIDENT INDIANS	2124426	100	2124526	0.2322	2058154	100	2058254	0.2250	-0.0072
	OVERSEAS CORPORATE BODIES	0	11	11	0.0000	0	11	11	0.0000	0.0000
	TRUSTS	5100	0	5100	0.0005	5300	0	5300	0.0005	0.0000
		<b>383326766</b>	<b>111</b>	<b>383326877</b>	<b>41.9106</b>	<b>383377755</b>	<b>111</b>	<b>383377866</b>	<b>41.9162</b>	<b>0.0055</b>
	<b>SUB - TOTAL (B)(2)</b>	<b>895697272</b>	<b>1735128</b>	<b>897432400</b>	<b>98.1199</b>	<b>895700422</b>	<b>1731978</b>	<b>897432400</b>	<b>98.1199</b>	<b>0.0000</b>
	<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)</b>	<b>896399772</b>	<b>18228061</b>	<b>914627833</b>	<b>100.0000</b>	<b>896402922</b>	<b>18224911</b>	<b>914627833</b>	<b>100.0000</b>	<b>0.0000</b>
	<b>TOTAL (A)+(B)</b>	<b>896399772</b>	<b>18228061</b>	<b>914627833</b>	<b>100.0000</b>	<b>896402922</b>	<b>18224911</b>	<b>914627833</b>	<b>100.0000</b>	<b>0.0000</b>
<b>C.</b>	<b>SHARES HELD BYCUSTODIANS AND AGAINSTWHICH DEPOSITORY RECEIPTSHAVE BEEN ISSUED</b>									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	<b>TOTAL CUSTODIAN (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>896399772</b>	<b>18228061</b>	<b>914627833</b>	<b>100.0000</b>	<b>896402922</b>	<b>18224911</b>	<b>914627833</b>	<b>100.0000</b>	<b>0.0000</b>

**ii. Share holding of Promoters NIL**

**Name of the Company : GV Films New FV Re. 1/-**

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the beginning of the year			% chaning in share holding during the year	FOLIO / DP -CL-ID	PAN	Pledged of shares at the end of the year
		No of shares	% of total shares of the company total shares	% of shares pledged / encumbered to	No. of shares	% of total shares of the Company total shares	% of shares pledged / encumbered to year				
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**iii) Change in Promoters' Shareholding (please specify, if there is no change) NIL**

SI No	Name of the Share Holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the Company		
	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Name of the Company : G V FILMS NEW FV RE 1/-							
SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Share holding during the year		FOLIO/ DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	MAHADEVAN GANESH						
	At the beginning of the year 30-Mar-2019	182000000	19.8988	182000000	19.8988	IN30037810156410	AEAPG4537Q
	At the end of the Year 31-Mar-2020	182000000	19.8988	182000000	19.8988		
2	PETER BECK & PARTNER VERMOGENSVERWALTUNG GMBH						
	At the beginning of the year 30-Mar-2019	16492833	1.8032	16492833	1.8032	'00091830	
	At the end of the Year 31-Mar-2020	16492833	1.8032	16492833	1.8032		
3	G.V.SRINIVASANJT1 : S.R.LAKSHMI						
	At the beginning of the year 30-Mar-2019	13572800	1.4839	13572800	1.4839	IN30243720076725	AFPPS5370F
	Purchase 26-Jul-2019	4252	0.0004	13577052	1.4844		
	Purchase 02-Aug-2019	175957	0.0192	13753009	1.5036		
	Purchase 09-Aug-2019	163888	0.0179	13916897	1.5215		
	Purchase 16-Aug-2019	88676	0.0096	14005573	1.5312		
	Purchase 23-Aug-2019	109266	0.0119	14114839	1.5432		
	Purchase 30-Aug-2019	234291	0.0256	14349130	1.5688		
	Purchase 06-Sep-2019	228561	0.0249	14577691	1.5938		
	Purchase 13-Sep-2019	153234	0.0167	14730925	1.6105		
	Purchase 20-Sep-2019	483016	0.0528	15213941	1.6634		
	Purchase 20-Dec-2019	55000	0.0060	15268941	1.6694		
	Purchase 31-Jan-2020	1997	0.0002	15270938	1.6696		
	Purchase 07-Feb-2020	199903	0.0218	15470841	1.6914		
	At the end of the Year 31-Mar-2020	15470841	1.6914	15470841	1.6914		
4	KMURALI						
	At the beginning of the year 30-Mar-2019	5700000	0.6232	5700000	0.6232	1202230000119677	AMDPM9637N
	Sale 24-May-2019	-200000	0.0218	5500000	0.6013		

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	Sale 21-Jun-2019	-25000	0.0027	5475000	0.5986		
	Sale 28-Jun-2019	-175000	0.0191	5300000	0.5794		
	Sale 12-Jul-2019	-250000	0.0273	5050000	0.5521		
	Sale 02-Aug-2019	-150000	0.0164	4900000	0.5357		
	Sale 25-Oct-2019	-46061	0.0050	4853939	0.5307		
	At the end of the Year 31-Mar-2020	4853939	0.5307	4853939	0.5307		
	HAVING SAME PAN						
4	K MURALI .						
	At the beginning of the year 30-Mar-2019	4	0.0000	4	0.0000	'1203350001188954	AMDPM9637N
	At the end of the Year 31-Mar-2020	4	0.0000	4	0.0000		
5	LAKSHMI S RJT1 : SRINIVASAN G V						
	At the beginning of the year 30-Mar-2019	4057199	0.4435	4057199	0.4435	'IN30163740347134	AAOPL6375P
	Purchase 05-Apr-2019	178618	0.0195	4235817	0.4631		
	Purchase 12-Apr-2019	208850	0.0228	4444667	0.4859		
	Purchase 21-Jun-2019	99785	0.0109	4544452	0.4968		
	Purchase 12-Jul-2019	152300	0.0166	4696752	0.5135		
	Sale 16-Aug-2019	-30000	0.0032	4666752	0.5102		
	Purchase 23-Aug-2019	119099	0.0130	4785851	0.5232		
	Purchase 18-Oct-2019	215	0.0000	4786066	0.5232		
	Purchase 25-Oct-2019	120000	0.0131	4906066	0.5364		
	Purchase 01-Nov-2019	87650	0.0095	4993716	0.5459		
	Purchase 08-Nov-2019	283884	0.0310	5277600	0.5770		
	Purchase 15-Nov-2019	112401	0.0122	5390001	0.5893		
	Purchase 22-Nov-2019	87578	0.0095	5477579	0.5988		
	Purchase 29-Nov-2019	42921	0.0046	5520500	0.6035		
	Purchase 06-Dec-2019	235667	0.0257	5756167	0.6293		
	Purchase 13-Dec-2019	64008	0.0069	5820175	0.6363		
	Sale 20-Dec-2019	-8	0.0000	5820167	0.6363		
	Purchase 27-Dec-2019	34807	0.0038	5854974	0.6401		
	Purchase 31-Dec-2019	59000	0.0064	5913974	0.6465		
	At the end of the Year 31-Mar-2020	5913974	0.6465	5913974	0.6465		
6	BETHALAM BAPIRAJU						
	At the beginning of the year 30-Mar-2019	3211656	0.3511	3211656	0.3511	'IN30102220435190	ALJPB4711B
	At the end of the Year 31-Mar-2020	3211656	0.3511	3211656	0.3511		
7	U PRADEEP KUMAR						
	At the beginning of the year 30-Mar-2019	2535027	0.2771	2535027	0.2771	'IN30108022571883	AHTPP1239J
	At the end of the Year 31-Mar-2020	2535027	0.2771	2535027	0.2771		
8	GOPAL DAS SONKIA						
	At the beginning of the year 30-Mar-2019	2532430	0.2768	2532430	0.2768	'1201370000267557	ADRPK5823F
	At the end of the Year 31-Mar-2020	2532430	0.2768	2532430	0.2768		
9	KAMAL NORANGLAL PODARJT1 : VANDANA KAMAL PODAR						
	At the beginning of the year 30-Mar-2019	1955023	0.2137	1955023	0.2137	'1202300000231076	AABPP2792F
	At the end of the Year 31-Mar-2020	1955023	0.2137	1955023	0.2137		
10	BETHALAM LALITHA						
	At the beginning of the year 30-Mar-2019	1857400	0.2030	1857400	0.2030	'IN30316510010873	ALJPB4596J
	At the end of the Year 31-Mar-2020	1857400	0.2030	1857400	0.2030		
	HAVING SAME PAN						

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10	BETHALAM LALITHA						
	At the beginning of the year 30-Mar-2019	352200	0.0385	352200	0.0385	'IN30102220435124	ALJPB4596J
	At the end of the Year 31-Mar-2020	352200	0.0385	352200	0.0385		
	NEW TOP 10 AS ON (31-Mar-2020)						
11	RAKESH K						
	At the beginning of the year 30-Mar-2019	487489	0.0532	487489	0.0532	'1208160014202103	ALAPR7508M
	Purchase 05-Apr-2019	185	0.0000	487674	0.0533		
	Purchase 17-May-2019	10000	0.0010	497674	0.0544		
	Purchase 24-May-2019	1321	0.0001	498995	0.0545		
	Purchase 07-Jun-2019	318234	0.0347	817229	0.0893		
	Purchase 14-Jun-2019	121650	0.0133	938879	0.1026		
	Purchase 21-Jun-2019	20	0.0000	938899	0.1026		
	Purchase 28-Jun-2019	1102005	0.1204	2040904	0.2231		
	Purchase 12-Jul-2019	6553	0.0007	2047457	0.2238		
	Purchase 19-Jul-2019	34155	0.0037	2081612	0.2275		
	Purchase 26-Jul-2019	2	0.0000	2081614	0.2275		
	Purchase 23-Aug-2019	45286	0.0049	2126900	0.2325		
	Purchase 20-Sep-2019	50	0.0000	2126950	0.2325		
	Purchase 30-Sep-2019	23	0.0000	2126973	0.2325		
	Purchase 25-Oct-2019	27	0.0000	2127000	0.2325		
	Purchase 01-Nov-2019	190	0.0000	2127190	0.2325		
	Purchase 08-Nov-2019	110	0.0000	2127300	0.2325		
	Purchase 15-Nov-2019	5266	0.0005	2132566	0.2331		
	Purchase 29-Nov-2019	434	0.0000	2133000	0.2332		
	Purchase 06-Dec-2019	100	0.0000	2133100	0.2332		
	Sale 03-Jan-2020	-53100	0.0058	2080000	0.2274		
	Sale 10-Jan-2020	-59800	0.0065	2020200	0.2208		
	Purchase 20-Mar-2020	55003	0.0060	2075203	0.2268		
	Purchase 31-Mar-2020	11580	0.0012	2086783	0.2281		
	At the end of the Year 31-Mar-2020	2086783	0.2281	2086783	0.2281		
	HAVING SAME PAN						
11	RAKESH K						
	At the beginning of the year 30-Mar-2019	1102005	0.1204	1102005	0.1204	'IN30009511765780	ALAPR7508M
	Sale 28-Jun-2019	-1102005	0.1204	0	0.0000		
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000		

**(v) Shareholding of Directors and Key Managerial Personnel :**

Name of the Company : G V FILMS NEW FV RE 1/-

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Share holding during the year		FOLIO/ DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	ISHARI K GANESH						
	At the beginning of the year 30-Mar-2019	182060000	19.9053	182060000	19.9053	'1203840001605256	AAAPI4538D
	At the end of the Year 31-Mar-2020	182060000	19.9053	182060000	19.9053		
2	BALAKUMAR VETHAGIRI GIRI						
	At the beginning of the year 30-Mar-2019	182022749	19.9012	182022749	19.9012	'1206440000012323	AADPG2683A
	At the end of the Year 31-Mar-2020	182022749	19.9012	182022749	19.9012		
3	ARTHI GANESH						
	At the beginning of the year 30-Mar-2019	50000	0.0054	50000	0.0054	'1203840001606908	AANPG0641E
	At the end of the Year 31-Mar-2020	50000	0.0054	50000	0.0054		

**V. INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT: NIL**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

- Remuneration to Managing Director: NIL
- Remuneration to other Directors: NIL
- REMUNERATION TO KMP from (from 01.04.2019 to 31.03.2020)

Name	Designation	Remuneration
1. Balakumar Vethagiri Giri	CEO	Nil
2. V.S. Natarajan	CFO	Nil
3. Parvinder Kaur	CS	Rs. 6,00,000/-

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment / Compounding Fees Imposed	Authority (RD/ NCLT/COURT)	Appeal made if any (give details)
A. Company Penalty Punishment Compounding			NIL		
B. Director Penalty Punishment Compounding			NIL		
C. Other Officers in Default Penalty Punishment Compounding			NIL		

However, SEBI passed order restraining the Company from accessing the Securities Market including by issuing prospectus, offer document or advertisement soliciting money from the public and is further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner vide order no. WTM/SKM/EFD1-DRAI/ 04 /2019-20 dated 25<sup>th</sup> June 2019 and further SEBI vide Adjudication Order No. ORDER/PM/RR/2019-20/6630-6635 dated 29th January 2020 for violation of provision of Section 12A(a), (b) and (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c) & (d), 4(1), 4(2) (f), (k) and (r) of SEBI PFUTP Regulations, 2003, Section 21 of SCRA, 1956 read with Clause 36(7) of the Listing Agreement, imposed penalty of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) on the Company u/s. 15 HA of the SEBI Act, 1992, and Section 23E of SCRA, 1956.

The Board is decided to file the appeal against on above said matter and confident of getting order in favor of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is as under:

### INDUSTRY STRUCTURE AND DEVELOPMENTS

Last year was a challenging year for the world economy as well as the Indian economy. While the world was already reeling from the lower output and slow GDP growth, a global health crisis further dampened world economic activity towards the end of the financial year.

However, notwithstanding the above situation, the Theatrical business showed resilience as film entertainment to an extent remained unaffected by the economic slowdown. The Indian film segment grew 10% in 2019 to reach INR 191 billion driven by the growth in domestic theatrical revenues and both rates and volume of digital/OTT rights sold. Domestic film revenues crossed INR 115 billion with Gross Box Office collections for Hindi films at INR 49.5 billion - the highest ever for Hindi theatricals. Overseas theatricals revenues fell 10% to INR 27 billion despite more films being released abroad primarily as films with superstars didn't perform as well in 2019. 108 Hollywood films were released in 2019 as compared to 98 in 2018. The gross box office collections of Hollywood films in India (inclusive of all their Indian language dubbed versions) grew 33% to reach INR 16 billion. As single screens continued to reduce, the total screen count decreased by 74 to 9,527. Digital rights continued to grow in 2019 with an increase in revenues from INR13.5 billion in 2018 to INR 19 billion in 2019. Digital release windows shortened with some movies releasing on OTT platforms even before their release on television. In-cinema advertising grew marginally to INR 7.7 billion in 2019 as multiplexes and advertising aggregators started signing long-term deals with brands. Seventeen hindi films entered the coveted INR 100 crore club in 2019, which is the highest ever. Interestingly, six movies made it to the INR 200 crore club in 2019, as opposed to three in 2018. The future will be driven by immersive content (technology and VFX rich) experiences to drive theatrical footfalls and some genres of films could migrate to home viewership only. We can expect to see creation of a segmented Hindi-mass product for the heartland at low ticket prices.

However, Theatrical revenues were impacted towards the end of FY19-20 as COVID-19 was spreading very fast and Cinemas had started

closing down. In March 2020, the world entered a full-scale lockdown with people's lives, businesses, and economic activity coming to a standstill on account of the COVID-19 pandemic. Cinemas around the world had to close their doors and the situation was alarming but comprehensible as social distancing was the only way to stop the spread of COVID-19. Cinemas across India have remained shut since March 2020 resulting in significant losses for the entire exhibition industry. The Government of India has started lifting the lockdown from the beginning of June 2020 in phases. However, the decision on re-starting of Cinemas will be taken in the third phase after assessing the situation in the initial phases. Production of new content for Cinemas had also stopped on account for the lockdown. Once Cinemas are allowed to re-open, there will be short term challenges and the road to recovery will be slow but it is expected that the Exhibition industry will bounce back to full strength over time.

**MARKET DYNAMICS**

The M&E industry will grow at a CAGR of 13.5 per cent during FY19-FY24. It is expected to reach around Rs 3.1 lakh crore (US\$ 43.93 million) by 2024.

India's advertisement market is projected to grow 10.62 per cent y-o-y to Rs 85,250 crore (US\$ 12.06 billion) till 2021. India's advertisement spending touched Rs 67,603 crore (US\$ 9.67 billion) in 2019, up 11 per cent y-o-y. Digital advertising has emerged as the third largest advertising medium in India. It generated revenue worth Rs 15,467 crore (US\$ 2.21 billion) in 2019. Digital will contribute 29 per cent of the ad market size by 2021.

The online video market in India is estimated to reach US\$ 4 billion by 2025, with subscription services contributing more than US\$ 1.5 billion and advertising adding US\$ 2.5 billion.

The Indian film industry reached Rs 100 billion (US\$ 1.43 billion) in 2019. Increasing share of Hollywood content in Indian box office and 3D cinema is driving the growth of digital screens in the country. India's video streaming industry is expected to grow at a CAGR of 21.82 per cent by 2023.

**GOVERNMENT INITIATIVES**

The Telecom Regulatory Authority of India (TRAI) is set to approach the Ministry of Information and Broadcasting, Government of India, with a request to Fastrack the recommendations on broadcasting, in an attempt to boost reforms in the broadcasting sector. The Government of India

has agreed to set up National Centre of Excellence for Animation, Gaming, Visual Effects and Comics industry in Mumbai.

The Indian and Canadian Government have signed an audio-visual co-production deal to enable producers from both the countries exchange and explore their culture and creativity, respectively.

The Government of India has supported M&E industry's growth by taking various initiatives such as digitising the cable distribution sector to attract greater institutional funding, increasing FDI limit from 74 per cent to 100 per cent in cable and DTH satellite platforms, and granting industry status to the film industry for easy access to institutional finance.

Union Government has announced key initiatives taken by the Government in the films sector in the Interim Budget 2019-20. Hailing the entertainment industry as a major employment generator, Finance ministry declared that the provision of single window clearance system for ease of shooting films, hitherto available only to foreigners, will now be made available to Indian filmmakers as well. The regulatory provisions will rely more on self-regulation.

**OPPORTUNITES, THREATS**

The opportunities observed are based on the trends noticed in the past couple of years, which continues to be relevant: some of the key ones are:

Some of the risks and treats the company exposed to are:

Opportunities	Threats
Digitisation	Piracy risk
Regional Market	Production risk
Overseas Theatricals	Spiralling Cost
Growth in demand for films	Competition in films

**SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:**

The Company has a single operating segment, namely, 'Production, processing and editing of films', and the information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance focuses on this operating segment. The Company has generated revenue from this segment amounting to Rs. 1,062.50 Lakhs.

**OUTLOOK, RISKS AND CONCERNS**

During the year under review is going to be a very challenging year for the Company as Cinemas across the country have temporarily shut down due to the COVID-19 pandemic. The Government of India has ordered a phase-wise re-opening of economic activities outside COVID-19

containment zones from the beginning of June 2020. However, the decision to reopen Cinemas will be taken by the Central Government and respective State Governments depending on how the situation develops after reopening in the initial phases. Even when Cinemas are re-opened, it will take time for the viewers to return to cinemas due to fear in mind about pandemic. Availability of new content will be another factor as the production of movies has also been suspended during this lockdown. We hope revival in production of movies and Theatrical business by end of FY 2020-21

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has regular internal audit system covering all key processes and has in place adequate internal control.

#### DISCUSSION ON FINANCIAL ANALYSIS

The company's financial performance is discussed in detail under the heading "review of operation" in Director's Report.

#### HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATION

Your Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

#### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis and the annual report describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations in India and other countries. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting the domestic market, in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors and unforeseen circumstances.

*References : Media Reports, Press Releases, Press Information Bureau, Department for Promotion of Industry and Internal Trade (DPIIT), KPMG report - India's digital future, FICCI Frames 2020, Press information Bureau, GOI, FICCI - EY Report 2020.*

## REPORT ON CORPORATE GOVERNANCE

### A. Compliance on Mandatory Requirements

#### 1. Company's Philosophy on Corporate Governance

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization.

G.V. Films Limited continues to uphold its commitment to adhere to high standards of Corporate Governance. Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness. Your Company strives to ensure transparency in all its operations, make disclosures and comply with various laws and regulations.

#### 2. Board of Directors

The Company have Board of Directors ("Board") with varied management expertise. The Board's roles, functions, responsibilities and accountabilities are known to them due to their vast experience. All statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders.

##### 2.1. Composition:

Your Company has a balanced Board, comprising executive and non-executive directors. The non-executive directors include independent professionals. Executive Directors includes the Managing Director.

S. No	Name of the Director	Status i.e. Executive, Non-Executive or Non-Executive Independent	Member in Board of the other Public Companies	No of Membership Chairmanship of committees of other companies
1.	Mr. Ishari Ganesh Kadhivelan	Non - Executive	None	None
2.	Mr. Kamala Kannan Ashwin kumar	Non - Executive Independent	None	None
3.	Mrs. Isari Arthi Ganesh	Non - Executive	None	None
4.	Ms. Vithika Bala Giri	Non - Executive	None	None
5.	Mr. Magesh Kumar Pasupathy	Non - Executive Independent	None	None
6.	Mrs. Nithya Kalyani	Non - Executive Independent	None	None

**2.2. Board Meetings:**

Sl No.	Date of Board Meeting	Board Strength	No of Directors Present
1.	05.06.2019	6	6
2.	14.08.2019	6	6
3.	27.09.2019	6	4
4.	14.11.2019	6	6
5.	14.02.2020	6	6

**2.3. Attendance at Board Meeting and AGM**

Director	No. of Board Meetings attended	Attendance at last AGM
Mr. Ishari Ganesh Kadhivelan	5	Yes
Mr. Kamala Kannan Ashwin kumar	5	Yes
Mrs. Isari Arthi Ganesh	5	NO
Ms. Vithika Bala Giri	5	Yes
Mr. Magesh Kumar Pasupathy	4	NO
Mrs. Nithya Kalyani	4	NO

**2.4. Code of Conduct**

The Company has in place a Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel (the Code) approved by the Board. The Board of Directors has adopted and laid down the Code of Conduct for all Directors and Senior Management Personnel, which comprises of members of Management one level below the Executive Director.

The Code has also been displayed on the Company's website [www.gvfilms.in](http://www.gvfilms.in) :

The members of the Board and Senior Management personnel have affirmed the compliance with the Code during the year ended on 31st March, 2020. The Annual Report of the Company contains a declaration by the Managing Director in terms of Para D of Schedule V of the SEBI Listing Regulations based on the compliance declarations received from the Board Members and Senior Management.

**2.5. Performance of Evaluation**

The Committee shall carry out evaluation of performance of every Director or KMP at such intervals as it may determine, but at least once a year.

- i. Evaluation of Directors: In terms of Section 149 of the Act read with Schedule IV of the said Act and LODR, the Independent Directors shall at its separate meeting without the attendance

of non-independent directors and members of management and review the performance of non-independent Directors based on the parameters that are considered relevant by the Independent Directors.

- ii. The Board as a whole shall evaluate the performance of Independent Directors: During such evaluation the Director being evaluated shall be excluded from the meeting.
- iii. Evaluation of KMP and Senior Management Personnel : Criteria for evaluating performance of KMP (other than Directors) has been delegated to the Chairman of the Board.
- iv. The evaluation performance of Senior Management and Employees shall be delegated to the Personnel Department of the Company.

**2.6. Induction Programme conducted for Independent Directors**

The Independent Directors immediately on appointment are issued a formal letter of appointment and a kit briefing their rights, roles and responsibilities, and the Business overview of the Company, policies etc. The Chairman of the Company, brief the Director individually on the industry and businesses of the Company, prior to their appointment. available on the Company's website [www.gvfilms.in](http://www.gvfilms.in).

**3. Board Committee**

The Board has constituted three Committees namely Audit Committee, Nomination & Remuneration committee, Stakeholders Relationship / Grievance Committee.

**3.1. Audit Committee**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting

**A. Qualified and Independent Audit Committee**

The Company complies with Section 177 of the Act as well as requirements under SEBI Listing Regulations pertaining to the Audit Committee. The Audit Committee, as on 31st March, 2020, consists of three members out of which two members are Independent Directors and one members is Non-Executive Director. Majority of the members of the Committee are financially literate and having the requisite financial management expertise.

**B. Terms of Reference**

The broad terms of reference of the Audit Committee are to interact with the internal and Statutory Auditors, overseeing the Company’s financial reporting process and review with the management the annual financial statements before submitting to the Board and includes:

- Oversight of the Company’s financial reporting process and the disclosure of its financial information.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditor’s report thereon.
- Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Compliance with listing and other legal requirements relating to financial statements.
- Approval of the related party transactions as per policy of the Company.
- Review and monitor the auditor’s independence and performance, and effectiveness of audit process.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditor(s) and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit.
- Discussion with internal auditor(s) of any significant findings and follow up there on.
- Reviewing the findings of any internal observations by the internal auditor(s) into

matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Vigil Mechanism.
- Management discussion and analysis of financial condition and results of operations.

**C. Composition**

The Audit Committee consisted of the following members as at 31.03.2020:

Sl. No.	Name of the Member	Chairman/ member
1.	Mr. Kamala Kannan Ashwin kumar	Chairman
2.	Ms. Vithika Bala Giri	Member
3.	Mr. Magesh Kumar Pasupathy	Member

**D. Meeting and Attendance**

During the year, four Audit Committee Meetings were held. The number of meetings held during the year are given below:

Sl. No.	Date	Committee strength	No. of members present
1.	05.06.2019	3	3
2.	14.08.2019	3	3
3.	14.11.2019	3	3
4.	14.02.2020	3	3

Attendance of Audit Committee Meeting during the year are given below:

Sl. No.	Name of the Member	No. of Meetings attended
1.	Mr. Kamala Kannan Ashwin kumar	4
2.	Ms. Vithika Bala Giri	4
3.	Mr. Magesh Kumar Pasupathy	4

The Company Secretary of the Company acted as Secretary to the Committee.

**3.2 Nomination & Remuneration Committee**

**A. Composition & Meeting**

The Nomination & Remuneration Committee consisted of the following members:

Sl. No.	Name of the Member	Chairman/ member
1	Mr. Magesh Kumar Pasupathy	Chairman
2	Mr. Ishari Ganesh Kadhivelan	Member
3	Mrs. Nithya Kalyani	Member

The committee met on 14.08.2019 during the year under review and all the members are present at the said meeting

The Company Secretary of the Company acted as Secretary to the Committee

**B. Terms of Reference**

The Terms of reference of Nomination and Remuneration Committee, inter-alia, includes:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance.
- Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Retaining, motivating and promoting talent amongst the employees and ensuring long term sustainability of talented SMP by creation of competitive advantage through a structured talent review.
- Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company if any.
- Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company as and when required.
- Consider other matters, as from time to time be referred to it by the Board.

**C. Remuneration Policy:**

Non-Executive directors are remunerated by way of sitting fees only. The Company does not pay any remuneration by way of salary, perquisites and allowances to the Managing Director / Executive Director during the year under review.

Details of Remuneration paid to the Directors are as under: None of the Directors had drawn any remuneration during the year in view of continuing losses incurred by the Company. During the year the Non executive Directors have neither drawn any remuneration nor paid any sitting fee for attending the Board Meetings.

**3.3 Stakeholders Relationship/Grievance Committee  
A. Composition & Meeting**

The Committee consists of the following members:

Sl. No.	Name of the Member	Chairman/ Member
1.	Mrs. Isari Arthi Ganesh	Chairman
2.	Ms. Vithika Bala Giri	Member
3.	Mr. Kamala Kannan Ashwin Kumar	Member

The Committee met 14.08.2019 during the year under review.

The Company Secretary of the Company acted as secretary to the Committee.

**B. Terms of Reference**

The Terms of reference of Nomination and Remuneration Committee, inter-alia, includes:

- To consider and resolve the grievances of security holders of the Company.
- To approve applications for transfer, transmission, transposition of shares and mutation of share certificates including issue of duplicate certificates, split, subdivision or consolidation of certificates and to deal with all related matters.
- The Committee will oversee the performance of the Registrars and Share Transfer Agents of the Company.
- Such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the Committee.
- Consider other matters, as from time to time be referred to it by the Board.

**4. Disclosures**

- During the year, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large.
- During the year, there were no non-compliances, penalties, and strictures by stock exchange/SEBI/Statutory Authorities on any matter related to Capital Markets.
- During the year, there were no pecuniary relationships or transaction with Non-Executive Directors.

**5. General Body Meetings**

Details of Annual General Meetings (AGMs):

AGM's	Date of AGM's	Location	Time
2016-17	23.06.2017	Mayors Hall, All India Institute of Local Self Govt. Sthanikraj Bhavan, CD Barfiwala Marg Juhu Lane, Andheri West, Mumbai - 400058.	4.00 pm
2017-18	05.09.2018	Mayors Hall, All India Institute of Local Self Govt. Sthanikraj Bhavan, CD Barfiwala Marg Juhu Lane, Andheri West, Mumbai - 400058.	4.00 pm
2018-19	27.09.2019	Mayors Hall, All India Institute of Local Self Government, Sthanikraj Bhawan, CD Barfiwala Marg, Juhu Lane, Andheri West, Mumbai - 400058	4.00 pm

**Details of Special resolutions passed at previous three AGMs:**

- AGM on 23.06.2017, for the year 2016-2017
  - Conversion of Unsecured Loan into Equity Shares of the company on Preferential Basis
  - Further Issue of shares
- AGM on 05.09.2018, for the year 2017-2018 – None
- AGM on 27.09.2019, for the year 2018-2019 – None.

**6. Postal Ballot**

During the year under review, no resolution was put through by Postal Ballot.

**7. Appointment / Reappointment of Directors**

Profiles of the Directors seeking appointment/ re-appointment at the AGM, pursuant to LODR have been given in the Notice of 31<sup>st</sup> AGM.

**8. Risk Management**

The Company has Risk Management Policy to mitigate the risks. The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings.

**9. Means of Communication:**

**Quarterly Results :** Quarterly results are approved and taken on record by the Board of Directors of

the Company within Forty Five days of the close of the relevant quarter and approved results are forthwith sent to the Stock Exchange where the Company's shares are listed. The results are published in the proforma prescribed, in widely circulated newspapers both English and vernacular.

- Which newspapers normally published in: Free Press Journal – English newspaper, Navashakti – Marathi Newspaper;
- Any Website where displayed: Yes, www.gvfilms.in
- Whether presentation made to Institutional Investors or to analysts : Yes, only on request.

**10. General Shareholder Information****I. Annual General Meeting -**

Date : 28<sup>th</sup> September 2020, Monday

Time : 3.00 P.M.

Venue : No Venue as the meeting is going to be get conducted through Video Conferencing ["VC"] / Other Audio Visual Means ["OAVM"]

**Financial Year:** 1st April, 2019 to 31st March, 2020

**II. Financial Calendar (Tentative) for the year 2020-21 (Compliance of Regulation 33 of LODR)**

Period ended	Financial Reporting
30 <sup>th</sup> June, 2020	15 <sup>th</sup> September 2020
30 <sup>th</sup> September, 2020	15 <sup>th</sup> November, 2020
31 <sup>st</sup> December, 2020	15 <sup>th</sup> February, 2020
31 <sup>st</sup> March, 2021	30 <sup>th</sup> May, 2020

Date of Book Closure: 22<sup>nd</sup> September 2020 to 28<sup>th</sup> September 2020 (both days inclusive)

**III. Listing on Stock Exchanges:**

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai – 400 001  
Scrip Code / Stock symbol 523277

**IV. Corporate Identification Number (CIN) of the Company: L92490MH1989PLC238780****11. Stock Code**

BSE Limited : 523277

Dalal Street,  
Phiroze Jeejeebhoy Towers  
Mumbai-400 001

ISIN of the Company : INE395B01048

**12. Depository Connectivity :**

Category	No. of Holders	Total Positions	% of holdings
PHYSICAL	9242	18224911	02.00%
NSDL	56535	391129477	42.76%
CDSL	38746	505273445	55.24%
TOTAL	104523	914627833	100.00%

**13. Stock Market Price Data:**

Month	Bombay Stock Exchange Limited (BSE) in ₹	
	High	Low
April, 2019	0.55	0.43
May, 2019	0.49	0.40
June, 2019	0.51	0.40
July, 2019	0.47	0.32
August, 2019	0.46	0.33
September, 2019	0.52	0.37
October, 2019	0.36	0.27
November, 2019	0.35	0.27
December, 2019	0.33	0.28
January, 2020	0.31	0.26
February, 2020	0.36	0.23
March, 2020	0.32	0.23

**14. Registrar & Transfer Agent (RTA)**

M/s. Cameo Corporate Services Ltd.  
Subramaniam Building, V-Floor, No. 1,  
Club House Road, Chennai – 600 002  
Tel No. 044-28460395  
Email: narasimhan@cameoindia.com

**15. Share Transfer System:**

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. All the requests received from shareholders for transmission etc. are processed by the Share Transfer Agent of the Company within the stipulated time as prescribed in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or in any other applicable law.

**16. (a) Shareholding Pattern as on 31<sup>st</sup> March, 2020**

Category	No. of share holders	No. of Shares	% of shares
Individuals	100271	507865797	55.53
FI/Bank	5	702600	00.08
FII	1	16492833	01.80
NRI	254	2058254	00.22
Corporate Body	477	6186737	00.68
Clearing Member	12	89093	00.01
Trusts	2	5300	00.00
Directors & Relatives	3	364132749	39.81
Others	1906	17094470	01.87
Total	102931	914627833	100.00

**(b) Distribution of Shareholding According to Distribution of Equity Shares held as at 31<sup>st</sup> March, 2020**

Category	No. of shareholders	% of shares	Total Amount	% of Total amount
1-5000	94962	92.26	82575697	09.03
5001-10000	3964	03.85	31268755	03.42
10001-20000	1963	01.91	28732078	03.14
20001-30000	708	00.69	17904206	01.96
30001-40000	319	00.31	11204368	01.22
40001-50000	248	00.24	11700748	01.28
50001-100000	426	00.41	31023992	03.39
100001-AndAbove	341	00.33	700217989	76.56
Total:	102931	100.00	914627833	100.00

**17. Dematerialization of shares and liquidity:**

89,64,02,922 shares have been dematerialized as on 31.03.2020 out of 91,46,27,833 constituting 98.00% of the total shares.

**18. Address for Correspondence :**

408, SAGAR AVENUE, 54B, S.V. ROAD,  
ANDHERI-WEST  
MUMBAI, MH – 400 058  
TEL: 022 - 2613 5910  
Mail Id: cs.gvfilms@gmail.com

**19. Shareholders Queries:**

M/s. Cameo Corporate Services Ltd.  
Subramaniam Building, V-Floor,  
No. 1, Club House Road, Chennai – 600 002  
Tel No:-044-28460390  
Mail Id : narasimhan@cameoindia.com

The Registrars can be contacted between 10.00 a.m. and 4.00 p.m. on working days (Monday to Friday).

**20. Share Transfer System:**

Shares in physical form, for transfer, should be lodged at the office of the Company's Registrar and share transfer agent, Cameo Corporate Services Ltd, Chennai at the address given above. The transfers are processed if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialization form.

**21. Compliance of Non Mandatory Requirements**

- **Chairman of the Board:** Mr. Ishari Ganesh Kadhivelan is the chairman of the Board
- **Board Procedure:** Members of the Board are provided with the requisite information

mentioned in the LODR well before the meeting and the same are considered and decisions are taken.

All the directors who are on various committees are within the permissible limits of the LODR. These directors have intimated from time to time about their membership in the various committees in other companies, if any.

**CEO & CFO CERTIFICATION**

**AS STIPULATED UNDER REGULATION 17(8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

The Board of Directors,  
**G.V. Films Ltd.,**  
**Mumbai.**

We, Balakumar Vethagiri Giri, Chief Executive Officer and Vadakantari Subramaniam Natarajan, Chief Financial Officer of G.V. Films Limited to the best of our knowledge and belief certify that:

- A) We have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March 2020 and that to the best of our knowledge and belief
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems pertaining to financial reporting. Deficiency in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

D) We have indicated

1. Significant change in internal control over financial reporting during the year under reference if any; Nil
2. Significant changes in accounting policies during the year requiring disclosure in the notes of the financial statements if any; Nil and
3. Instances of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting if any; Nil

-sd-  
**Balakumar**  
**VethagiriGiri**  
CEO

-sd-  
**Vadakantari**  
**Subramaniam Natarajan**  
CFO

Place : Chennai

Date : 31.8.2020

**DECLARATION ON CODE OF CONDUCT**

On the basis of the written declarations received from members of the Board and Senior Management Personnel in terms of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, it is hereby certified that both the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board for the year ended 31st March 2020.

- Sd-  
**ISHARI GANESH KADHIRVELAN**  
Director (DIN 00269445)

Place : Chennai,  
Date : 31.08.2020

**PRACTICING COMPANY SECRETARY'S CERTIFICATE  
REGARDING COMPLIANCE**

**OF CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members,  
G.V. Films Limited

I have examined the compliance of conditions of Corporate Governance by **M/S. G.V. FILMS LIMITED** ("the Company") having **CIN: L92490MH1989PLC238780** and having registered office at 408, Sagar Avenue, 54b, S.V. Road, Andheri-West Mumbai, Mumbai City, Maharashtra – 400058 for the year ended on **March 31, 2020**, as stipulated in Schedule V and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["the Regulations"] as amended from time to time.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representation made by the directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of the Regulations.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Sunil Kumar Dixit  
(Company Secretaries)

-Sd-

**SUNIL KUMAR DIXIT**

Place : Chennai  
Date : 28.08.2020

Proprietor  
CP No-23342

UDIN:026388B000625833

**CERTIFICATE OF NON-DISQUALIFICATION OF  
DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V para  
C clause (10) (i) of the SEBI (Listing Obligations and  
Disclosure Requirements) Regulations, 2015)**

To  
**The Members,  
G.V. FILMS LIMITED  
408, SAGAR AVENUE, 54B, S.V. ROAD,  
ANDHERI-WEST MUMBAI, MUMBAI CITY,  
MAHARASHTRA - 400058 IN.**

I have examined the relevant registers, records, forms returns and disclosures received from the Directors of **M/S. G.V. Films Limited** (hereinafter referred to as 'the Company') having **CIN: L92490MH1989PLC238780**, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 2020** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ishari Ganesh Kadhivelan	00269445	23/06/2017
2.	Isari Arthi Ganesh	00568101	23/06/2017
3.	Kamala Kannan Ashwin Kumar	03447494	21/02/2017
4.	Nithya Kalyani	03593732	11/12/2017
5.	Pasupathy Mageshkumar	03593734	11/12/2017
6.	Vithika Bala Giri	08166422	26/06/2018

Ensuring the eligibility of the continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai  
Date : 28.08.2020

For Sunil Kumar Dixit  
(Company Secretaries)

-Sd-

**SUNIL KUMAR DIXIT**

Proprietor  
CP No-23342

UDIN:026388B000625833

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	GV Studio City Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	Rs. 1505.00 Lakhs
5.	Reserves & surplus	Rs. (715.84) Lakhs
6.	Total assets	Rs. 1308.11 Lakhs
7.	Total Liabilities	Rs. 1308.11 Lakhs
8.	Investments	NIL
9.	Turnover	Rs. 138.51 Lakhs
10.	Profit before taxation	Rs. 55.72 Lakhs
11.	Provision for taxation	Rs. (41.73) Lakhs
12.	Profit after taxation	Rs. 97.45 Lakhs
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures : **NOT APPLICABLE**

Name of associates/Joint Ventures

1. Latest audited Balance Sheet Date : NA
2. Shares of Associate /Joint Ventures held by the company on the year end : NA
3. Amount of Investment in Associates/ Joint Venture Extend of Holding % : NA
4. Description of how there is significant influence : NA
5. Reason why the associate/joint venture is not consolidated : NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet : NA
7. Profit/Loss for the year
  - i. Considered in Consolidation,
  - ii. Not Considered in Consolidation

For and on behalf of the Board

-Sd-

Ishari Ganesh Kadhivelan  
Director (DIN 00269445)

-Sd-

Isari Arthi Ganesh  
Director (DIN 00568101)

Date 31.07.2020  
Place : Chennai

## Independent Auditor's Report

To

The Members

GV Films Limited, Chennai

### Report on the Audit of the Standalone Financial Statements Qualified Opinion

We have audited the accompanying standalone financial statements of GV Films Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

##### **Indian Accounting Standards (IND AS 19) on Employee Benefit:**

The Company has gratuity liability which are in the form of defined benefits obligations. The Company has not made any contributions to Pension and Gratuity Trusts or any other fund based on the percentage of salary towards Gratuity and Pension Liabilities. The Company has not recognized its defined benefit obligations based on the actuarial valuation as stated under IND AS 19. On account of this, we are unable to comment on the correctness and the impact of the cost of employee benefits charged to the Statement of Profit and Loss (including the Other Comprehensive Income) and the disclosures as required by IND AS 19 in the financial statements.

##### **Balance Confirmations:**

We have not received confirmation of balances in respect of trade payables, trade receivables, loans and advances received by the Company, loans and advances made by the Company, stock-in trade, and capital work in progress. The management represented that these balances are realizable/ settled in the ordinary course of business. In the absence of confirmation of balances, we were unable to determine whether any adjustments by way of provision for doubtful debts etc. were necessary at the year end.

Further attention is drawn to the presence of several inoperative bank accounts held by the Company. In the absence of the confirmation of the balances of these account balances and the other bank account balances, we are unable to form an opinion on the correctness of the balances.

##### **Foreign Currency Convertible Bonds:**

Further, attention is drawn to the non-furnishing of, during our audit, the underlying Agreement to the Foreign Currency Convertible Bonds (FCCBs) issued by the Company. The Management has furnished us USD \$65,250/-, the INR equivalent being Rs.46,67,771/- as the interest payable on the FCCBs during the year under audit. In the absence of the production of the Original documents of the FCCBs, we are unable to form an opinion on the correctness of the outstanding balance of the FCCBs and the interest payable thereon.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following to be the key audit matters to be communicated in our report.

S.No	Key Audit Matter	How was the matter addressed in our Audit
1.	<p><b><i>Accuracy of recognition, measurement, Presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard)</i></b></p> <p>The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p><b><i>Principal Audit Procedures</i></b></p> <p>We assessed the Company's process to identify the impact of adoption of the revenue accounting standard.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>◆ Evaluated the design of internal controls relating to implementation of the revenue accounting standard.</li> <li>◆ Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.</li> <li>◆ Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard.</li> <li>◆ We assessed the Company's process to identify, assess, and respond to risks of material misstatement considering the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results for the year under consideration. We have designed, performed procedures and modified previously planned audit procedures as a result of the necessity for carrying out part of the audit procedures remotely, including verification of the source and completeness of data provided for audit. This includes performing alternative audit procedures to obtain audit comfort in respect of significant account balances for recognition, measurement and disclosures. We specifically discussed the impact of COVID-19 with the management and critically challenged the key assumptions and their reasonableness in making such key accounting estimates. We have considered management's adjustments or disclosures which includes the impact of the changes in the environment on the recognition and measurement of account balances and transactions in the financial statements or other specific disclosures.</li> </ul>
2.	<p><b><i>Impact of Covid-19 Pandemic on the Company's Operations.</i></b></p>	

**Emphasis of Matter**

- a) The Company has adopted the Indian Accounting Standards (IND-AS) prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015 as amended, from Financial Year 2019-20( the date of transition being 1st April 2018). The financial results declared to SEBI for the first three Quarters of the financial year 2019-20 were as per Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2006 as amended. The financial results of the last Quarter of the financial year 2019-20 and the Annual results of financial year 2019-20 are under the Indian Accounting Standards. Attention is drawn to Note No.2 to the Standalone Financial Statement in this regard.
- b) We draw your attention to Note No. 33 to the annual Standalone Financial Statement which explains the management's assessment of the financial and operational impact on the business of the Company due to the lock-down and conditions relevant to the COVID-19 and its consequential impact of the carrying values of the assets as at 31<sup>st</sup> March 2020.

Our opinion is not modified in respect of above matters.

**Other Matters**

Reference is drawn to Note No. 28 detailing the events culminating in the Order of the Adjudicating Officer of SEBI in Order No: ORDER/PM/RR/2019-20/6630-6635 dated 29th January ,2020. The Company has represented that it is in the course of filing an appeal against the aforementioned Order before the Honourable Securities Appellate Tribunal (SAT) and is confident of winning the Appeal once filed. Our opinion is not modified in respect to the above matter.

**Information other than the financial statements and Auditors' Report There on**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our Auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information,

we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Standalone Financial Statements**

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India..

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 purpose 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 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 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 A". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of

the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

for **M/s CNGSN & ASSOCIATES LLP**

CHARTERED ACCOUNTANTS

Firm Registration No: 004915S/S200036

Place : Chennai

Date : 31/07/2020

**K.Parthasarathy**

Partner

Membership No: 018923

UDIN: 20018394AAAADU6516

## Annexure "A"

### To The Independent Auditors' Report on the Standalone Financial Statements of GV Films Limited for the year ended 31 March 2020

#### Report on the internal financial controls over Financial Reporting under section 143(3) (i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GV Films Limited ("the Company")** as of 31 March 2020 in conjunction with our audit of the standalone 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 (the "Guidance Note") 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 the Company's 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements

were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements

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 controls with reference to financial statements 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

## GV Films Ltd

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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following weakness has been identified as at 31st March 2020. " The Company's *internal control system for obtaining confirmation of balances from outside parties for trade receivable, trade payable and loans and advances, stock -in trade and capital work-in progress, bank confirmations, which could potentially result in existence of uncertainty that may cast significant doubt about the recoverability/settlement of these items.*"

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 financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial control system over financial reporting and such internal financial controls over financial reporting criteria established by the Company considering the essential components of the internal control stated in the Guidance Note issued by the ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the March 31<sup>st</sup>, 2020 financial statements of the Company and the material weaknesses does affect our opinion on the financial statements of the Company.

For **M/s CNGSN & ASSOCIATES LLP**  
CHARTERED ACCOUNTANTS  
Firm Registration No: 004915S/S200036

Place : Chennai  
Date : 31/07/2020

**K.Parthasarathy**  
Partner  
Membership No: 018923  
UDIN: 20018394AAAADU6516

## **Annexure "B "**

### **To The Independent Auditors' Report on the Standalone Financial Statements of GV Films Limited for the year ended 31 March 2020**

#### **(Referred to in paragraph 2 under 'Report On Other Legal and Regulatory Requirements' section of our report to the Members of GV Films Limited of even date)**

- i. In respect of the Company's fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a regular program of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner, which in our opinion, is reasonable having regard to the Size of the company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. The title deeds of immovable properties included in fixed assets are held in the name of the Company. In respect of immovable properties taken on lease and disclosed as property, plant and equipment in the standalone Ind AS financial statements, the lease agreements are in the name of the Company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- iii. According to information and explanation given to us, the company has granted unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013.
  - a. In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company.
  - b. In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.
  - c. In respect of the aforesaid loans, in the cases where the overdue amount is more than ninety days, in our opinion, reasonable steps have been taken by the

- company for the recovery of the principal amounts and interest, where applicable.
- iv. In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.
- v. In our opinion and according to information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
- a) According to the information and explanations given to us, the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate Authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable except the following :

Name of the Statute	Assessment Year	Nature of dues	Amount (Rs)
Income Tax Act,1961	2008-09	Income Tax Payable	113,969
Income Tax Act,1961	2009-10	Income Tax Payable	786,318

- b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of dues	Amount (Rs)
Service Tax Section 15HA of the SEBI Act, 1992 and Section 23E of the SCRA,1956	Service Tax Act	53,52,586
Others	Penalty	25,00,000
Total		5,00,00,000
		5,78,52,586

- viii. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during

- the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
- ix. Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order is not applicable to the Company.
- x. In our opinion and according to the information and explanation 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. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
- 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 section 177 and 188 of the Act. Where applicable, the 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. Accordingly, paragraph 3(xiv) of the order is not applicable.
- 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 them. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **M/s CNGSN & ASSOCIATES LLP**  
 CHARTERED ACCOUNTANTS  
 Firm Registration No: 004915S/S200036

Place : Chennai  
 Date : 31.07.2020

**K.Parthasarathy**  
 Partner  
 Membership No: 018923  
 UDIN: 20018394AAAADU6516

**GV FILMS LIMITED**  
**Corporate Identity Number (CIN) L92490MH1989PLC238780**  
**Balance Sheet as at 3 March 2020**  
*(All amounts are in Rs. In lakhs unless otherwise stated)*

Particulars	Note No.	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>(I) ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, plant and equipments	<b>3 (a)</b>	5.37	6.81	7.16
(b) Capital Work-in-progress		926.97	926.97	926.97
(c) Other intangible assets				
(d) Right-of-use assets	<b>3 (b)</b>	15.80	-	-
(e) Financial assets				
(i) Investments	<b>4 (a)</b>	1,510.49	1,523.01	1,522.77
(ii) Other financial assets	<b>4 (b)</b>	6.49	6.18	2.78
(f) Deferred tax assets (net)		11.65	11.65	11.65
(g) Other non-current assets	<b>5</b>	1,235.46	1,289.39	3,356.84
<b>Total non-current assets</b>		<b>3,712.22</b>	<b>3,764.00</b>	<b>5,828.17</b>
<b>(2) Current assets</b>				
(a) Inventories	<b>6</b>	3,497.76	4,497.76	3,497.76
(b) Financial assets				
(i) Trade receivables	<b>4 (c)</b>	5.00	120.00	519.32
(ii) Cash and cash equivalents	<b>4 (d)</b>	12.78	12.78	12.50
(c) Other current assets	<b>7</b>	80.18	67.45	-
<b>Total current assets</b>		<b>3,595.72</b>	<b>4,697.99</b>	<b>4,029.58</b>
<b>TOTAL ASSETS</b>		<b>7,307.94</b>	<b>8,461.99</b>	<b>9,857.75</b>
<b>(II) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share Capital	<b>8</b>	9,146.28	9,146.28	9,146.28
(b) Other Equity	<b>9</b>	(5,892.38)	(5,823.54)	(3,403.65)
<b>Total equity</b>		<b>3,253.90</b>	<b>3,322.74</b>	<b>5,742.63</b>
<b>(2) Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Lease liabilities		10.48	-	-
(b) Deferred tax liabilities		-	-	-
(c) Other non-current liabilities	<b>11</b>	25.02	25.02	26.52
<b>Total Non-current liabilities</b>		<b>35.50</b>	<b>25.02</b>	<b>26.52</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	<b>10 (a)</b>	1,339.45	1,312.15	1,512.44
(ii) Trade payables	<b>12</b>	132.98	1,316.69	261.62
(iii) Other financial liabilities	<b>10 (b)</b>	2,508.89	2,462.26	2,292.47
(iv) Lease Liabilities		6.00	-	-
(b) Provisions		-	-	-
(c) Other current liabilities	<b>13</b>	31.22	23.13	22.07
<b>Total current liabilities</b>		<b>4,018.54</b>	<b>5,114.23</b>	<b>4,088.60</b>
<b>Total liabilities</b>		<b>4,054.04</b>	<b>5,139.25</b>	<b>4,115.12</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,307.94</b>	<b>8,461.99</b>	<b>9,857.75</b>
See accompanying notes forming part of the financial statements	<b>1</b>			

In Terms of our Report attached  
For and on behalf of the Board

M/s CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S/S200036

-Sd-	-Sd-	-Sd-	-Sd-	-Sd-
Balakumar Vethagiri	Ishari Ganesh Kadirvelan	Ashwinkumar Kamala Kannan	Parvinder Kaur	K.Parthasarathy
Chief Executive Officer	Director	Director	Company Secretary	Partner
PAN. AADPG2683A	DIN. 00269445	DIN. 03447494	M.No. F8426	M.No. 018394

Place : Chennai  
Date : 31.07.2020

**GV FILMS LIMITED**  
**Corporate Identity Number (CIN) L92490MH1989PLC238780**  
**Statement of Profit & Loss for the Year ended 31<sup>st</sup> March 2020**  
*(All amounts are in Rs. In lakhs unless otherwise stated)*

	Particulars		For the Year ended	For the Year ended
			31 March 2020	31 March 2019
			Rs.	Rs.
I	Revenue from operations	<b>14</b>	1,062.50	105.00
II	Other Income	<b>15</b>	0.31	0.15
III	<b>Total Revenue (I + II)</b>		<b>1,062.81</b>	<b>105.15</b>
IV	<b>EXPENSES</b>			
	Cost of Services	<b>16</b>	-	1,100.00
	Changes in inventories of finished goods and work-in-progress	<b>17</b>	1,000.00	(1,000.00)
	Employee benefit expense	<b>18</b>	12.83	13.74
	Finance costs	<b>19</b>	48.76	45.91
	Depreciation and amortisation expense	<b>20</b>	6.42	1.74
	Other expenses	<b>21</b>	63.62	210.58
	<b>Total Expenses (IV)</b>		<b>1,131.64</b>	<b>371.98</b>
V	<b>Profit before exception items and tax (III - IV)</b>		<b>(68.83)</b>	<b>(266.83)</b>
VI	<b>Exceptional Items</b>		-	2,153.06
VII	<b>Profit after exception items and before tax (V - VI)</b>		-	<b>(2,419.89)</b>
VIII	Tax Expense			
	(a) Current tax		-	-
	(b) Adjustment of Current tax relating of prior periods		-	-
	(c) Deferred tax		-	-
	<b>Total tax expense</b>		-	-
IX	<b>Profit for the period (V - VI)</b>		<b>(68.83)</b>	<b>(2,419.89)</b>
X	<b>Other comprehensive income</b>			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Total Other comprehensive income</b>		-	-
XI	<b>Total comprehensive income for the period (VII + VIII)</b>		<b>(68.83)</b>	<b>(2,419.89)</b>
XII	<b>Earnings per equity share (face value of Rs. 10 each)</b>	<b>27</b>		
	(1) Basic		(0.01)	(0.26)
	(2) Diluted		(0.01)	(0.26)

In Terms of our Report attached  
For and on behalf of the Board

**M/s CNGSN & ASSOCIATES LLP**  
Chartered Accountants  
Firm Registration No. 004915S/S200036

-Sd-  
**Balakumar Vethagiri**  
Chief Executive Officer  
PAN. AADPG2683A

-Sd-  
**Ishari Ganesh Kadirvelan**  
Director  
DIN. 00269445

-Sd-  
**Ashwinkumar Kamala Kannan**  
Director  
DIN. 03447494

-Sd-  
**Parvinder Kaur**  
Company Secretary  
M.No. F8426

-Sd-  
**K.Parthasarathy**  
Partner  
M.No. 018394

Place : Chennai  
Date : 31.07.2020

**GV FILMS LIMITED**

**Corporate Identity Number (CIN) L92490MH1989PLC238780**  
**Cash Flow Statement for the Year ended 31<sup>st</sup> March 2020**  
*(All amounts are in Rs. In lakhs unless otherwise stated)*

Particulars	For the Year ended 31st March 2020 (Rs. in Lakhs)	For the Year ended 31st March 2019 (Rs. in Lakhs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before income tax	(68.83)	(2,419.89)
<b>Adjustments for:</b>		
Depreciation of property plant and equipments and right-of-use of assets / Amortisation	6.42	1.74
Finance Cost	48.76	45.91
Unrealised Foreign Exchange Fluctuation Loss (Gain)	-	-
Interest Income classified as investing cash flows	(0.31)	(0.15)
Loss/ (Profit) on financial assets carried at fair value through profit and loss	12.54	(0.27)
	<b>67.43</b>	47.24
<b>Operating Loss before Working capital changes</b>	<b>(1.41)</b>	<b>(2,372.65)</b>
<b>Changes in Operating assets and liabilities</b>		
(Increase)/ Decrease in Trade receivables	115.00	399.32
(Increase) in Inventories	1,000.00	(1,000.00)
Increase in trade payables	(1,183.71)	1,055.09
(Increase) in Other financial assets	(0.31)	(3.39)
(Increase) in Other non-current assets other than capital advances	53.93	2,067.45
(Increase) in Other current assets	(12.73)	(67.45)
Increase in Lease obligations	-	-
Increase in other non-current liabilities	-	(0.44)
Increase in other financial liabilities	0.29	169.79
(Decrease) in other current liabilities	8.10	
	<b>(19.44)</b>	2,620.37
<b>Cash (Used in)/Flow from Operating Activities</b>	<b>(20.85)</b>	247.72
Income taxes (paid)/ refund received net	-	-
<b>NET CASH (USED IN) / FLOW FROM OPERATING ACTIVITIES</b>	<b>(20.85)</b>	<b>247.72</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	-	(1.39)
Interest Received on bank deposits	0.31	0.15
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<b>0.31</b>	<b>(1.24)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Settlement from borrowings (net)	27.30	(200.28)
Payment of principal portion of lease liabilities	(4.30)	
Finance cost	(2.45)	(45.91)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>20.55</b>	<b>(246.19)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>(0.00)</b>	0.28
Cash and Cash Equivalents as at the beginning of the year	12.78	12.50
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>12.78</b>	<b>12.78</b>

See accompanying notes forming part of the financial statements

**In Terms of our Report attached**  
**For and on behalf of the Board**

**M/s CNGSN & ASSOCIATES LLP**  
Chartered Accountants  
Firm Registration No. 004915S/S200036

-Sd-  
**Balakumar Vethagiri**  
Chief Executive Officer  
PAN. AADPG2683A

-Sd-  
**Ishari Ganesh Kadirvelan**  
Director  
DIN. 00269445

-Sd-  
**Ashwinkumar Kamala Kannan**  
Director  
DIN. 03447494

-Sd-  
**Parvinder Kaur**  
Company Secretary  
M.No. F8426

-Sd-  
**K.Parthasarathy**  
Partner  
M.No. 018394

Place : Chennai  
Date : 31.07.2020

**GV FILMS LIMITED****Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***A. Equity Share Capital**

Particulars	As at 31 March, 2020 Rs.	As at 31 March, 2019 Rs.
Balance as at beginning of the Year	9,146.28	9,146.28
Changes in equity share capital during the year:	-	-
<b>Closing Balance</b>	<b>9,146.28</b>	<b>9,146.28</b>

**B. Other Equity**

Particulars	Other Reserve	Retained earnings	Securities Premium	Total
Balance as at 1 April 2018	1,216.01	(13,233.55)	8,613.89	(3,403.65)
Profit for the year	-	(2,419.89)	-	(2,419.89)
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>1,216.01</b>	<b>(15,653.44)</b>	<b>8,613.89</b>	<b>(5,823.54)</b>
Dividends paid	-	-	-	-
Dividend distribution tax	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>1,216.01</b>	<b>(15,653.44)</b>	<b>8,613.89</b>	<b>(5,823.54)</b>
Particulars	Other Reserve	Retained earnings	Securities Premium	Total
Balance as at 1 April 2019	1,216.01	(15,653.44)	8,613.89	(5,823.54)
Profit for the year	-	(68.83)	-	(68.83)
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>1,216.01</b>	<b>(15,722.27)</b>	<b>8,613.89</b>	<b>(5,892.37)</b>
Dividends paid	-	-	-	-
Dividend distribution tax	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>1,216.01</b>	<b>(15,722.27)</b>	<b>8,613.89</b>	<b>(5,892.37)</b>

In Terms of our Report attached

For and on behalf of the Board

M/s CNGSN &amp; ASSOCIATES LLP

Chartered Accountants

Firm Registration No. 004915S/S200036

-Sd-	-Sd-	-Sd-	-Sd-	-Sd-
Balakumar Vethagiri Chief Executive Officer PAN. AADPG2683A	Ishari Ganesh Kadirvelan Director DIN. 00269445	Ashwinkumar Kamala Kannan Director DIN. 03447494	Parvinder Kaur Company Secretary M.No. F8426	K.Parthasarathy Partner M.No. 018394

Place : Chennai  
Date : 31.07.2020

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**GV FILMS LIMITED**

**Notes forming part of the financial statements for the year ended 31 March 2020**

*(All amounts are in Rs. In lakhs unless otherwise stated)*

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**Note 1: Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently adopted to all years presented, unless otherwise stated.

**(a) Basis of preparation**

**(i) Compliance with Ind AS**

This is the first year of adoption of Ind AS financial statements.

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS), notified under section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards Rules, 2015)] and other relevant provisions of the Act.

The company had not adopted IND AS for its interim financial reporting.

**(ii) Historical cost convention**

These financial statements have been prepared on the historical cost basis, except for defined benefit plans, where the plan assets are measured at fair value and Investments in equity instruments which also measured on a fair value basis.

**(iii) Amended standards adopted by the Company**

The Company has adopted the following standards and amendments for the annual reporting period commencing 1 April 2019

- Ind AS 116, Leases
- Amendment to Ind AS 20, Accounting for Government grants and disclosure of Government assistance
- Uncertainty over Income-tax treatments - Appendix C to Ind AS 12, Income taxes
- Plan amendment, curtailment or settlement - Amendments to Ind AS 19, Employee benefits
- Amendment to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements
- Amendment to Ind AS 12, Income-taxes
- Amendment to Ind AS 23, Borrowing costs

The Company had to change its accounting policies after the adoption of Ind AS 116. This is disclosed in Note 29. The other amendments listed above did not have any impact on the amounts recognised in the prior period and are not expected to significantly affect the current or future periods.

**(b) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Refer Note 26 for segment information presented.

**(c) Foreign currency translation**

**(i) Functional and presentation currency**

The functional and presentation currency of the Company is Indian Rupee.

**(ii) Transactions and balance**

Foreign currency transactions are translated to functional currency using the exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated at foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign gains and losses are presented in the statement of profit and loss on a net basis with other gains/ (losses).

Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary asset such as equity instruments classified as at FVOCI are recognised in other comprehensive income.

**(d) Revenue recognition**

**(i) Sale of Goods**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind

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**GV FILMS LIMITED**

**Notes forming part of the financial statements for the year ended 31 March 2020**

*(All amounts are in Rs. In lakhs unless otherwise stated)*

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**AS 11 Construction Contracts.**

The Company has adopted Ind AS 115 using the Full Retrospective Method. The impact of adoption of the standard on the financial statements of the Company is insignificant.

- Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.
- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.
- Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenues are recognised when collectability of resulting receivables is reasonably assured.

**(e) Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

**(f) Income tax**

Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**(g) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020**

*(All amounts are in Rs. In lakhs unless otherwise stated)*

capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating Lease: Rental expense from operating leases is generally recognised on a straight-line basis over the term of relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the periods in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**(i) Impairment of assets**

Goodwill and intangible assets that have indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they may be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

**(j) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly-liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within current liabilities in the balance sheet.

**(k) Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

**(l) Inventories**

Inventories represent films under production and other film rights. Films under production represent the cumulative cost incurred till the year end. Films rights represent value of unexploited technology rights of old Hollywood films. Films acquired during the year are fully charged to revenue.

**(m) Investments and other financial assets***Classification of financial assets*

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or Fair value through Profit & Loss ('FVTPL'). The classification depends upon the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The group reclassifies debt investments when and only when the business model for managing those assets changes.

(i) *Recognition* : Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sale the financial asset.

(ii) *Measurement* : At initial recognition, the Company measures a financial asset at its fair value plus, in case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition

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**GV FILMS LIMITED**

**Notes forming part of the financial statements for the year ended 31 March 2020**

*(All amounts are in Rs. In lakhs unless otherwise stated)*

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of the financial asset. Transactions cost of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal interest.

**Debt instruments:** Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI) :** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity instruments :**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iii) Impairment of financial assets :**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(iv) Derecognition of financial asset : A financial asset is derecognised only when:**

- i) The Company has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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**GV FILMS LIMITED**

**Notes forming part of the financial statements for the year ended 31 March 2020**

*(All amounts are in Rs. In lakhs unless otherwise stated)*

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(v) Income recognition :

*Interest income :*

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

*Dividends :*

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

**(n) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(o) Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

*Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

*Depreciation methods, estimated useful lives and residual value*

Property, plant and equipment are depreciated on a straight-line basis over the useful life of the assets as prescribed under the Schedule II of the Companies Act, 2013.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**(p) Intangible assets**

Intangible assets are recognised at acquisition cost net of accumulated amortisation and impairment losses.

*Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

**(q) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(r) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the

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**GV FILMS LIMITED**

**Notes forming part of the financial statements for the year ended 31 March 2020**

*(All amounts are in Rs. In lakhs unless otherwise stated)*

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extent there is no evidence that it is probable] that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of an mandatorily convertible bonds is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(s) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**(t) Provisions, contingent liabilities and contingent assets**

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**(u) Employee Benefits :**

**(i) Short-term obligations:**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations.** The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***(iii) Post-employment obligations**

Company has not determined the gratuity liability and leave encashment in accordance with Indian Accounting Standard (Ind AS 19) "Employee Benefits"

**(v) Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(w) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(x) Earnings per share**

*Basic earnings per share :*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 27).

*Diluted earnings per share:*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(y) Rounding off amounts :**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**Note 2: Critical estimates and judgments**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 22
- Estimated useful life of tangible asset – Note 3

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

**Note 3 Property Plant and Equipments and Intangible Assets - current year ended 31 March 2020**

Particulars	Gross block			Accumulated Depreciation/Amortisation				Net block		
	As at April 1, 2019	Additions	Disposal	As at March 31, 2020	As at March 31, 2019	For the Year Rs.	Eliminated on disposal assests	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>A. Property Plant and Equipments</b>										
Furniture and fixtures	7.04	-	-	7.04	1.12	0.94	-	2.06	4.98	5.92
Motor vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipments	0.12	-	-	0.12	0.01	0.01	-	0.02	0.10	0.11
Computers	1.39	-	-	1.39	0.61	0.49	-	1.10	0.29	0.78
<b>Total (A+B)</b>	<b>8.55</b>	<b>-</b>	<b>-</b>	<b>8.55</b>	<b>1.74</b>	<b>1.44</b>	<b>-</b>	<b>3.18</b>	<b>5.37</b>	<b>6.81</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 3 : Property Plant and Equipments and Intangible Assets - previous year ended 31 March 2019**

Particulars	Gross block				Accumulated Depreciation/Amortisation				Net block	
	As at April 1, 2018 (Rs.)	Additions (Rs.)	Disposal (Rs.)	As at March 31, 2019 (Rs.)	As at April 1, 2018 (Rs.)	For the year Rs.	Eliminated on disposal assests (Rs.)	As at March 31, 2019 (Rs.)	As at March 31, 2019 (Rs.)	As at March 31, 2018 (Rs.)
<b>A. Property Plant and Equipments</b>										
Furniture and fixtures	7.04	-	-	7.04	-	1.12	-	1.12	5.92	7.04
Motor Vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipments	0.12	-	-	0.12	-	0.01	-	0.01	0.11	0.12
Computers	-	1.39	-	1.39	-	0.61	-	0.61	0.78	-
<b>Sub Total (A+B)</b>	<b>7.16</b>	<b>1.39</b>	<b>-</b>	<b>8.55</b>	<b>-</b>	<b>1.74</b>	<b>-</b>	<b>1.74</b>	<b>6.81</b>	<b>7.16</b>
<b>Total (A+B)</b>	<b>7.16</b>	<b>1.39</b>	<b>-</b>	<b>8.55</b>	<b>-</b>	<b>1.74</b>	<b>-</b>	<b>1.74</b>	<b>6.81</b>	<b>7.16</b>

(i) The deemed cost of the property plant and equipment and intangible assets as at 1 April 2018 represents carrying value of all of its property, plant and equipment and intangible assets recognised as of 1 April 2018 (transition date) measured as per the previous GAAP. The carrying value as at 1 April 2018 amounting to Rs. 716,345 represents gross cost of Rs. 2,75,16,447 net of accumulated depreciation of Rs. 2,68,00,102 as at 31 March 2018.

**Note 3(b) : Leases**

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	As at 31 March 2020 (Amount in Rs.)
Right-of-use Asset created for building taken on lease	
As at 1st April 2019	20.78
Add: Increase on adoption of Ind AS 116	
Add: Additions	
Less: Depreciation expense	(4.99)
As at March 31, 2020	<b>15.80</b>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	As at 31 March 2020 (Amount in Rs.)
Right-of-use Asset created for building taken on lease	
As at 1st April 2019	20.78
Add: Increase on adoption of Ind AS 116	1.70
Accretion of interest	(6.00)
(Less): Cash Outflow	
As at March 31, 2020	<b>16.48</b>
Current	6.00
Non-Current	10.48
<b>Total</b>	<b>16.48</b>
<b>(ii) Maturity analysis of the lease liabilities is as follows:</b>	
<b>Lease Liabilities Amount</b>	
Within 1 Year	6.00
Between 1 and 5 years	10.48
<b>Total</b>	<b>16.48</b>

**(iii) The amounts recognised in the statement of profit and loss during the current financial year is as follows:**

Particulars	Amount
Depreciation charge on right-of-use asset	4.99
<b>Depreciation charge on right-of use asset - Sub Total</b>	<b>4.99</b>
Interest expenses included in Finance Costs	1.70
Expense relating to short-term & low value lease payments (included in other expenses)	-
<b>Total</b>	<b>6.68</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 4****4 (a) Non-current investments**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Investment in equity instruments (fully paid-up)</b>			
Equity Instruments at FVTPL			
Quoted			
18,800 (Previous year - 18,800) equity shares of Rs. 100 each fully paid up in GSFC	5.41	17.95	17.69
792 (Previous Year- 792) units	0.08	0.08	0.08
<b>Total</b>	<b>5.49</b>	<b>18.01</b>	<b>17.77</b>
Un Quoted			
Investment in Subsidiary -GV Studio City Limited (100% holding)	1,505.00	1,505.00	1,505.00
<b>Total</b>	<b>1,505.00</b>	<b>1,505.00</b>	<b>1,505.00</b>
<b>Grand Total</b>	<b>1,510.49</b>	<b>1,523.01</b>	<b>1,522.77</b>
Aggregate amount of quoted investments	5.48	18.00	17.77
Aggregate market value of quoted investments	5.48	18.00	17.77
Aggregate amount of unquoted investments	1,505.00	1,505.00	1,505.00

**4 (b) - Other Financial Assests**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Non-Current</b>			
Security deposits	6.49	6.18	2.78
Deposits towards leased premises			
<b>Total Non-current</b>	<b>6.49</b>	<b>6.18</b>	<b>2.78</b>
<b>Total</b>	<b>6.49</b>	<b>6.18</b>	<b>2.78</b>

**4 (c) - Trade receivables (unsecured, considered good)**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Other trade receivables	5.00	120.00	519.32
<b>Total receivables</b>	<b>5.00</b>	<b>120.00</b>	<b>519.32</b>
Current portion	5.00	120.00	519.32
Non-current portion		-	-

**4 (d) - Cash and cash equivalents**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Balances with banks			
- in current accounts	10.28	10.37	10.05
Cash on hand	2.50	2.41	2.45
<b>Total</b>	<b>12.78</b>	<b>12.78</b>	<b>12.50</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 5 - Other Non-current assets**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Capital advances - to related parties	1,168.09	1,168.09	1,752.53
Capital advances - to others			1,105.23
Less: Provision for doubtful advances	-	-	-
	<b>1,168.09</b>	<b>1,168.09</b>	<b>2,857.76</b>
Advances other than capital advances			
- To Subsidiaries	29.92	83.77	117.88
- Staff advances	12.01	12.07	11.51
- Others	25.44	25.46	-
Loans Receivables - credit impaired	-	-	369.69
	67.37	121.30	<b>499.08</b>
<b>Total</b>	<b>1,235.46</b>	<b>1,289.39</b>	<b>3,356.84</b>

**Note 6 - Inventories**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Work-in-progress	-	1,000.00	-
Stock-in-trade ( Film Rights)	3,497.76	3,497.76	3,497.76
<b>Total</b>	<b>3,497.76</b>	<b>4,497.76</b>	<b>3,497.76</b>

6.1 Net of provision

**Note 7 - Other Current assets**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Balances with government authorities	78.96	65.87	-
Less: Provision for doubtful receivables	-	-	-
	78.96	65.87	-
Prepaid Rent - Security deposit	1.23	1.58	-
<b>Total</b>	<b>80.18</b>	<b>67.45</b>	<b>-</b>

**Note 8 - Equity Share capital**

Particulars	As at 31 March, 2020		As at 31 March, 2019		As at 1 April, 2018	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
(a) Authorised						
Equity shares of Rs.1 each with voting rights	2,000,000,000	20,000.00	2,000,000,000	20,000.00	2,000,000,000	20,000.00
	<b>2,000,000,000</b>	<b>20,000.00</b>	<b>2,000,000,000</b>	<b>20,000.00</b>	<b>2,000,000,000</b>	<b>20,000.00</b>
(b) Issued, subscribed and fully paid up						
Equity shares of Rs.1 each with voting rights	914,627,833	9,146.28	914,627,833	9,146.28	914,627,833	9,146.28
<b>Total</b>	<b>914,627,833</b>	<b>9,146.28</b>	<b>914,627,833</b>	<b>9,146.28</b>	<b>914,627,833</b>	<b>9,146.28</b>

Refer Notes (i) to (iv) below

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Notes:**

(i) Reconciliation of the number of shares issued and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March, 2020		As at 31 March, 2019		As at 1 April, 2018	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
Equity shares with voting rights						
Opening Balance	914,627,833	9,146	914,627,833	9,146	368,627,833	3,686.28
Add: Issued During the Year	-	-	-	-	546,000,000	5,460.00
Less: Buy back of equity shares	-	-	-	-	-	-
Closing Balance	914,627,833	9,146	914,627,833	9,146	914,627,833	9,146.28

(ii) Number of shares held by holding company and subsidiary of ultimate holding company

Particulars	As at 31 March, 2020 Number of Shares	As at 31 March, 2019 Number of Shares	As at 1 April, 2018 Number of Shares
	Nil	Nil	Nil

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March, 2020		As at 31 March, 2019		As at 1st April, 2018	
	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares
Balakumar Vethagiri Giri	182,022,749	19.90%	182,022,749	19.90%	182,022,749	19.90%
Ishari K Ganesh	182,060,000	19.91%	182,060,000	19.91%	182,060,000	19.91%
Mahadevan Ganesh	182,000,000	19.90%	182,000,000	19.90%	182,000,000	19.90%

(iv) Terms and rights attached to equity shares

The Company presently has two classes of equity shares of Rs. 1 each. Each shareholder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive payments out of the remaining net assets of the Company after payment of claims of preference shareholders, secured creditors if any and other preferential claims, in proportion to their shareholding.

**Note 9 : Other Equity**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Reserves and Surplus			
Securities Premium Account	8,613.89	8,613.89	8,613.89
Other reserves	1,216.01	1,216.01	1,216.01
Retained Earnings	(15,722.27)	(15,653.44)	(13,233.55)
<b>Total</b>	<b>(5,892.38)</b>	<b>(5,823.54)</b>	<b>(3,403.65)</b>

**General reserve**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)
Opening balance	1,216.01	1,216.01
Movement during the year	-	-
<b>Closing balance</b>	<b>1,216.01</b>	<b>1,216.01</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Retained earnings**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)
Opening balance	(15,653.44)	(13,233.55)
Net profit for the period	(68.83)	(2,419.89)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-	-	-
Dividend declared during the year	-	-
Dividend distribution tax	-	-
<b>Closing balance</b>	<b>(15,722.27)</b>	<b>(15,653.44)</b>

**Note 10 - Financial Liabilities****10 (a) Current borrowings**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Loans repayable on demand</b>			
<b>Unsecured - at amortised cost</b>			
From related parties (refer Note 22)	652.14	624.84	766.44
From others	687.31	687.31	746.00
<b>Total</b>	<b>1,339.45</b>	<b>1,312.15</b>	<b>1,512.44</b>

**Net debt reconciliation**

This section sets out the analysis of net debt and the movements in net debt for each of the periods presented:

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2018	12.50	-	1,512.44	1,512.44
Cash flows	0.28	-	(200.29)	(200.01)
Interest expense	-	-	-	-
Interest paid	-	-	-	-
<b>Net debt as at 31 March 2019</b>	<b>12.78</b>	<b>-</b>	<b>1,312.15</b>	<b>1,324.93</b>
Cash flows	-	-	27.30	27.30
Interest expense	-	-	-	-
Interest paid	-	-	-	-
<b>Net debt as at 31 March 2020</b>	<b>12.78</b>	<b>-</b>	<b>1,339.45</b>	<b>1,352.23</b>

**10 (b). Other financial liabilities**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Current</b>			
Unpaid matured debentures / Bonds	2,012.01	2,012.01	1,887.16
Interest accrued on borrowings	455.89	409.58	363.92
Other payables	40.99	40.67	41.39
<b>Total</b>	<b>2,508.99</b>	<b>2,462.26</b>	<b>2,292.47</b>

**11. Other non current liabilities**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Provision for leave encashment	0.45	0.45	0.45
Gratuity Payable	24.57	24.57	26.07
<b>Total</b>	<b>25.02</b>	<b>25.02</b>	<b>26.52</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 12 : Trade Payables**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Dues to Micro Enterprises & Small Enterprises (Refer Note 26)	-	-	-
Dues to related parties (Refer Note 34)	-	-	-
Others	132.98	1,316.69	261.62
<b>Total</b>	<b>132.98</b>	<b>1,316.69</b>	<b>261.62</b>

**Note 13 : Other Current Liabilities**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Statutory dues including provident fund, taxes deducted at source, etc.	31.22	23.13	22.07
Advance from customers	-	-	-
<b>Total</b>	<b>31.22</b>	<b>23.13</b>	<b>22.07</b>

**Note 14 : Revenue from operations**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
<b>Sale of Services</b>		
Right sale for movies	1,062.50	105.00
<b>Other Operating Revenue</b>		
<b>Total</b>	<b>1,062.50</b>	<b>105.00</b>
<b>(i) Details of Services</b>		
<b>Domestic sales</b>		
Right sale of Movies	1,062.50	105.00
<b>Total</b>	<b>1,062.50</b>	<b>105.00</b>

**Note 15 : Other Income**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Interest from unwinding of security deposit	0.31	0.15
<b>Total</b>	<b>0.31</b>	<b>0.15</b>

**Note 16 - Cost of services**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Films under Production	-	1,000.00
Purchase of Rights	-	100.00
<b>Cost of Services</b>	<b>-</b>	<b>1,100.00</b>

**Note 17 : Changes in inventory of work-in-progress, stock-in-trade and finished goods**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
<b>Opening Balance</b>		
Work-in progress	4,497.76	3,497.76
Finished goods	-	-
<b>Total opening balance</b>	<b>4,497.76</b>	<b>3,497.76</b>
<b>Closing Balance</b>		
Work-in progress	-	4,497.76
Finished goods	3,497.76	-
<b>Total closing balance</b>	<b>3,497.76</b>	<b>4,497.76</b>
<b>Total Changes in inventory of work-in-progress, stock-in-trade and finished goods</b>	<b>1,000.00</b>	<b>(1,000.00)</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 18 - Employee Benefit Expense**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Salaries and Wages	12.83	13.74
Contribution to Provident and other funds	-	-
Staff Welfare Expenses	-	-
<b>Total</b>	<b>12.83</b>	<b>13.74</b>

**Note 19 : Finance costs**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Interest	47.03	45.83
Bank charges	0.03	0.08
Interest on lease liabilities	1.70	-
<b>Total</b>	<b>48.76</b>	<b>45.91</b>

**Note 20 : Depreciation**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Depreciation on tangible assets	1.44	1.74
Depreciation on Right-of-use assets	4.99	-
<b>Total</b>	<b>6.42</b>	<b>1.74</b>

**Note 21 : Other expenses**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Advertisement & Publicity	0.86	1.23
Power and fuel	0.82	0.70
Rent	0.18	3.50
Meeting Expenses	-	5.69
Legal & Professional Charges	16.50	19.13
Penalty	0.50	0.71
Membership and Subscription	-	0.02
Office Expenses	0.53	0.20
Auditors' remuneration:		
For audit services:		
- Statutory Audit for other audit services:	5.00	5.00
- Certification services	-	-
- Tax audit	1.00	-
- In other capacity - taxation fee		
Travelling and conveyance	0.62	2.44
Postage & Courier Expenses	3.28	11.33
Filing Expenses	0.92	0.19
Net loss on foreign currency transactions and translations	-	124.85
Loss on financial assets mandatorily measured at fair value through profit and loss	12.54	(0.27)
Software updates and Web Maintenance	0.11	0.27
Lisitng & Depository Fee	13.96	25.99
Printing & Stationery	6.80	8.86
Miscellaneous expenses	-	0.74
<b>Total</b>	<b>63.62</b>	<b>210.58</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 22 - Income tax expense**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
(a) Income tax expense		
<i>Current tax</i>	-	-
Adjustment of current tax for prior years	-	-
<b>Total current tax expense</b>	-	-
<i>Deferred tax</i>		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	-	-
<b>Total deferred tax expense/ (benefit)</b>	-	-
<b>Income tax expense</b>	-	-
<b>Income tax expense is attributable to:</b>		
Profit from continuing operations	-	-
Profit from discontinued operations	-	-

**Reconciliation of tax expense and accounting profit multiplied by India's tax rate:**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Profit from continuing operations before income tax expense	(68.83)	(266.33)
Profit from discontinuing operations before income tax expense		
<b>Tax at the Indian tax rate of 27.82% / 27.55%</b>	-	-
Tax effect of amounts which are not deductible (taxable) in computing taxable income		
Corporate Social responsibility expenditure	-	-
Adjustment of current tax for prior years	-	-
Changes in the effective tax rate	-	-
Other items	-	-
<b>Income tax expense</b>	-	-

**23. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED')**

Particulars	March 2020 Amount (Rs.)	31st Mar 2019 Amount (Rs.)	1 April 2018 Amount (Rs.)
a. Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	
b. Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	Nil	Nil	Nil
c. Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
d. Interest paid other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
e. Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
f. Interest due and payable towards suppliers registered under the MSMED Act, for payments already made*	Nil	Nil	Nil
g. Further interest remaining due and payable for earlier years	Nil	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 24 : Fair Value Measurement****Financial Instruments by category**

Particulars	31-Mar-20			31-Mar-19			01-Apr-18		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial assets</b>									
Trade receivables	-	-	5.00	-	-	120.00	-	-	519.32
Investments	1,510.49	-	-	1,523.01	-	-	1,522.77	-	-
Cash and cash equivalents	-	-	12.78	-	-	12.78	-	-	12.50
Bank balances	-	-	-	-	-	-	-	-	-
Other financial assets	-	-	6.49	-	-	6.18	-	-	2.78
<b>Total financial assets</b>	<b>1,510.49</b>	<b>-</b>	<b>24.27</b>	<b>1,523.01</b>	<b>-</b>	<b>138.95</b>	<b>1,522.77</b>	<b>-</b>	<b>534.60</b>
<b>Financial liabilities</b>									
Borrowings	-	-	1,339.45	-	-	0.05	-	-	1,512.44
Trade payable	-	-	132.98	-	-	48.01	-	-	261.62
Current maturities of long term debts	-	-	-	-	-	2,012.01	-	-	1,887.16
Other Financial Liabilities	-	-	2,508.89	-	-	22.01	-	-	405.31
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>3,981.32</b>	<b>-</b>	<b>-</b>	<b>2,082.08</b>	<b>-</b>	<b>-</b>	<b>4,066.53</b>

**Fair value hierarchy**

This section explains judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised at measured at fair value and (b) measured at amortised cost for which the fair values are disclosed in the financial statements. To provide an indication about the reliability of inputs used in determining the fair value, the group has classified its financial instrument into three levels as prescribed under the accounting standard.

**Financial assets or liabilities that are measured at amortised cost for which fair value are disclosed as at 31 March 2020**

Particulars	Level 1	Level 2	Level 3	Total
Trade receivables			5.00	<b>5.00</b>
Cash and cash equivalents			12.78	12.78
Bank balances			-	-
Other financial assets			6.49	6.49
<b>Total financial assets</b>			<b>24.27</b>	<b>24.27</b>
<b>Financial liabilities</b>				
Borrowings			1,339.45	<b>1,339.45</b>
Trade payable			132.98	132.98
Current maturities of long term debts			-	-
Other financial liabilities			2,508.89	2,508.89
<b>Total financial liabilities</b>			<b>3,981.32</b>	<b>3,981.32</b>

**Financial assets or liabilities that are measured at amortised cost for which fair value are disclosed as at 31 March 2019**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Trade receivables			120.00	<b>120.00</b>
Cash and cash equivalents			12.78	12.78
Bank balances			-	-
Other financial assets			6.18	6.18
<b>Total financial assets</b>			<b>138.95</b>	<b>138.95</b>
<b>Financial liabilities</b>				
Borrowings			0.05	<b>0.05</b>
Trade payable			48.01	<b>48.01</b>
Current maturities of long term debts			2,012.01	<b>2,012.01</b>
Other financial liabilities			22.01	<b>22.01</b>
<b>Total financial liabilities</b>			<b>2,082.08</b>	<b>2,082.08</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Financial assets or liabilities that are measured at amortised cost for which fair value are disclosed as at 1 April 2018**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Trade receivables	-	-	519.32	<b>519.32</b>
Cash and cash equivalents	-	-	12.50	<b>12.50</b>
Bank balances	-	-	-	-
Other financial assets	-	-	2.78	<b>2.78</b>
<b>Total financial assets</b>	-	-	<b>534.60</b>	<b>534.60</b>
<b>Financial liabilities</b>				
Borrowings			1,512.44	<b>1512.44</b>
Trade payable			261.62	<b>261.62</b>
Current maturities of long term debts			1,887.16	<b>1,887.16</b>
Other financial liabilities			405.31	<b>405.31</b>
<b>Total financial liabilities</b>			<b>4,066.53</b>	<b>4,066.53</b>

**Fair value of assets and liabilities measured at amortised cost**

Particulars	31-Mar-20		31-Mar-19		01-Apr-18	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>						
Trade receivables	5.00	5.00	198.82	198.82	519.32	519.32
Cash and cash equivalents	12.78	12.78	4.71	4.71	12.50	12.50
Bank balances	-	-	704.09	704.09	-	-
Other financial assets	6.49	6.49	106.40	106.40	2.78	2.78
<b>Total financial assets</b>	<b>24.27</b>	<b>24.27</b>	<b>1,014.02</b>	<b>1,014.02</b>	<b>534.60</b>	<b>534.60</b>
<b>Financial liabilities</b>						
Borrowings	1,339.45	1,339.45	0.05	0.05	1,512.44	1,512.44
Trade payable	132.98	132.98	48.01	48.01	261.62	261.62
Current maturities of long term debts	-	-	2.66	2.66	1,887.16	1,887.16
Employee benefits payable	2,508.89	2,508.89	22.01	22.01	405.31	405.31
<b>Total financial liabilities</b>	<b>3,981.32</b>	<b>3,981.32</b>	<b>72.73</b>	<b>72.73</b>	<b>4,066.53</b>	<b>4,066.53</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes equity instruments, traded bonds and mutual funds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, trade bonds, Over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

**Note 25 (a) : Financial Risk Management****Financial Risk Management Framework**

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risks (including currency risk), credit risk and liquidity risk. The Company does not use any derivative instruments to hedge these risks exposures. The Board of directors reviews and agrees policies for managing each of these risks, which are summarized below:

**A) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)*

of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, represents the maximum exposures to credit risk.

**Impairment of financial assets:** Trade receivables are subject to the expected credit loss model. Though, Other Financial assets including security deposits, cash and cash equivalents, other bank balances are also subject to impairment requirement of Ind AS 109, the impairment loss was immaterial. Further, trade receivables from other than related parties are only subject to the expected credit loss model for the Company. Based on past trends, impairment loss on related party trade receivables was immaterial.

**B) Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company.

**C) Market risk****(i) Foreign currency risk**

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows

Particulars	31-Mar-20	31-Mar-19
<b>Financial assets</b>	<b>USD</b>	<b>USD</b>
Trade receivables	29.92	83.77
<b>Net exposure to foreign currency risks (assets)</b>	<b>29.92</b>	<b>83.77</b>

**Sensitivity**

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Particulars	Impact on Profit after tax	
	31-Mar-20	31-Mar-19
<b>USD Sensitivity</b>		
INR/EUR - increase by 5 percent*	(1.50)	(4.19)
INR/EUR - decrease by 5 percent*	1.50	4.19
<i>*Holding all other variables constant</i>		

**ii) Cash flow and fair value Interest rate risk****(a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are negligible.

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 25 (b) : Capital management****(i) Risk management**

The Company manages its capital to ensure maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings, less cash and cash equivalents.

**(ii) Dividends**

Particulars	31-Mar-20	31-Mar-19
<b>Equity shares</b>		
Special dividend declared during the year	-	-
DDT on interim dividend	-	-

**Note 26 : Segment Information**

The Company has a single operating segment, namely, 'Production, processing and editing of films', and the information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance focusses on this operating segment. Accordingly, the amounts appearing in these financial statements relate to this operating segment.

**26.1 Geographical Information:**

The Company operates in the following principal geographical areas - India (country of domicile), Outside India. The Company's revenue from operation from external customers by location of operations and information about its non-current assets by locations of asset are detailed below:

	Revenue from external customers		Non- Current Assets *	
	For the Year ended 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)	For the year ended 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Outside India				
India	1,062.50	105.00	2,201.73	734.47
<b>Total</b>	<b>1,062.50</b>	<b>105.00</b>	<b>2,201.73</b>	<b>734.47</b>

\* Non current assets excludes income tax assets

**Note 27 : Earnings per share**

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

Particulars	For the Year ended 31st March 2020 (Rs.)	For the Year ended 31st March 2019 (Rs.)
Profit for the year attributable to equity shareholders of the Company	(68.83)	(2,419.89)
Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS	914,627,833	914,627,833
Earnings per share from operations - Basic and Diluted	(0.01)	(0.26)

**Note 28 : Commitments and Contingencies**

Particulars	As at 31st March 2020 (Amount in Rs.)	As at 31st March 2019 (Amount in Rs.)	As at 1st April 2018 (Amount in Rs.)
<b>A. Commitments</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	-	-	-
<b>B. Contingencies</b>			
Claims against the Company not acknowledged as debts:	500.00	500.00	500.00
- Matters against which Company has filed appeal			
-Service Tax	53.53	53.53	53.53

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***B1. Contingencies not provided for****SEBI Investigations**

A common Show Cause Notice(SCN) was issued to the Company and Other Parties during the investigation period under the provisions of Rule 4 (1) of the Adjudication Rules and Rule 4 of SCR Adjudication Rules, to show cause as to why an inquiry should not be held against them and the Company and why penalty should not be imposed on Company under the provisions of Sections 15HA of the SEBI Act and Section 23E of SCRA, 1956 and on the Other Parties under the provisions of Section 15HA of SEBI Act, for the aforesaid alleged violations.

The Company, vide letter dated July 17th, 2018, made its submissions through its legal representatives, and refuted all the allegations levelled against it and the Other Parties in the SCN.

On consideration of the Issues, evidences and findings, the AO passed an Adjudication Order against the Company in Order No: ORDER/PM/RR/2019-20/6630-6635 dated January 29th,2020 issuing a Direction and imposing a penalty as under:

**Direction** - In exercise of powers conferred under Sections 11, 11B read with Section 19 of the Securities and Exchange Board of India Act, 1992, the Company is restrained from accessing the Securities Market including by issuing prospectus, offer document or advertisement soliciting money from the public and is further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, for a period of five years from the date of the order.

**Penalty -**

A penalty of Rs.25,00,000/-(Rupees Twenty-Five Lakhs only) levied on the Company under Section 15HA of the SEBI Act, 1992 and Section 23E of the SCRA,1956.

Similarly, Directions and Penalties were given/levied on the Other Parties by the AO vide the Order in Order No: ORDER/PM/RR/2019-20/6630-6635.

The Company is in the course of filing an appeal against the above Order of the AO before the Honourable Securities Appellate Tribunal (SAT) under Section 15T of the SEBI Act. The Company is extremely confident of winning the Appeal.

In respect of the queries raised by the Securities and Exchange Board of India (SEBI) in relation to the preferential allotment of 54,60,00,000 equity shares of Rs.1/- each equally to Mr.Ishari Kadhrivelan Ganesh, Mr. Mahadevan Ganesh and Mr.Balakumar Vethagiri Giri respectively during the Financial Year 2017-18 , the Company is giving its submissions from time to time and hopes to resolve the issues within a short span of time.

**Note 29 : Changes in Accounting Policies**

This note explains the impact of adopting Ind AS 116, Leases on the company's financial statements:

**Impact on the financial statements - lease accounting:**

As indicated in Note 1(a)(iii), the company has adopted Ind AS 116 retrospectively from 1 April 2019, but has not restated comparatives for the year ended 31 March 2019, as permitted under the specific transition provision in the standard. The reclassifications and adjustments arising from the adoption has been recognised in the opening balance sheet on 1 April 2019. The new accounting policies are disclosed in Note 1.

On adoption of Ind AS 116, the Company has recognised lease liabilities in relation to leases which has been previously classified as 'operating leases' under the principles of 'Ind AS 17'. These liabilities were measured at the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The company has no lease classified as a finance lease.

<b>Particulars</b>	<b>Amount</b>
Operating lease commitments disclosed as at 31 March 2019	25.00
Less: Short-term/low-value leases not recognised as liability	
<b>Net operating lease commitments disclosed as at 31 March 2019</b>	<b>25.00</b>
Discounted using the interest rate implicit in the lease as on date of initial application (Lease liability recognised on 1 April 2019)	20.78
Out of which:	
Current lease liabilities	6.00
Non-current lease liabilities	14.78
	<b>20.78</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Measurement of right-of-use assets**

The associated right of-use assets for the property leases were measured at an amount equal to the lease liabilities as on the date of adoption.

**Adjustments recognised in the balance sheet on 1 April 2019**

Particulars	Amount
Increase-in-right of use assets	20.78
Increase in lease liabilities	(20.78)
<b>Net impact in retained earnings</b>	-

**Note 30: Related Party Transactions****(a) List of related parties where control exists****Investment in subsidiary**

GV Studio City Limited (100% holding)

**(b) Key management personnel**

Isari Arthi Ganesh

Ishari Ganesh Kadhivelan

Balakumar Vethagiri Giri

Mahadevan Ganesh

**(c) Entities where Directors are partners / directors**

Sidhesh Enterprises

**d. Particulars of transactions or balances with related parties**

Particulars	Subsidiary		KMP		Others		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>Transactions</b>								
Advances given repaid	53.85	34.11	-	-	-	-	53.85	34.11
Rent Paid			6.00	-	-	-		
Loans received			27.30	-	-	-		
Loans received repaid			-	141.60	-	-		
<b>Total</b>	<b>53.85</b>	<b>34.11</b>	<b>33.30</b>	<b>141.60</b>	-	-	<b>53.85</b>	<b>34.11</b>

Particulars	Subsidiary			KMP			Others			Total		
	2019-20	2018-19	2017-18	2019-20	2018-19	2017-18	2019-20	2018-19	2017-18	2019-20	2018-19	2017-18
<b>Balances as at year end</b>												
Advances to Subsidiaries	29.92	83.77	117.88							29.92	83.77	117.88
Loans from Directors				652.14	624.84	766.44				652.14	624.84	766.44
Capital Advances							1,168.09	1,168.09	1,752.53	1,168.09	1,168.09	1,752.53
Advance received (Cr.)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>29.92</b>	<b>83.77</b>	<b>117.88</b>	<b>652.14</b>	<b>624.84</b>	<b>766.44</b>	<b>1,168.09</b>	<b>1,168.09</b>	<b>1,752.53</b>	<b>1,850.15</b>	<b>1,876.70</b>	<b>2,636.85</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Note 31: First-time adoption of Ind AS  
Transition to Ind AS**

This is the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2020, the comparative information presented in these financial statements for the year ended 31 March 2019 and the preparation of an opening Ind AS Balance Sheet as at 1 April 2018 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A.1 Ind AS optional exemptions****A.1.1. Deemed cost**

Ind AS (101) permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making adjustment for this decommissioning liabilities. The exemption can be used for intangible assests covered by Ind AS 38 Intangible Assests:

Accordingly, the Company has elected to measure all of its property, plant and equipment and Intangible assests at their previous GAAP carrying value.

**A.2 Ind AS mandatory exceptions****A.2.1. Estimates**

An entity's estimates in accordance with Ind AS as the date of transition shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2018 are consistent with the estimates as at the same date made in accordance with the previous GAAP.

**B. Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**Reconciliation of equity as at date of transition (1 April 2018)****(Amount in Rs.)**

Particulars	Notes	As at 1 April 2018 (Date of transition)		
		Previous GAAP	Adjustments	IND AS
<b>Non-current assets</b>				
(a) Property, plant and equipments		7.16	-	7.16
(b) Capital Work-in-progress		926.97	-	926.97
(c) Other intangible assests		-	-	-
(d) Financial assests				
(i) Investments	1	1,505.45	17.32	1,522.77
(ii) Other financial assests		2.78	-	2.78
(e) Non-current tax assets		11.65	-	11.65
(f) Other Non-current tax assets		3,356.84	-	3,356.84
<b>Total Non - Current Assets</b>		<b>5,810.85</b>	<b>17.32</b>	<b>5,828.17</b>
<b>Current assets</b>				
(a) Inventories		3,497.76	-	3,497.76
(b) Financial Assets				
(i) Trade receivables		519.32	-	519.32
(ii) Cash and cash equivalents		12.50	-	12.50
(iii) Bank balances other than (ii) above		-	-	-
(c) Other current assets		-	-	-
<b>Total Current Assets</b>		<b>4,029.58</b>	<b>-</b>	<b>4,029.58</b>
<b>Total Assets</b>		<b>9,840.43</b>	<b>17.32</b>	<b>9,857.75</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***Reconciliation of equity as at date of transition (1 April 2018)****(Amount in Rs.)**

Particulars	Notes	As at 1 April 2018 (Date of transition)		
		Previous GAAP	Adjustments	IND AS
<b>(II) EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		9,146.28	-	9,146.28
(b) Other Equity	5	(3,420.97)	17.32	(3,403.65)
<b>Total equity (I+II)</b>		<b>5,725.31</b>	<b>17.32</b>	<b>5,742.63</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Other Financial liabilities	4	-	-	-
(b) Deferred tax liabilities		-	-	-
(c) Other non-current liabilities		26.52	-	26.52
<b>Total</b>		<b>26.52</b>	<b>-</b>	<b>26.52</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		1,512.44	-	1,512.44
(ii) Trade payables		261.62	-	261.62
(iii) Other financial liabilities		2,292.47	-	2,292.47
(b) Provisions		-	-	-
(c) Other Current Liabilities		22.07	-	22.07
<b>Total</b>		<b>4088.60</b>	<b>-</b>	<b>4088.60</b>
<b>Total Equity and Liabilities</b>		<b>9,840.43</b>	<b>17.32</b>	<b>9,857.45</b>

**Reconciliation of equity as at 31 March 2019**

Particulars	Notes	As at 31st March 2019		
		Previous GAAP	Adjustments	IND AS
<b>Non-current assets</b>				
(a) Property, plant and equipments		6.81	-	6.81
(b) Capital Work-in-progress		926.97	-	926.97
(c) Other intangible assests		-	-	-
(d) Financial assets				
(i) Investments	1	1505.42	17.59	1,523.01
(ii) Other financial assests		7.78	(1.60)	6.18
(e) Non-Current tax assets		11.65	-	11.65
(f) Other non-current assets		1,289.39	-	1,289.39
<b>Total Non - Current Assets</b>		<b>3,748.02</b>	<b>15.98</b>	<b>3,764.00</b>
<b>Current assets</b>				
(a) Inventories		4,497.76	-	4,497.76
(b) Financial Assets				
(i) Trade receivables		120.00	-	120.00
(ii) Cash and Cash equivalents		12.78	-	12.78
(iii) Bank balances other than (iii) above	2	-	-	-
(iv) Other Financial Assests		-	-	-
(c) Other Current Assests		85.86	1.59	67.45
<b>Total Current Assets</b>		<b>4,696.40</b>	<b>1.59</b>	<b>4,697.99</b>
<b>Total Assets</b>		<b>8,444.42</b>	<b>17.57</b>	<b>8,461.99</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***(Amount in Rs.)**

Particulars	Notes	As at 31st March 2019		
		Previous GAAP	Adjustments	IND AS
<b>(II) EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		9,146.28	-	9,146.28
(b) Other Equity	5	(5,841.11)	17.57	(5,823.54)
<b>Total equity (I+II)</b>		<b>3,305.17</b>	<b>17.57</b>	<b>3,322.74</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Other financial liabilities		-	-	-
(b) Deferred tax liabilities	4	-	-	-
(c) Other non-current liabilities	2	25.02	-	25.02
<b>Total</b>		<b>25.02</b>	<b>-</b>	<b>25.02</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		1,312.15	-	1,312.15
(ii) Trade payables		1,316.69	-	1,316.69
(iii) Other financial liabilities		2,462.26	-	2,462.26
(b) Provisions		-	-	-
(c) Other Current Liabilities		23.13	-	23.13
<b>Total</b>		<b>5,114.23</b>	<b>-</b>	<b>5,114.23</b>
<b>Total Equity and Liabilities</b>		<b>8,444.42</b>	<b>17.57</b>	<b>8,461.99</b>

**Reconciliation of total comprehensive income for the year ended 31 March 2019**

Particulars	Notes	Previous GAAP	Adjustments	IND AS
I. Revenue from operations		105.00	-	105.00
II. Other Income		-	0.15	0.15
<b>III. Total Revenue (I + II)</b>		<b>105.00</b>	<b>0.15</b>	<b>105.15</b>
<b>IV. EXPENSES</b>				
(a) Cost of Raw materials consumed		1,100.00	-	1,100.00
(b) Changes in inventories of finished goods and work-in-progress		(1,000.00)	-	(1,000.00)
(c) Employee benefit expense		13.74	-	13.74
(d) Finance costs		45.81	0.10	45.91
(e) Depreciation and amortisation expense		1.74	-	1.74
(f) Other expenses	1	210.85	(0.27)	210.58
<b>Total Expenses</b>		<b>372.15</b>	<b>(0.17)</b>	<b>371.98</b>
<b>V. Profit before exceptional items (III - IV)</b>		<b>(267.15)</b>	<b>0.32</b>	<b>(266.83)</b>
<b>Exceptional Items</b>		<b>2,153.06</b>	<b>-</b>	<b>2,153.06</b>
<b>Profit before tax (VII-VIII)</b>		<b>(2,420.21)</b>	<b>-</b>	<b>(2,419.89)</b>
<b>VI. Tax Expense</b>				
- Current tax		-	-	-
- Adjustment to current tax of prior periods		-	-	-
- Deferred tax	2	-	-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>	<b>-</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)*

<b>VII. Profit for the period (VIII-IX)</b>		<b>(2,420.21)</b>	<b>0.32</b>	<b>(2,419.89)</b>
<b>VIII. Other comprehensive income</b>				
(i) Items that will not be recycled to profit or loss	<b>3&amp;6</b>			
- Remeasurements of defined benefit plans		-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	<b>3&amp;6</b>	-	-	-
<b>Total Other Comprehensive Income for the year</b>		-	-	-
<b>IX. Total comprehensive Income for the period (VII + VIII)</b>		<b>(2,420.21)</b>	<b>0.32</b>	<b>(2,419.89)</b>

**Reconciliation of total equity as at 31 March 2019 and 1 April 2018**

Particulars	Notes	31-Mar-19	01-Apr-18
Total equity as per previous GAAP		3,305.17	5,725.30
<b>Adjustments:</b>			
Fair valuation of investments	<b>1</b>	17.59	17.32
Actuarial valuation of Gratuity and Provision for Leave encasement		-	-
Unwinding of Security Deposits	<b>2</b>	<b>0.06</b>	-
Tax effect of adjustments	<b>4</b>	-	-
<b>Total adjustments</b>		<b>17.64</b>	<b>17.32</b>
<b>Total equity as per Ind AS</b>		<b>3,322.74</b>	<b>5,742.63</b>

**Reconciliation of total comprehensive income for the year ended 31 March 2018**

Particulars	Notes	31-Mar-18
Profit after tax as per previous GAAP		(2,420.21)
<b>Adjustments:</b>		
Fair valuation of investments	<b>1</b>	0.27
Unwinding of discount on Security deposits	<b>2</b>	(0.10)
Interest Income on Security deposits	<b>2</b>	0.15
Unwinding of revenue received in advance		-
Deferred tax impact on adjustments	<b>4</b>	-
<b>Total value of adjustments</b>		<b>0.32</b>
<b>Profit after tax as per Ind AS</b>		<b>(2,419.89)</b>
<b>Other Comprehensive income</b>		-
<b>Total Comprehensive income as per Ind AS</b>		<b>(2,419.89)</b>

**Impact of Ind AS adoption on the statement of cash flows for the year ended 31 March 2019**

Particulars	Notes	Previous GAAP	Adjustments	IND AS
Net cash flow from operating activities	-	247.72	-	247.72
Net cash flow from investing activities	-	(1.24)	-	(1.24)
Net cash flow from financing activities	-	(246.19)	-	(246.19)
<b>Net increase in cash and cash equivalents</b>		<b>0.28</b>	-	<b>0.28</b>
Cash and cash equivalents as at 1 April 2018	-	12.50	-	12.50
<b>Cash and cash equivalents as at 31 March 2019</b>	-	<b>12.78</b>	-	<b>12.78</b>

**GV FILMS LIMITED****Notes forming part of the financial statements for the year ended 31 March 2020***(All amounts are in Rs. In lakhs unless otherwise stated)***C. Notes to first time adoption****Note 1: Fair valuation of investments**

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2018. This increased the retained earnings by Rs. 0.27 as at 31 March 2019 (1 April 2018 - Rs. 17.32.).

**Note 2:**

Under the previous GAAP, interest free security deposits that are refundable at the end of the lease-term are recorded at transaction cost. Under Ind AS, all financial assets are recognised at fair value. Accordingly, the Company has valued security deposits at fair value under Ind AS and the difference between transaction cost and fair value has been considered as a prepayment. Consequent to the change, the amount of security deposit has decreased by Rs. 0.90 and the amount of prepayments has increased by Rs. 0.89 as at 31 March 2019. The total comprehensive income for the year ended 31 March 2019 has decreased by Rs. 0.01 with a corresponding increase to retained earnings.

**Note 3: Deferred tax**

Deferred tax have been recognised on the adjustments made on transition to Ind AS.

**Note 4: Retained earnings**

Retained earnings as at 1 April 2018 has been adjusted consequent to the above Ind AS transition adjustments.

**Note 5: Other Comprehensive income**

Under Ind AS, all items of income and expense recognised in the period should be included in the profit or loss for the period unless the standard requires or permits otherwise. Items of income or expense that are not recognised in profit or loss but are shown in the statement of profit or loss as "other comprehensive income" includes remeasurements of defined benefit obligations. The concept of other comprehensive income did not exist under the previous GAAP.

**Note 32: Previous Year Figures**

As stated in Note 1, the Company has adopted Indian Accounting Standards with effect from 1 April 2019 with date of transition to Ind AS being 1 April 2018. Accordingly, previous year figures in the financial statements have been restated to Ind AS. Further, previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**Note 33: Impact of Covid 19 Pandemic**

The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 has adversely affected the entire media and entertainment industry and consequently the business activities of the Company are also affected. The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and value of all Investments, other assets, and liabilities as at March 31, 2020 and concluded that there were no material adjustments required in the financial statements as of 31st March 2020. However, there has been a significant impact in the business of the Company in the current year. The management anticipates negligible revenue in the first three Quarters of FY21 and business is likely to pick up from the last Quarter of FY21. Our operations have come to minimum with mostly maintenance services. The Company has resorted to multiple cost reduction and cash deferral activities. The impact of assessment of Covid-19 is a continuous process given the uncertainty associated with its nature and durations. The Company will continue to monitor any material changes as the situation evolves.

**M/s CNGSN & ASSOCIATES LLP**

Chartered Accountants

Firm Registration No. 004915S/S200036

**For and on behalf of the Board**

-Sd-	-Sd-	-Sd-	-Sd-	-Sd-
<b>Balakumar Vethagiri</b>	<b>Ishari Ganesh Kadirvelan</b>	<b>Ashwinkumar Kamala Kannan</b>	<b>Parvinder Kaur</b>	<b>K.Parthasarathy</b>
Chief Executive Officer	Director	Director	Company Secretary	Partner
PAN. AADPG2683A	DIN. 00269445	DIN. 03447494	M.No. F8426	M.No. 018394

Place : Chennai  
Date : 31.07.2020

## CONSOLIDATED FINANCIAL STATEMENTS INDEPENDENT AUDITOR'S REPORT

### To the Members

#### GV Films Limited, Mumbai

Report on the Audit of the Consolidated Financial Results  
**Qualified Opinion**

We have audited the accompanying Consolidated Financial Statements of GV Films Limited (the 'Company') and its subsidiary listed below (the "Company" and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2020, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matters described in the Basis for Qualified Opinion section of our report, and on the consideration of the reports of the other auditors on separate financial statements/ financial information of the subsidiary referred to in the Other Matters Section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('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 consolidated state of affairs of the Group as at 31 March 2020, its consolidated profit including other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

#### Basis for Qualified Opinion

##### **Indian Accounting Standards(IND AS 19) on Employee Benefits:**

The Group has gratuity liability which are in the form of defined benefits obligations. The Group has not made any contributions to Pension and Gratuity Trusts or any other fund based on the percentage of salary towards Gratuity and Pension Liabilities. The Group has not recognized its defined benefit obligations based on the actuarial valuation as stated under IND AS 19. On account of this, we are unable to comment on the correctness and the impact of the cost of employee benefits charged to the Statement of Profit and Loss (including the Other Comprehensive Income) and the disclosures as required by IND AS 19 in the financial statements.

##### **Balance Confirmations:**

We have not received confirmation of balances in respect of trade payables, trade receivables, loans and advances received by the Company, loans and advances made by the Company, stock-in trade and capital work-in progress. The management represented that these balances are

realizable/ settled in the ordinary course of business. In the absence of confirmation of balances, we were unable to determine whether any adjustments by way of provision for doubtful debts etc. were necessary at the year end.

Further attention is drawn to the presence of several inoperative bank accounts held by the Company. In the absence of the confirmation of the balances of these account balances and the other bank account balances, we are unable to form an opinion on the correctness of the balances.

##### **Foreign Currency Convertible Bonds:**

Further, attention is drawn to the non-furnishing of the underlying Agreement to the Foreign Currency Convertible Bonds (FCCBs) issued by the Company during the course of our audit. The Management has furnished us \$ 65,250/-, the Indian Rupee equivalent being Rs.46,67,771/- as the interest payable on the FCCBs. In the absence of production of the Original documents of the FCCBs, we are unable to form an opinion on the correctness of the outstanding balance of the FCCBs and the interest payable thereon.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

The results of audit procedures performed by us and by the other auditor of the component not audited by us, as reported by them in their audit report furnished to us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

We have determined the following to be the key audit matters to be communicated in our report.

Key Audit Matter	How was the matter addressed in our audit
<p data-bbox="264 512 810 613"><b><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers “ ( revenue accounting standard)</i></b></p> <p data-bbox="264 622 810 902">The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p data-bbox="264 1111 810 1160"><i>Impact of Covid-19 pandemic on the operations of the Group</i></p>	<p data-bbox="817 512 1362 539"><b><i>Principal Audit Procedures</i></b></p> <p data-bbox="817 548 1362 674">We assessed the Group’s process to identify the impact of adoption of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul data-bbox="817 683 1362 1693" style="list-style-type: none"> <li data-bbox="817 683 1362 757">■ Evaluated the design of internal controls relating to implementation of the revenue accounting standard.</li> <li data-bbox="817 766 1362 969">■ Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> <li data-bbox="817 978 1362 1104">■ Tested the relevant information technology systems’ access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard.</li> <li data-bbox="817 1113 1362 1693">■ We assessed the Group’s process to identify, assess, and respond to risks of material misstatement considering the uncertainties and the impact of Covid-19 pandemic on the Group’s operations and results for the year under consideration. We have designed, performed procedures and modified previously planned audit procedures as a result of the necessity for carrying out part of the audit procedures remotely, including verification of the source and completeness of data provided for audit. This includes performing alternative audit procedures to obtain audit comfort in respect of significant account balances for recognition, measurement and disclosures. We specifically discussed the impact of COVID-19 with the management and critically challenged the key assumptions and their reasonableness in making such key accounting estimates. We have considered management’s adjustments or disclosures which includes the impact of the changes in the environment on the recognition and measurement of account balances and transactions in the financial statements or other specific disclosures.</li> </ul>

**Emphasis of Matter**

We would like to draw your attention to the following:

a) The Group has adopted the Indian Accounting Standards (IND-AS) prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from Financial Year 2019-20, the date of transition being 1st April 2018. The financial results declared to SEBI for the first three Quarters of the financial year 2019-20 were as per Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2006, as amended. The financial results of the last Quarter and the Annual results are under the Indian Accounting Standards. Attention is drawn to Note No. 1 to the Consolidated Financial Statement in this regard.

b) We draw your attention to Note No.35 to the annual Consolidated Financial Statement which explains the management's assessment of the financial and operational impact on the business of the Group due to the lock-down and conditions relevant to the COVID-19 and its consequential impact of the carrying values of the assets as at 31st March 2020.

Our opinion is not modified in respect of this matter.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements, Standalone financial statements and our Auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Ind AS specified

under Section 133 of the Act. The respective Board of Directors /management of the companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the Consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that

- are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls;
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
  - ◆ Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and
  - ◆ Evaluate the overall presentation, structure, and content of the Consolidated financial results, including the disclosures, and whether the Consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors'

report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

Reference is drawn to Note No.30 of the Consolidated Financial Statement detailing the events culminating in the Order of the Adjudicating Officer of SEBI in Order No:ORDER/PM/RR/2019-20/6630-6635 dated 29th January ,2020 against the Company. The Company has represented that it is in the course of filing an appeal against the aforementioned Order before the Honourable Securities Appellate Tribunal (SAT) and is confident of winning the Appeal once filed.

Our audit opinion is not modified in respect of the above.

Further, The consolidated annual financial results include the audited financial results of a subsidiary whose financial statements reflect total assets (before consolidation adjustments) of Rs.1308.11 lakhs as at 31 March 2020, total revenue (before consolidation adjustments) of Rs.138.89 lakhs and total net profit after tax (before consolidation adjustments) of Rs.97.45 lakhs, as considered in the consolidated annual financial results, which has been audited by its respective independent auditor. The independent auditors' report on financial statements of the entity has been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial results certified by the Board of Directors.

Our audit opinion is not modified in respect of the above.

#### Report on other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on separate financial statements of subsidiary and associate companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements.
- 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 and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow

- Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year, if any, is in accordance with the provisions of section 197 of the Act;
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group.
  - ii. The Group has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020.

for **M/s CNGSN & ASSOCIATES LLP**

CHARTERED ACCOUNTANTS

Firm Registration No: 004915S/S200036

Place : Chennai

Date : 31/07/2020

**K.Parthasarathy**

Partner

Membership No: 018923

UDIN: 20018394AAAADV8923

### Annexure A -

**To The Independent Auditors' Report of even date To The Members of  
GV Films Limited, on the consolidated Ind AS financial statements as of and for the year ended 31st March 2020  
Report on the Internal financial Controls with reference to financial statements under Clause (i) of sub-section 3 of section  
143 of the Companies Act, 2013 (the "Act")**

In conjunction with our audit of the Consolidated financial statements of **GV Films Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

**Management's Responsibility for Internal financial Controls**

The Holding Company's Board of Directors is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 the Company's 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 (hereinafter referred to as "Act").

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated

financial statements, 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 Auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to consolidated financial statements.

**Meaning of Internal financial Controls over Financial Reporting**

A Company's internal financial controls with reference to the consolidated financial statements 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 controls with reference to consolidated financial statements 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following weakness has been identified as at 31st March 2020. " The Company's internal control system for *obtaining confirmation of balances from outside parties for trade receivable, trade payable and loans and advances, stock -in trade and capital work-in progress, bank confirmations, which could potentially result in existence of uncertainty that may cast significant doubt about the recoverability/settlement of these items.*"

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 financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria of the Company, the Holding Company and its subsidiary which is incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal controls with reference to the consolidated financial statements criteria established by the respective 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 (the "Guidance Note").

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the March 31st, 2020 financial statements of the Group and the material weaknesses does affect our opinion on the financial statements of the Company.

for **M/s CNGSN & ASSOCIATES LLP**

CHARTERED ACCOUNTANTS

Firm Registration No: 004915S/S200036

Place : Chennai

Date : 31.07.2020

-Sd-

**K.Parthasarathy**  
Partner

Membership No: 018923  
UDIN: 20018394AAAADV8923

**G.V. FILMS LIMITED and its subsidiary**  
**Consolidated Balance Sheet as at 31<sup>st</sup> March 2020**

*(All amount are Rs. in Lakhs unless otherwise stated)*

Particulars	Note No.	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>(I) ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, plant and equipments	3	860.95	881.11	930.07
(b) Capital Work-in-progress		926.97	926.97	926.97
(c) Right-of-use assets	4	46.66	-	-
(d) Financial assets				
(i) Investments	5 (a)	5.50	18.04	17.77
(ii) Loans	5 (b)	11.09	10.40	2.78
(e) Deferred tax assets (net)	6	43.61	1.88	1.62
(f) Other non-current assets	7 (a)	1,226.38	1,208.59	3,240.27
(g) Non-Current tax assets	7 (b)	10.80	6.82	6.82
<b>Total non-current assets</b>		<b>3,131.96</b>	<b>3,053.82</b>	<b>5,126.31</b>
<b>(2) Current assets</b>				
(a) Inventories	8	3,497.76	4,497.76	3,497.76
(b) Financial assets				
(i) Trade receivables	5 (c)	5.00	120.00	519.32
(ii) Cash and cash equivalents	5 (d)	20.24	15.45	12.85
(c) Other current assets	9	426.16	413.43	350.93
<b>Total current assets</b>		<b>3,949.16</b>	<b>5,046.64</b>	<b>4,380.86</b>
<b>TOTAL ASSETS</b>		<b>7,081.12</b>	<b>8,100.45</b>	<b>9,507.17</b>
<b>(II) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share Capital	10	9,146.28	9,146.28	9,146.28
(b) Other Equity	11	(6,608.19)	(6,636.82)	(4,270.52)
<b>Total equity</b>		<b>2,538.09</b>	<b>2,509.46</b>	<b>4,875.76</b>
<b>(2) Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	12	195.94	179.76	164.92
(ii) Lease Liabilities	4	33.20	-	-
(b) Other non-current liabilities	13	25.02	25.02	26.52
<b>Total Non-current liabilities</b>		<b>254.16</b>	<b>204.78</b>	<b>191.44</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	12 (b)	1,514.57	1,481.60	1,745.40
(ii) Trade payables	14	152.09	1,330.52	281.13
(iii) Other financial liabilities	12 (c)	2,515.82	2,471.61	2,300.35
(iv) Lease Liabilities	4	15.49	-	-
(b) Other current liabilities	15	90.90	102.48	113.09
<b>Total current liabilities</b>		<b>4,288.87</b>	<b>5,386.21</b>	<b>4,439.97</b>
<b>Total liabilities</b>		<b>4,543.03</b>	<b>5,590.99</b>	<b>4,631.41</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,081.12</b>	<b>8,100.45</b>	<b>9,507.17</b>

See accompanying notes

forming part of the financial statements

In Terms of our Report attached  
For and on behalf of the BoardM/s CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S/S200036-Sd-  
Balakumar Vethagiri Giri  
Chief Executive Officer  
PAN. AADPG2683A-Sd-  
Ishari Ganesh Kadirvelan  
Director  
DIN. 00269445-Sd-  
Ashwinkumar Kamala Kannan  
Director  
DIN. 03447494-Sd-  
Parvinder Kaur  
Company Secretary  
M.No. F8426-Sd-  
K.Parthasarathy  
Partner  
M.No. 018394Place: Chennai  
Date: 31.07.2020

**G.V. FILMS LIMITED and its subsidiary**  
**Consolidated Statement of Profit & Loss for the year ended 31<sup>st</sup> March 2020**

*(All amount are Rs. in Lakhs unless otherwise stated)*

	Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2020 (Rs.)	For the Year ended 31 <sup>st</sup> March, 2019 (Rs.)
I.	Revenue from operations	16	1,201.01	248.30
II.	Other Income	17	0.69	0.47
III.	<b>Total Revenue (I + II )</b>		<b>1,201.70</b>	<b>248.77</b>
IV.	<b>EXPENSES</b>			
	Cost of Services	18	-	1,100.00
	Changes in inventories of finished goods and work-in-progress	19	1,000.00	(1,000.00)
	Employee benefit expense	20	16.47	22.73
	Finance costs	21	68.27	60.75
	Depreciation and amortisation expense	22	37.14	50.36
	Other expenses	23	92.92	228.42
	<b>Total Expenses (IV)</b>		<b>1,214.80</b>	<b>462.27</b>
V.	<b>Profit before exception items and tax (III - IV)</b>		<b>(13.10)</b>	<b>(213.50)</b>
VI.	<b>Exceptional Items</b>		-	2,153.06
VII.	<b>Profit after exception items and before tax (V - VI)</b>		<b>(13.10)</b>	<b>(2,366.56)</b>
VIII.	Tax Expense			
	(a) Current tax	24	8.85	-
	(b) Adjustment of Current tax relating of prior periods	24	9.00	-
	(c) MAT Credit entitlement	24	(17.85)	-
	(d) Deferred tax	5	(41.73)	(0.26)
	<b>Total tax expense</b>		<b>(41.73)</b>	<b>(0.26)</b>
IX.	<b>Profit for the period (V - VI)</b>		<b>28.63</b>	<b>(2,366.30)</b>
X.	<b>Other comprehensive income</b>			
	(i) Items that will not be reclassified to profit or loss - Remeasurements of defined benefit plans		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Total Other comprehensive income</b>		-	-
XI.	<b>Total comprehensive income for the period (VII + VIII)</b>		<b>28.63</b>	<b>(2,366.30)</b>
XII.	<b>Earnings per equity share (face value of Rs. 10 each)</b>	29		
	(1) Basic		0.00	(0.26)
	(2) Diluted		0.00	(0.26)

In Terms of our Report attached  
For and on behalf of the Board

-Sd-  
Balakumar Vethagiri Giri  
Chief Executive Officer  
PAN. AADPG2683A

-Sd-  
Ishari Ganesh Kadirvelan  
Director  
DIN. 00269445

-Sd-  
Ashwinkumar Kamala Kannan  
Director  
DIN. 03447494

M/s CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S/S200036

-Sd-  
Parvinder Kaur  
Company Secretary  
M.No. F8426

-Sd-  
K.Parthasarathy  
Partner  
M.No. 018394

Place : Chennai  
Date : 31.07.2020

**G.V. FILMS LIMITED** and its subsidiary  
**Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2020**  
*(All amount are Rs. in Lakhs unless otherwise stated)*

**A. EQUITY SHARE CAPITAL**

Note	Particulars	As at 31 <sup>st</sup> March 2020 Rs.	As at 31 <sup>st</sup> March 2019 Rs.
	Balance as at beginning of the Year	80.00	80.00
	Changes in equity share capital during the year:	-	-
	<b>Closing Balance</b>	<b>80.00</b>	<b>80.00</b>

**B. OTHER EQUITY**

Particulars	General Reserve	Retained earnings	Total
Balance as at 1 April 2018	640.77	836.56	1,477.33
Profit for the year	-	(2,366.30)	(2,366.30)
Other Comprehensive Income	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>640.77</b>	<b>(1,529.74)</b>	<b>(888.97)</b>
Dividends paid	-	-	-
Dividend distribution tax	-	-	-
<b>Balance as at 31 March 2019</b>	<b>640.77</b>	<b>(1,529.74)</b>	<b>(888.97)</b>
Particulars	General Reserve	Retained earnings	Total
Balance as at 1 April 2019	640.77	(1,529.74)	(888.97)
Profit for the year	-	28.63	28.63
Other Comprehensive Income	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>640.77</b>	<b>(1,501.11)</b>	<b>(860.34)</b>
Dividends paid	-	-	-
Dividend distribution tax	-	-	-
<b>Balance as at 31 March 2020</b>	<b>640.77</b>	<b>(1,501.11)</b>	<b>(860.34)</b>

In Terms of our Report attached

For and on behalf of the Board

**M/s CNGSN & ASSOCIATES LLP**  
Chartered Accountants  
Firm Registration No. 004915S/S200036

-Sd-  
**Balakumar Vethagiri Giri**  
Chief Executive Officer  
PAN. AADPG2683A

-Sd-  
**Ishari Ganesh Kadirvelan**  
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Company Secretary  
M.No. F8426

-Sd-  
**K.Parthasarathy**  
Partner  
M.No. 018394

Place : Chennai  
Date : 31.07.2020

**G.V. FILMS LIMITED and its subsidiary**  
**Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March 2020**

(All amount are Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended		For the year ended	
	31 March 2020 (Rs.in Lakhs)		31 March 2019 (Rs.in Lakhs)	
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before income tax and after exceptional items		(13.10)		(2,366.56)
<b>Adjustments for:</b>				
Depreciation / Amortisation	37.14		50.36	
Finance Cost	63.21		60.68	
Interest Cost on Lease Liabilities	5.03		-	
Loss/ (Profit) on disposal of Property, plant and Equipment	-		-	
Loss/ (Profit) on financial assets carried at fair value through profit and loss	12.54		(0.27)	
		<b>117.92</b>		<b>110.77</b>
<b>Operating Loss before Working capital changes</b>		<b>104.82</b>		<b>(2,255.79)</b>
<b>Changes in Operating assets and liabilities</b>				
(Increase)/ Decrease in Trade receivables	115.00		399.32	
(Increase) in Inventories	1,000.00		(1,000.00)	
Increase in trade payables	(1,178.41)		1,049.39	
(Increase) in Loans	(0.69)		(7.62)	
(Increase) in Other non-current assets other than capital advances	0.06		342.03	
(Increase) in Other current assets	(12.73)		(62.49)	
Increase in other non-current liabilities	-		(1.50)	
Increase in other financial liabilities	44.21		171.26	
(Decrease) in other current liabilities	(11.58)		(10.61)	
		<b>(44.14)</b>		<b>879.78</b>
<b>Cash (Used in)/Flow from Operating Activities</b>		<b>60.68</b>		<b>(1,376.01)</b>
Income taxes (paid)/ refund received net		(21.83)		-
<b>NET CASH (USED IN) / FLOW FROM OPERATING ACTIVITIES</b>		<b>38.85</b>		<b>(1,376.01)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Payments for property, plant and equipment	(2.00)		(1.39)	
Increase in Inventments	-		(0.00)	
Repayments of capital advance	-		1,689.63	
Interest cost of lease liabilities	(5.03)		-	
Principal component of lease liabilities	(12.97)		-	
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		<b>(20.00)</b>		<b>1,688.24</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings (net)	49.15		(248.95)	
Finance cost	(63.21)		(60.68)	
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>(14.06)</b>		<b>(309.63)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>		<b>4.79</b>		<b>2.60</b>
Cash and Cash Equivalents as at the beginning of the year		15.45		12.85
<b>Cash and Cash Equivalents as at the end of the year</b>		<b>20.24</b>		<b>15.45</b>

See accompanying notes forming part of the financial statements

For and on behalf of the Board

M/s CNGSN & ASSOCIATES LLP

Chartered Accountants

Firm Registration No. 004915S/S200036

-Sd-

-Sd-

-Sd-

-Sd-

-Sd-

**Balakumar Vethagiri Giri**  
Chief Executive Officer  
PAN. AADPG2683A

**Ishari Ganesh Kadirvelan**  
Director  
DIN. 00269445

**Ashwinkumar Kamala Kannan**  
Director  
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**Parvinder Kaur**  
Company Secretary  
M.No. F8426

**K.Parthasarathy**  
Partner  
M.No. 018394

Place : Chennai

Date : 31.07.2020

## GV FILMS LIMITED

### GV FILMS LIMITED and its subsidiary

#### Notes forming part of the consolidated financial statements for the year ended 31 March 2020.

*(All amounts are in Rs. Lakhs unless otherwise stated)*

#### Note 1: Significant accounting policies :

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently adopted to all years presented, unless otherwise stated.

##### (a) Basis of preparation :

**(i) Compliance with Ind AS :** This is the first year of adoption of Ind AS financial statements. The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS), notified under section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards Rules, 2015)] and other relevant provisions of the Act.

The company had not adopted IND AS for its interim financial reporting.

##### (ii) Historical cost convention :

These financial statements have been prepared on the historical cost basis, except for defined benefit plans, where the plan assets are measured at fair value and Investments in equity instruments which also measured on a fair value basis.

##### (iii) Amended standards adopted by the Company :

The Company has adopted the following standards and amendments for the annual reporting period commencing 1 April 2019.

- Ind AS 116, Leases
- Amendment to Ind AS 20, Accounting for Government grants and disclosure of Government assistance
- Uncertainty over Income-tax treatments - Appendix C to Ind AS 12, Income taxes
- Plan amendment, curtailment or settlement - Amendments to Ind AS 19, Employee benefits
- Amendment to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements
- Amendment to Ind AS 12, Income-taxes
- Amendment to Ind AS 23, Borrowing costs

The Company had to change its accounting policies after the adoption of Ind AS 116. This is disclosed in Note 32. The other amendments listed above did not have any impact on the amounts recognised in the prior period and are not expected to significantly affect the current or future periods.

##### (b) Segment reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Refer Note 29 for segment information presented.

##### (c) Foreign currency translation :

###### (i) Functional and presentation currency :

The functional and presentation currency of the Company is Indian Rupee.

###### (ii) Transactions and balance :

Foreign currency transactions are translated to functional currency using the exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated at foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign gains and losses are presented in the statement of profit and loss on a net basis with other gains/ (losses).

Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary asset such as equity instruments classified as at FVOCI are recognised in other comprehensive income.

##### (d) Revenue recognition :

**(i) Sale of Goods :** Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Company has adopted Ind AS 115 using the Full Retrospective Method. The impact of adoption of the standard on the financial statements of the Company is insignificant.

- Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.

- Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenues are recognised when collectability of resulting receivables is reasonably assured.

**(ii) Other Operating revenue - Export benefits :**

Export benefits are accounted for in the year of export based on eligibility/expected eligibility and when there is no uncertainty in receiving the same.

**Financing components :**

The Company does not expect any contracts where the period between the transfer of promised goods or services to the customer and the payment by the customer exceeds one year. As a consequence, the Company does not adjust the transaction prices for the time value of money.

**(e) Government grants :**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

**(f) Income tax :**

Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**(g) Leases :**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities

as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

**Operating Lease :** Rental expense from operating leases is generally recognised on a straight-line basis over the term of relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the periods in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**(i) Impairment of assets :**

Good will and intangible assets that have indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they may be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

**(j) Cash and cash equivalents :**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly-liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within current liabilities in the balance sheet.

**(k) Trade receivables :**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

**(l) Inventories :** Raw materials and stores, work-in-progress, traded goods and finished goods are stated at lower of cost and net realisable value. Cost is determined using the First-in First-Out ('FIFO') method after deducting rebates and discount. The cost of raw materials and traded goods comprises of cost of purchases. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**(m) Investments and other financial assets :**

*Classification of financial assets*

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or Fair value through Profit & Loss ('FVTPL'). The classification depends upon the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The group reclassifies debt investments when and only when the business model for managing those assets changes.

(i) *Recognition* : Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sale the financial asset.

(ii) *Measurement* : At initial recognition, the Company measures a financial asset at its fair value plus, in case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transactions cost of financial assets carried at fair value through profit or loss are expensed in profit

or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt instruments:** Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

**Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity instruments:** The Company subsequently measures all equity investments at fair value.

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial asset

A financial asset is derecognised only when:

i) The Company has transferred the rights to receive cash flows from the financial asset or

(ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(v) Income recognition***Interest income*

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

*Dividends*

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

**(n) Offsetting financial instruments :**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(o) Property, plant and equipment :**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

*Transition to Ind AS :* On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017 measured as per the

previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

*Depreciation methods, estimated useful lives and residual value*

Property, plant and equipment are depreciated on a straight-line basis over the useful life of the assets as prescribed under the Schedule II of the Companies Act, 2013.

Lease hold land is depreciated on a straight line basis over the term of the lease - 99 years.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**(p) Intangible assets :**

Intangible assets are recognised at acquisition cost net of accumulated amortisation and impairment losses.

*Transition to Ind AS:* On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

**(q) Trade and other payables :**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(r) Borrowings :**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable] that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. The

fair value of the liability portion of a mandatorily convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(s) Borrowing costs :**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**(t) Provisions, contingent liabilities and contingent assets:**

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**(u) Employee Benefits**

**(i) Short-term obligations:** Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations :**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations :**

The Company operates the following post-employment schemes:

- (a) defined benefit plans - gratuity; and
- (b) defined contribution plans such as provident fund, superannuation fund

**Gratuity obligations.**

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Defined contribution plans:**

The Company pays provident fund and superannuation fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(v) Contributed equity :**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(w) Dividends :**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(x) Earnings per share:**

**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- i) the profit attributable to owners of the group
- ii) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 30).

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- i) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- ii) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(y) Rounding off amounts :**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**Note 2: Critical estimates and judgments :**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- i) Estimation of current tax expense and payable – Note 24
  - ii) Estimated useful life of tangible asset – Note 3
- Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Note 3 : Property Plant and Equipments and Intangible Assets - current year ended 31 March 2020**

Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net Block	
	As at 1 <sup>st</sup> April 2019	Additions	Disposals	As at March 31 <sup>st</sup> , 2020	As at 1 <sup>st</sup> April 2019	For the Year	Eliminated on disposals of assets	As at 31 <sup>st</sup> , March 2020	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> , March 2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>A. Property Plant and Equipments</b>										
Land - Freehold	511.58	-	-	511.58	-	-	-	-	511.58	511.58
Buildings	181.72	-	-	181.72	3.79	-	-	3.79	177.94	177.94
Plant & Machinery	200.45	2.00	-	202.45	41.57	20.71	-	62.28	140.17	158.88
Furniture and fixtures	14.90	-	-	14.90	2.45	0.94	-	3.39	11.50	12.44
Motor vehicles	0.32	-	-	0.32	0.07	-	-	0.07	0.25	0.25
Office Equipments	13.36	-	-	13.36	0.74	0.01	-	0.75	12.61	12.62
Computers	9.13	-	-	9.13	1.74	0.49	-	2.23	6.90	7.40
<b>Total (A+B)</b>	<b>931.46</b>	<b>2.00</b>	<b>-</b>	<b>933.46</b>	<b>50.36</b>	<b>22.14</b>	<b>-</b>	<b>72.51</b>	<b>860.95</b>	<b>881.11</b>

**Note 3 : Property Plant and Equipments and Intangible Assets - previous year ended 31 March 2019**

Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net Block	
	As at 1 <sup>st</sup> April 2018	Additions	Disposals	As at March 31 <sup>st</sup> 2019	As at 1 <sup>st</sup> April 2018	For the Year the year	Eliminated on disposals of assets	As at 31 <sup>st</sup> , March 2019	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> , March 2018
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>A. Property Plant and Equipments</b>										
Land - Freehold	511.58	-	-	511.58	-	-	-	-	511.58	511.58
Buildings	181.72	-	-	181.72	-	3.79	-	3.79	177.94	181.72
Plant & Machinery	200.45	-	-	200.45	-	41.57	-	41.57	158.88	200.45
Furniture and fixtures	14.90	-	-	14.90	-	2.45	-	2.45	12.44	14.90
Motor vehicles	0.32	-	-	0.32	-	0.07	-	0.07	0.25	0.32
Office Equipments	13.36	-	-	13.36	-	0.74	-	0.74	12.62	13.36
Computers	7.74	1.39	-	9.13	-	1.74	-	1.74	7.40	7.74
<b>Sub Total (A)</b>	<b>930.07</b>	<b>1.39</b>	<b>-</b>	<b>931.46</b>	<b>-</b>	<b>50.36</b>	<b>-</b>	<b>50.36</b>	<b>881.11</b>	<b>930.07</b>
<b>Total (A+B)</b>	<b>930.07</b>	<b>1.39</b>	<b>-</b>	<b>931.46</b>	<b>-</b>	<b>50.36</b>	<b>-</b>	<b>50.36</b>	<b>881.11</b>	<b>930.07</b>

**Notes :** (i) The deemed cost of the property plant and equipment and intangible assets as at 1 April 2018 represents carrying value of all of its property, plant and equipment and intangible assets recognised as of 1 April 2018 (transition date) measured as per the previous GAAP. The carrying value as at 1 April 2018 amounting to Rs. 930.07 represents gross cost of Rs. 1,640.67 net of accumulated depreciation of Rs. 710.60 as at 31 March 2018.

**Note 4 : Leases :**

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Right-of-use Asset created for building taken on lease	-	-	-
As at 1st April 2019 (on adoption of Ind AS 116)	61.66	-	-
Additions during the year	-	-	-
Less: (Depreciation expense)	(15.00)	-	-
As at March 31, 2020	<b>46.66</b>	-	-

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)*

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Right-of-use Asset created for building taken on lease As at 1st April 2019 (On adoption of Ind AS 116)	- 61.66	- -	- -
Additions during the year	-	-	-
Accretion of interest	5.03	-	-
Payments	18.00	-	-
As at March 31, 2020	<b>48.69</b>	-	-
Out of the above:			
Non-Current	33.20	-	-
Current	15.49	-	-
<b>Total</b>	<b>48.69</b>	-	-

**Note 5 :****5 (a) Non-current investments**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Investment in equity instruments (fully paid-up)</b>			
Equity Instruments at FVTPL			
Quoted			
18,800 (Previous year - 18,800) equity shares of Rs. 100 each fully paid up in GSFC	5.41	17.95	17.69
<b>Total</b>	<b>5.41</b>	<b>17.95</b>	<b>17.69</b>
<b>Investment in debentures and bonds</b>			
Quoted			
792 (Previous year - 792) units	0.08	0.08	0.08
<b>Total</b>	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>
Aggregate amount of quoted investments	5.49	18.03	17.77
Aggregate market value of quoted investments	5.49	18.03	17.77
Aggregate amount of unquoted investments	-	-	-

**5 (b) - Loans :**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Non-Current</b>			
Security deposits	11.09	10.40	2.78
Deposits towards leased premises	-	-	-
<b>Total Non-current</b>	<b>11.09</b>	<b>10.40</b>	<b>2.78</b>
<b>Total</b>	<b>11.09</b>	<b>10.40</b>	<b>2.78</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***5 (c) : Trade Receivables (unsecured, considered good)**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Other trade receivables	5.00	120.00	519.32
<b>Total receivables</b>	<b>5.00</b>	<b>120.00</b>	<b>519.32</b>
Current portion	5.00	120.00	519.32
Non-current portion	-	-	-

**5 (d) : Cash and Cash Equivalents**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Balances with banks			
- in current accounts	17.02	12.32	10.40
Cash on hand	3.22	3.13	2.45
<b>Total</b>	<b>20.24</b>	<b>15.45</b>	<b>12.85</b>

**Note 6 : Deferred tax assets (Net)****The Balance Comprises Temporary Differences Attributable to :**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Deferred tax liabilities</b>			
Property, plant and equipment and intangible assets	(15.68)	(11.82)	(11.82)
Right of Use Assets and Lease Liabilities	(0.35)		
<b>Deferred tax assets</b>			
Fair Valuation of Security deposits	1.96	2.05	1.79
Unabsorbed tax depreciation	46.04	-	-
Others	11.65	11.65	11.65
<b>Total</b>	<b>43.61</b>	<b>1.88</b>	<b>1.62</b>
Movement in deferred tax balances			

Particulars	For the year ended 31 March, 2020				
	Charge/ (credit) recognised in				
	As at 1 April, 2019	Statement of Profit/ Loss Income	Other Comprehensive Equity	Directly in Other	As at 31 March, 2020
Property, plant and equipment and intangible assets	(11.82)	(3.86)	-	-	(15.68)
Fair Valuation of Security deposits	2.05	(0.10)	-	-	1.95
Right of Use Assets and Lease Liabilities		(0.35)			(0.35)
Unabsorbed tax depreciation	-	46.04	-	-	46.04
Others	11.65	-	-	-	11.65
<b>Total</b>	<b>1.88</b>	<b>41.73</b>	<b>-</b>	<b>-</b>	<b>43.61</b>
Particulars	For the year ended 31 March, 2019				
	Charge/ (credit) recognised in				
	As at 1 April, 2018	Statement of Profit/ Loss Income	Other Comprehensive Income	Directly in Other Equity	As at 31 March, 2019
Property, plant and equipment and intangible assets	(11.82)	-	-	-	(11.82)
Fair Valuation of Security deposits	1.79	0.26	-	-	2.05
Right of Use Assets and Lease Liabilities					
Unabsorbed tax depreciation	-	-	-	-	-
Others	11.65				11.65
<b>Total</b>	<b>1.62</b>	<b>0.26</b>	<b>-</b>	<b>-</b>	<b>1.88</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Note 7 (a) : Other Non-current assets**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Capital advances - to related parties	1,168.09	1,168.09	1,752.53
Capital advances - to others	-	-	1,105.23
Less: Provision for doubtful advances	-	-	-
	<b>1,168.09</b>	<b>1,168.09</b>	<b>2,857.76</b>
Advances other than capital advances			
- To Subsidiaries	-	-	0.41
- Security deposits - Sales tax deposits	0.90	0.90	0.90
- Staff advances	12.01	12.07	11.51
- Prepayments	2.10	2.10	-
- MAT Credit Entitlement	17.85	-	-
- Others	25.43	25.43	-
Loans Receivables - credit impaired	-	-	369.69
	<b>58.29</b>	<b>40.50</b>	<b>382.51</b>
<b>Total</b>	<b>1,226.38</b>	<b>1,208.59</b>	<b>3,240.27</b>

**Note 7 (b) : Other Non-current tax assets**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Opening Balance	6.82	6.82	6.82
Taxes paid	3.98	-	-
Less: Tax refund received	-	-	-
<b>Total</b>	<b>10.80</b>	<b>6.82</b>	<b>6.82</b>
<b>Net of Provision of Taxes</b>	<b>17.85</b>	-	-

**Note 8 : Inventories**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Work-in-progress	-	1,000.00	-
Stock-in-trade ( Film Rights)	3,497.76	3,497.76	3,497.76
<b>Total</b>	<b>3,497.76</b>	<b>4,497.76</b>	<b>3,497.76</b>

**Note 9 : Other Current assets**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Advances other than capital advances</b>			
- Advances to suppliers	337.34	337.34	334.59
- Balances with government authorities	78.96	65.87	-
Less: Provision for doubtful receivables	-	-	-
	78.96	65.87	-
Prepaid Rent - Security deposit	1.23	1.58	-
- Other advances	8.64	8.64	16.36
<b>Total</b>	<b>426.16</b>	<b>413.43</b>	<b>350.93</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Note 10 : Equity Share capital**

Particulars	As at 31 March, 2020		As at 31 March, 2019		As at 1 April, 2018	
	Number of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
(a) Authorised Equity shares of Rs.1 each with voting rights	2,000,000,000	20,000.00	2,000,000,000	20,000.00	2,000,000,000	20,000.00
(b) Issued , subscribed and fully paid up Equity shares of Rs.1 each with voting rights	914,627,833	9,146.28	914,627,833	9,146.28	914,627,833	9,146.28
<b>Total</b>	<b>914,627,833</b>	<b>9,146.28</b>	<b>914,627,833</b>	<b>9,146.28</b>	<b>914,627,833</b>	<b>9,146.28</b>

Refer Notes (i) to (iv) below

**Notes:**

(i) Reconciliation of the number of shares issued and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March, 2020		As at 31 March, 2019		As at 1 April, 2018	
	Number of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
Equity shares with voting rights						
Opening Balance	914,627,833	9,146	914,627,833	9,146	368,627,833	3,686.28
Add: Issued During the Year	-	-	-	-	546,000,000	5,460.00
Less: Buy back of equity shares	-	-	-	-	-	-
Closing Balance	914,627,833	9,146	914,627,833	9,146	914,627,833	9,146.28

(ii) Number of shares held by holding company and subsidiary of ultimate holding company

Particulars	As at 31 March, 2020		As at 31 March, 2019		As at 1 April, 2018	
	Number of Shares		Number of Shares		Number of Shares	
	Nil		Nil		Nil	

(iii) Details of shareholders holding more than 5% shares in the Company

Class of Shares / Name of Shareholder	As at 31 March, 2020		As at 31 March, 2019		As at 1 April, 2018	
	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares
Balakumar Vethagiri Giri	182,022,749	19.90%	182,022,749	19.90%	182,022,749	19.90%
Ishari K Ganesh	182,060,000	19.91%	182,060,000	19.91%	182,060,000	19.91%
Mahadevan Ganesh	182,000,000	19.90%	182,000,000	19.90%	182,000,000	19.90%

(iv) Terms and rights attached to equity shares

The Company presently has two classes of equity shares of Rs. 1 each. Each shareholder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive payments out of the remaining net assets of the Company after payment of claims of preference shareholders, secured creditors if any and other preferential claims, in proportion to their shareholding.

**Note 11 : Other Equity**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Reserves and Surplus			
Securities Premium Account	8,613.89	8,613.89	8,613.89
Other reserves	1,216.01	1,216.01	1,216.01
Retained Earnings	(16,438.09)	(16,466.72)	(14,100.42)
<b>Total</b>	<b>(6,608.19)</b>	<b>(6,636.82)</b>	<b>(4,270.52)</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Securities Premium**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Opening balance	8,613.81	8,613.89
Movement during the year	-	-
<b>Closing balance</b>	<b>8,613.89</b>	<b>8,613.89</b>

**General Reserve**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Opening balance	1,216.01	1,216.01
Movement during the year	-	-
<b>Closing balance</b>	<b>1,216.01</b>	<b>1,216.01</b>

**Retained earnings**

Particulars	As at 31 March, 2020	As at 31 March, 2019
Opening balance	(16,466.72)	(14,100.42)
Net profit for the period	28.63	(2,366.30)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation (net of tax)	-	-
Dividend declared during the year	-	-
<b>Closing balance</b>	<b>(16,438.09)</b>	<b>(16,466.72)</b>

**Note 12 : Financial Liabilities****12 (a) Non-current borrowings**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Security deposits	195.94	179.76	164.92
<b>Total</b>	<b>195.94</b>	<b>179.76</b>	<b>164.92</b>

**12 (b) Current borrowings**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Loans repayable on demand</b>			
<b>Unsecured - at amortised cost</b>			
From related parties (refer Note 22)	652.14	624.84	766.44
From others	862.43	856.76	978.96
<b>Total</b>	<b>1,514.57</b>	<b>1,481.60</b>	<b>1,745.40</b>

**Net debt reconciliation**

This section sets out the analysis of net debt and the movements in net debt for each of the periods presented:

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2018	12.85	164.92	1,745.40	1,923.17
Cash flows	2.60	14.84	(263.80)	(246.36)
Interest expense	-	-	-	-
Interest paid	-	-	-	-
<b>Net debt as at 31 March 2019</b>	<b>15.45</b>	<b>179.76</b>	<b>1,481.60</b>	<b>1,676.81</b>
Cash flows	4.79	16.18	32.97	53.94
Interest expense	-	-	-	-
Interest paid	-	-	-	-
<b>Net debt as at 31 March 2020</b>	<b>20.24</b>	<b>195.94</b>	<b>1,514.57</b>	<b>1,730.75</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***12. (c) Other Financial liabilities****Current**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
<b>Current</b>			
Employee benefits Payable	0.30	0.29	-
Unpaid matured debentures / Bonds	2,012.01	2,012.01	1,887.16
Interest accrued on borrowings	455.89	409.58	363.92
Other payables	47.62	49.73	49.27
<b>Total</b>	<b>2,515.82</b>	<b>2,471.61</b>	<b>2,300.35</b>

**13. Other-non current liabilities**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Provision for leave encashment	0.45	0.45	0.45
Gratuity Payable	24.57	24.57	26.07
<b>Total</b>	<b>25.02</b>	<b>25.02</b>	<b>26.52</b>

**Note 14 : Trade Payables**

Particulars	As at 31 March, 2020 (Rs.)	As at 31 March, 2019 (Rs.)	As at 1 April, 2018 (Rs.)
Dues to Micro Enterprises & Small Enterprises (Refer Note 26)	-	-	-
Dues to related parties (Refer Note 34)	-	-	-
Others	152.09	1,330.52	281.13
<b>Total</b>	<b>152.09</b>	<b>1,330.52</b>	<b>281.13</b>

**Note 15 : Other Current Liabilities**

Statutory dues including provident fund, taxes deducted at source, etc.	45.06	40.46	34.90
Rent received advance	45.84	62.02	78.19
<b>Total</b>	<b>90.90</b>	<b>102.48</b>	<b>113.09</b>

**Note 16 : Revenue from operations**

<b>Sale of Services</b>		
Right sale for movies	1,062.50	105.00
Rent and Maintenance	138.51	143.30
<b>Total</b>	<b>1,201.01</b>	<b>248.30</b>

**(i) Details of Services**

<b>Domestic sales</b>		
Right sale of Movies	1,062.50	105.00
Rent and Maintenance	138.51	143.30
<b>Total</b>	<b>1,201.01</b>	<b>248.30</b>

**Note 17 : Other Income**

Interest from unwinding of security deposit	0.69	0.47
<b>Total</b>	<b>0.69</b>	<b>0.47</b>

**Note 18 : Cost of services**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2020 (Rs.)
Films under Production	-	1,000.00
Purchase of Rights	-	100.00
<b>Cost of Services</b>	<b>-</b>	<b>1,100.00</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Note 19 : Changes in inventory of work-in-progress, stock-in-trade and finished goods**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
<b>Opening Balance</b>		
Work-in progress	4,497.76	3,497.76
Finished goods	-	-
<b>Total opening balance</b>	<b>4,497.76</b>	<b>3,497.76</b>
<b>Closing Balance</b>		
Work-in progress	-	4,497.76
Finished goods	3,497.76	-
<b>Total closing balance</b>	<b>3,497.76</b>	<b>4,497.76</b>
<b>Total Changes in inventory of work-in-progress, stock-in-trade and finished goods</b>	<b>1,000.00</b>	<b>(1,000.00)</b>

**Note 20 : Employee Benefit Expense**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Salaries and Wages	16.47	22.73
Contribution to Provident and other funds	-	-
Staff Welfare Expenses	-	-
<b>Total</b>	<b>16.47</b>	<b>22.73</b>

**Note 21 : Finance costs**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Interest	47.03	45.83
Interest on winding of security deposits	16.18	14.84
Bank charges	0.03	0.08
Interest on lease liabilities	5.03	-
<b>Total</b>	<b>68.27</b>	<b>60.75</b>

**Note 22 : Depreciation**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Depreciation on tangible assets	22.14	50.36
Depreciation on Right-of-use assets	15.00	-
<b>Total</b>	<b>37.14</b>	<b>50.36</b>

**Note 23 : Other expenses**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Advertisement & Publicity	0.86	1.23
Power and fuel	0.82	1.03
Rent	0.18	14.51
Repairs and maintenance - theatre	1.86	0.29
Insurance	-	0.90
Meeting Expenses	-	5.69
Legal & Professional Charges	20.73	21.93
License Renewal	4.60	-
Rates and taxes	16.96	0.71
Membership and Subscription	-	0.02
Office Expenses	0.53	0.20

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)*

Auditors' remuneration:		
For audit services:		
- Statutory Audit	6.00	6.00
- for other audit services:		
- Certification services	-	-
- Tax audit	1.00	0.18
- In other capacity - taxation fee		
Travelling and conveyance	1.47	2.97
Postage & Courier Expenses	3.28	11.33
Telephone expenses	0.02	0.11
Filing Expenses	0.92	0.19
Net loss on foreign currency transactions and translations	-	124.85
Loss on financial assets mandatorily measured at fair value through profit and loss	12.54	(0.27)
Software updates and Web Maintenance	0.11	0.27
Listing & Depository Fee	13.96	25.99
Printing & Stationery	6.80	8.86
Miscellaneous expenses	0.28	1.43
<b>Total</b>	<b>92.92</b>	<b>228.42</b>

**Note 24 : Income tax expense**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
(a) Income tax expense		
<i>Current tax</i>	8.85	-
Adjustment of current tax for prior years	9.00	-
<b>Total current tax expense</b>	<b>(17.85)</b>	<b>-</b>
<i>Deferred tax</i>		
Decrease (increase) in deferred tax assets	(45.94)	(0.26)
(Decrease) increase in deferred tax liabilities	4.21	-
<b>Total deferred tax expense/ (benefit)</b>	<b>(41.73)</b>	<b>(0.26)</b>
<b>Income tax expense</b>	<b>(41.73)</b>	<b>(0.26)</b>
<b>Income tax expense is attributable to:</b>		
Profit from continuing operations	(41.73)	(0.26)
Profit from discontinued operations	(41.73)	(0.26)

**Reconciliation of tax expense and accounting profit multiplied by India's tax rate:**

Particulars	For the year ended, 31st March 2020 (Rs.)	For the year ended 31st March 2019 (Rs.)
Profit from continuing operations before income tax expense		
Profit from discontinuing operations before income tax expense	(13.10)	(2,366.56)
<b>Tax at the Indian tax rate of 26 %</b>	<b>(3.41)</b>	<b>(615.31)</b>
Tax effect of amounts which are not deductible (taxable) in computing taxable income		
Adjustment of current tax for prior years	9.00	-
Deferred tax asset recognised on Unabsorbed tax losses	46.04	-
Other items	(93.36)	615.05
<b>Income tax expense</b>	<b>(41.73)</b>	<b>(0.26)</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Note 25 : Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED')**

Particulars	March 2020 Amount (Rs.)	31st Mar 2019 Amount (Rs.)	1 April 2018 Amount (Rs.)
a. Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-
b. Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	Nil	Nil	Nil
c. Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
d. Interest paid other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
e. Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil	Nil
f. Interest due and payable towards suppliers registered under the MSMED Act, for payments already made*	Nil	Nil	Nil
g. Further interest remaining due and payable for earlier years	Nil	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 26 : Fair Value Measurement****Financial Instruments by category**

Particulars	31-Mar-20			31-Mar-19			01-Apr-18		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Trade receivables	-	-	5.00	-	-	120.00	-	-	519.32
Investments	5.50	-	-	18.04	-	-	17.77	-	-
Loans	-	-	11.09	-	-	10.40	-	-	2.78
Cash and cash equivalents	-	-	20.24	-	-	15.45	-	-	12.85
<b>Total Financial assets</b>	<b>5.50</b>	<b>-</b>	<b>36.33</b>	<b>18.04</b>	<b>-</b>	<b>145.85</b>	<b>17.77</b>	<b>-</b>	<b>534.95</b>
<b>Financial liabilities</b>									
Borrowings	-	-	1,710.52	-	-	1,661.37	-	-	1,910.32
Trade payable	-	-	152.09	-	-	1,330.52	-	-	281.13
Lease Liabilities	-	-	48.69	-	-	-	-	-	-
Other Financial Liabilities	-	-	2,515.82	-	-	2,471.61	-	-	2,300.35
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>4,427.12</b>	<b>-</b>	<b>-</b>	<b>5,463.50</b>	<b>-</b>	<b>-</b>	<b>4,491.80</b>

**Fair value hierarchy**

This section explains judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised at measured at fair value and (b) measured at amortised cost for which the fair values are disclosed in the financial statements. To provide an indication about the reliability of inputs used in determining the fair value, the group has classified its financial instrument into three levels as prescribed under the accounting standard.

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Financial assets or liabilities that are measured at amortised cost for which fair value are disclosed as at 31 March 2020**

Particulars	Level 1	Level 2	Level 3	Total
Trade receivables			5.00	5.00
Cash and cash equivalents			20.24	20.24
Loans			11.09	11.09
<b>Total financial assets</b>			<b>36.33</b>	<b>36.33</b>
<b>Financial liabilities</b>				
Borrowings			1,710.52	1,710.52
Trade payable			152.09	152.09
Lease liabilities			48.69	48.69
Other financial liabilities			2,515.82	2,515.82
<b>Total financial liabilities</b>			<b>4,427.12</b>	<b>4,427.12</b>

**Financial assets or liabilities that are measured at amortised cost for which fair value are disclosed as at 31 March 2019**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Trade receivables			120.00	120.00
Cash and cash equivalents			15.45	15.45
Loans			10.40	10.40
<b>Total financial assets</b>			<b>145.85</b>	<b>145.85</b>
<b>Financial liabilities</b>				
Borrowings			1,661.37	1,661.37
Trade payable			1,330.52	1,330.52
Lease liabilities			-	-
Other financial liabilities			2,471.61	2,471.61
<b>Total financial liabilities</b>			<b>5,463.50</b>	<b>5,463.50</b>

**Financial assets or liabilities that are measured at amortised cost for which fair value are disclosed as at 1 April 2018**

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Trade receivables	-	-	519.32	519.32
Cash and cash equivalents	-	-	12.85	12.85
Loans	-	-	2.78	2.78
<b>Total financial assets</b>	-	-	<b>534.96</b>	<b>534.96</b>
<b>Financial liabilities</b>				
Borrowings			1,910.32	1,910.32
Trade payable			281.13	281.13
Lease liabilities			-	-
Other financial liabilities			2,300.35	2,300.35
<b>Total financial liabilities</b>			<b>4,491.80</b>	<b>4,491.80</b>

**Fair value of assets and liabilities measured at amortised cost**

Particulars	31-Mar-20		31-Mar-19		01-Apr-18	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>						
Trade receivables	5.00	5.00	120.00	120.00	519.32	519.32
Cash and cash equivalents	20.24	20.24	15.45	15.45	12.85	12.85
Loans	11.09	11.09	10.40	10.40	2.78	2.78
<b>Total financial assets</b>	<b>36.33</b>	<b>36.33</b>	<b>145.85</b>	<b>145.85</b>	<b>534.95</b>	<b>534.95</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)*

Particulars	31-Mar-20		31-Mar-19		01-Apr-18	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial liabilities</b>						
Borrowings	1,710.52	1,710.52	1,661.37	1,661.37	1,910.32	1,910.32
Trade payable	152.09	152.09	1,330.52	1,330.52	281.13	281.13
Lease Liabilities	48.69	48.69	-	-	-	-
Other financial liabilities	2,515.82	2,515.82	2,471.61	2,471.61	2,300.35	2,300.35
<b>Total financial liabilities</b>	<b>4,427.12</b>	<b>4,427.12</b>	<b>5,463.50</b>	<b>5,463.50</b>	<b>4,491.80</b>	<b>4,491.80</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes equity instruments, traded bonds and mutual funds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, trade bonds, Over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

**Note 27 (a) : Financial Risk Management****Financial Risk Management Framework**

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risks (including currency risk), credit risk and liquidity risk. The Company does not use any derivative instruments to hedge these risks exposures.

The Board of directors reviews and agrees policies for managing each of these risks, which are summarized below:

**A) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, represents the maximum exposures to credit risk.

**Impairment of financial assets:** Trade receivables are subject to the expected credit loss model. Though, Other Financial assets including security deposits, cash and cash equivalents, other bank balances are also subject to impairment requirement of Ind AS 109, the impairment loss was immaterial. Further, trade receivables from other than related parties are only subject to the expected credit loss model for the Company. Based on past trends, impairment loss on related party trade receivables was immaterial.

**B) Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company.

**C) Market risk****(i) Foreign currency risk**

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Foreign currency risk exposure**

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

**Foreign currency risk exposure**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	31-Mar-20 USD	31-Mar-19 USD
<b>Financial assets</b>		
Trade receivables	29.92	83.77
<b>Net exposure to foreign currency risks</b>	<b>29.92</b>	<b>83.77</b>

**Sensitivity**

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Particulars	Impact on Profit after tax	
	31-Mar-20	31-Mar-19
<b>USD Sensitivity</b>		
INR/EUR - increase by 5 percent*	(1.50)	(4.19)
INR/EUR - decrease by 5 percent*	1.50	4.19

\*Holding all other variables constant

**ii) Cash flow and fair value Interest rate risk****(a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are negligible.

**Note 27 (b) : Capital management****(i) Risk management**

The Company manages its capital to ensure maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings, less cash and cash equivalents.

**(ii) Dividends**

Particulars	31-Mar-20	31-Mar-19
<b>Equity shares</b>		
Special dividend declared during the year	-	-
DDT on interim dividend	-	-

**Note 28 : Segment Information**

The Company has a single operating segment, namely, 'Production, processing and editing of films', and the information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance focusses on this operating segment. Accordingly, the amounts appearing in these financial statements relate to this operating segment.

**28.1 Geographical Information:**

The Company operates in the following principal geographical areas - India (country of domicile), Outside India. The Company's revenue from operation from external customers by location of operations and information about its non-current assets by locations of asset are detailed below:

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)*

Particulars	Revenue from external customers		Non- Current Assets *	
	For the Year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 202	For the year ended 31st March 2019
Out side India	-	-	-	-
India	1,201.01	248.30	3,082.85	3,033.90
<b>Total</b>	<b>1,201.01</b>	<b>248.30</b>	<b>3,082.85</b>	<b>3,033.90</b>

\* Non current assets excludes deferred tax assests and financial instruments

**Note 29 : Earnings per share**

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

Particulars	For the Year ended 31st March 2020 (Rs.)	For the Year ended 31st March 2019 (Rs.)
Profit for the year attributable to equity shareholders of the Company	28.63	(2,366.30)
Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS*	914,627,833	914,627,833
Earnings per share from operations - Basic and Diluted	0.00	(0.26)

**Note 30 : Commitments and Contingencies**

Particulars	As at 31st March 2020 (Amount in Rs.)	As at 31st March 2019 (Amount in Rs.)	As at 1st April 2018 (Amount in Rs.)
<b>A. Commitments</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	-	-	-
<b>B. Contingencies</b>			
Claims against the Company not acknowledged as debts:	500.00	500.00	500.00
- Matters against which Company has filed appeal			
- Service Tax	53.53	53.53	53.53

**B1. Contingencies not provided for**

A common Show Cause Notice(SCN) was issued to the Company and Other Parties during the investigation period under the provisions of Rule 4 (1) of the Adjudication Rules and Rule 4 of SCR Adjudication Rules, to show cause as to why an inquiry should not be held against them and the Company and why penalty should not be imposed on Company under the provisions of Sections 15HA of the SEBI Act and Section 23E of SCRA, 1956 and on the Other Parties under the provisions of Section 15HA of SEBI Act, for the aforesaid alleged violations.

The Company, vide letter dated July 17th, 2018, made its submissions through its legal representatives, and refuted all the allegations levelled against it and the Other Parties in the SCN.

On consideration of the Issues, evidences and findings, the AO passed an Adjudication Order against the Company in Order No: ORDER/PM/RR/2019-20/6630-6635 dated January 29th,2020 issuing a Direction and imposing a penalty as under:

2) **Direction** - In exercise of powers conferred under Sections 11, 11B read with Section 19 of the Securities and Exchange Board of India Act, 1992, the Company is restrained from accessing the Securities Market including by issuing prospectus, offer document or advertisement soliciting money from the public and is further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, for a period of five years from the date of the order.

**Penalty** - A penalty of Rs.25,00,000/- (Rupees Twenty-Five Lakhs only) levied on the Company under Section 15HA of the SEBI Act, 1992 and Section 23E of the SCRA,1956.

Similarly, Directions and Penalties were given/levied on the Other Parties by the AO vide the Order in Order No: ORDER/PM/RR/2019-20/6630-6635.

The Company is in the course of filing an appeal against the above Order of the AO before the Honourable Securities Appellate Tribunal (SAT) under Section 15T of the SEBI Act.

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)*

The Company is extremely confident of winning the Appeal.

In respect of the queries raised by the Securities and Exchange Board of India (SEBI) in relation to the preferential allotment of 54,60,00,000 equity shares of Rs.1/- each equally to Mr.Ishari Kadhivelan Ganesh, Mr.Mahadevan Ganesh and Mr.Balakumar Vethagiri Giri respectively during the Financial Year 2017-18, the Company is giving its submissions from time to time and hopes to resolve the issues within a short span of time.

**Note 31: Related Party Transactions****(a) Key management personnel**

Isari Arthi Ganesh  
Ishari Ganesh Kadhivelan  
Balakumar Vethagiri Giri  
Mahadevan Ganesh

**(b) Entities where Directors are partners / directors**

Sidhesh Enterprises

**Note 31: Related Party Transactions****(d) Particulars of transactions or balances with related parties**

Particulars	KMP		Others		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>Transactions</b>						
Rent Paid	6.00	-	-	-	<b>6.00</b>	-
Loans received	27.30	-	-	-	<b>27.30</b>	-
Loans received repaid	-	141.60	-	-	-	<b>141.60</b>
<b>Ishari K Ganesh</b>						
Rental deposit paid	-	1.95	-	-	-	<b>1.95</b>
Interest Income on Deposit	0.19	0.16	-	-	<b>0.19</b>	<b>0.16</b>
Prepaid Rent	-	1.05	-	-	-	<b>1.05</b>
<b>Arthi Ganesh</b>						
Rental deposit paid	-	1.95	-	-	-	<b>1.95</b>
Interest Income on Deposit	0.19	0.16	-	-	<b>0.19</b>	<b>0.16</b>
Prepaid Rent	-	1.05	-	-	-	<b>1.05</b>
<b>Total</b>	<b>33.48</b>	<b>147.92</b>	-	-	<b>33.48</b>	<b>147.92</b>

Particulars	2017-18	KMP			Others			Total		
		2019-20	2018-19	2017-18	2019-20	2018-19	2017-18	2019-20	2018-19	2017-18
<b>Balances as at year end</b>										
Loans from Directors		652.14	624.84	766.44				652.14	624.84	766.44
Capital Advances					1,168.09	1,168.09	1,752.53	1,168.09	1,168.09	1,752.53
Advance received (Cr.)	-	-	-	-	-	-	-	-	-	-
<b>Security deposit (Dr.)</b>										
Ishari K Ganesh	-	2.30	2.11	-	-	-	-	2.30	2.11	-
Arthi Ganesh	-	2.30	2.11	-	-	-	-	2.30	2.11	-
<b>Prepaid Rent (Dr.)</b>										
Ishari K Ganesh	-	1.05	1.05	-	-	-	-	1.05	1.05	-
Arthi Ganesh	-	1.05	1.05	-	-	-	-	1.05	1.05	-
<b>Total</b>	-	<b>656.74</b>	<b>629.06</b>	<b>766.44</b>	<b>1,168.09</b>	<b>1,168.09</b>	<b>1,752.53</b>	<b>1,824.83</b>	<b>1,797.15</b>	<b>2,518.97</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Note 32 : Changes in Accounting Policies**

This note explains the impact of adopting Ind AS 116, Leases on the company's financial statements:

**Impact on the financial statements - lease accounting :**

As indicated in Note 1(a)(iii), the company has adopted Ind AS 116 retrospectively from 1 April 2019, but has not restated comparatives for the year ended 31 March 2019, as permitted under the specific transition provision in the standard. The reclassifications and adjustments arising from the adoption has been recognised in the opening balance sheet on 1 April 2019. The new accounting policies are disclosed in Note 1.

On adoption of Ind AS 116, the Company has recognised lease liabilities in relation to leases which has been previously classified as 'operating leases' under the principles of 'Ind AS 17'. These liabilities were measured at the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The company has no lease classified as a finance lease.

Particulars	Amount
Operating lease commitments disclosed as at 31 March 2019	74.00
Less: Short-term/low-value leases not recognised as liability	-
<b>Net operating lease commitments disclosed as at 31 March 2019</b>	<b>74.00</b>
Discounted using the interest rate implicit in the lease as on date of initial application (Lease liability recognised on 1 April 2019)	61.66
Out of which:	
Current lease liabilities	18.00
Non-current lease liabilities	43.66
	<b>61.66</b>

**Measurement of right-of-use assets**

The associated right of-use assets for the property leases were measured at an amount equal to the lease liabilities as on the date of adoption.

**Adjustments recognised in the balance sheet on 1 April 2019**

Particulars	Amount
Increase-in-right of use assets	61.66
Increase in lease liabilities	(61.66)
<b>Net impact in retained earnings</b>	<b>-</b>

**Note 33: First-time adoption of Ind AS****Transition to Ind AS**

This is the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2020, the comparative information presented in these financial statements for the year ended 31 March 2019 and the preparation of an opening Ind AS Balance Sheet as at 1 April 2018 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***A.1 Ind AS optional exemptions****A.1.1. Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making adjustment for decommissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**A.2 Ind AS mandatory exceptions****A.2.1. Estimates**

An entity's estimates in accordance with Ind AS as the date of transition shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2018 are consistent with the estimates as at the same date made in accordance with the previous GAAP.

**B. Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS

**Reconciliation of equity as at date of transition (1 April 2018)**

Particulars	Notes	As at 1 April 2018 (Date of transition)		
		Previous GAAP	Adjustments	IND AS
<b>Non-current assets</b>				
(a) Property, plant and equipments		930.07	-	930.07
(b) Capital Work-in-progress		926.97	-	926.97
(c) Financial assets				
(i) Investments	1	0.45	17.32	17.77
(ii) Loans		2.78	-	2.78
(d) Deferred tax assets	2	(0.17)	1.79	1.62
(e) Other non-current assets		3,240.28	-	3,240.28
(f) Non-current tax assets		6.82	-	6.82
<b>Total Non - Current Assets</b>		<b>5,107.20</b>	<b>19.11</b>	<b>5,126.31</b>
<b>Current assets</b>				
(a) Inventories		3,497.76	-	3,497.76
(b) Financial Assets				
(i) Trade receivables		519.32	-	519.32
(ii) Cash and cash equivalents		12.85	-	12.85
(c) Other current assets		350.93	-	350.93
<b>Total Current Assets</b>		<b>4,380.86</b>	<b>-</b>	<b>4,380.8</b>
<b>Total Assets</b>		<b>9,488.06</b>	<b>19.11</b>	<b>9,507.17</b>
<b>Particulars</b>	<b>Notes</b>	<b>As at 1 April 2018 (Date of transition)</b>		
		<b>Previous GAAP</b>	<b>Adjustments</b>	<b>IND AS</b>
<b>(II) EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		9,146.28	-	9,146.28
(b) Other Equity	1&2	(4,296.52)	26.00	(4,270.52)
<b>Total equity (I+II)</b>		<b>4,849.76</b>	<b>26.00</b>	<b>4,875.76</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	2	250.00	(85.08)	164.92
(c) Other non-current liabilities		26.52	-	26.52
<b>Total</b>		<b>276.51</b>	<b>(85.08)</b>	<b>191.44</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)*

<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		1,745.40	-	1,745.40
(ii) Trade payables		281.13	-	281.13
(iii) Other financial liabilities		2,300.35	-	2,300.35
(b) Other Current Liabilities	<b>2</b>	34.90	78.19	113.09
<b>Total</b>		<b>4,361.78</b>	<b>78.19</b>	<b>4,439.97</b>
<b>Total Equity and Liabilities</b>		<b>9,488.06</b>	<b>19.11</b>	<b>9,507.17</b>

**Reconciliation of equity as at 31 March 2019**

Particulars	Notes	As at 31 March 2019 (Date of transition)		
		Previous GAAP	Adjustments	IND AS
<b>Non-current assets</b>				
(a) Property, plant and equipments		881.11	-	881.11
(b) Capital Work-in-progress		926.96	-	926.96
(c) Financial assets				
(i) Investments	<b>1</b>	0.45	17.59	18.04
(ii) Loans	<b>2</b>	13.79	(3.39)	10.40
(d) Deferred tax assets	<b>2</b>	(0.17)	2.05	1.88
(e) Other non-current assets	<b>2</b>	1,206.49	2.10	1,208.59
(f) Non-Current tax assets		6.82		6.82
<b>Total Non - Current Assets</b>		<b>3,035.46</b>	<b>18.35</b>	<b>3,053.81</b>
<b>Current assets</b>				
(a) Inventories		4,497.76	-	4,497.76
(b) Financial Assets				
(i) Trade receivables		120.00	-	120.00
(ii) Cash and cash equivalents		15.45	-	15.45
(c) Other current assets	<b>2</b>	411.86	1.57	413.43
<b>Total Current Assets</b>		<b>5,045.07</b>	<b>1.57</b>	<b>5,046.64</b>
<b>Total Assets</b>		<b>8,080.53</b>	<b>19.92</b>	<b>8,100.45</b>

Particulars	Notes	As at 31st March 2019 (Date of transition)		
		Previous GAAP	Adjustments	IND AS
<b>(II) EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		9,146.28	-	9,146.28
(b) Other Equity	<b>1&amp;2</b>	(6,664.96)	28.14	(6,636.82)
<b>Total equity (I+II)</b>		<b>2,481.32</b>	<b>28.14</b>	<b>2,509.46</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	<b>2</b>	250.00	(70.24)	179.76
(b) Other non-current liabilities		25.02	-	25.02
<b>Total</b>		<b>275.02</b>	<b>(70.24)</b>	<b>204.78</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		1,481.60	-	1,481.60
(ii) Trade payables		1,330.52	-	1,330.52
(iii) Other financial liabilities		2,471.61	-	2,471.61
(b) Other Current Liabilities	<b>2</b>	40.46	62.02	102.48
<b>Total</b>		<b>5,324.19</b>	<b>62.02</b>	<b>5,386.21</b>
<b>Total Equity and Liabilities</b>		<b>8,080.53</b>	<b>19.92</b>	<b>8,100.45</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Reconciliation of total comprehensive income for the year ended 31 March 2019**

Particulars	Notes	As at 1 April 2018 (Date of transition)		
		Previous GAAP	Adjustments	IND AS
I Revenue from operations	2	232.12	16.18	248.30
II Other Income	2	-	0.47	0.47
<b>III Total Revenue (I + II)</b>		<b>232.12</b>	<b>16.65</b>	<b>248.77</b>
<b>IV EXPENSES</b>				
(a) Cost of Raw materials consumed		1,100.00	-	1,100.00
(b) Changes in inventories of finished goods and work-in-progress		(1,000.00)	-	(1,000.00)
(c) Employee benefit expense		22.73	-	22.73
(d) Finance costs	2	45.81	14.94	60.75
(e) Depreciation and amortisation expense		50.36	-	50.36
(f) Other expenses	1	228.69	(0.27)	228.42
<b>Total Expenses</b>		<b>447.59</b>	<b>14.68</b>	<b>462.27</b>
<b>V Profit before exceptional items (III - IV)</b>		<b>(215.47)</b>		<b>(213.50)</b>
<b>Exceptional Items</b>		<b>2,153.06</b>		<b>2,153.06</b>
<b>Profit before tax (VII-VIII)</b>		<b>(2,368.53)</b>		<b>(2,366.56)</b>
<b>VI Tax Expense</b>				
- Current tax		-	-	-
- Adjustment to current tax of prior periods		-	-	-
- Deferred tax	2	-	(0.26)	(0.26)
<b>Total tax expense</b>			<b>(0.26)</b>	<b>(0.26)</b>
<b>VII Profit for the period (VIII-IX)</b>		<b>(2,368.53)</b>	<b>2.23</b>	<b>(2,366.30)</b>
<b>VIII Other Comprehensive Income</b>				
(i) Items that will not be recycled to profit or loss				
- Remeasurements of defined benefit plans		-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
<b>Total Other Comprehensive Income for the year</b>				
<b>IX Total comprehensive Income for the period (VII + VIII)</b>		<b>(2,368.53)</b>	<b>2.23</b>	<b>(2,366.30)</b>

**Reconciliation of total equity as at 31 March 2019 and 1 April 2018**

Particulars	Notes	31-Mar-19	01-Apr-18
Total equity as per previous GAAP		3,305.17	4,849.76
<b>Adjustments:</b>			
Fair valuation of investments	1	17.59	17.32
Fair valuation of Security Deposits received	2	8.22	6.89
Fair valuation of Security Deposits provided	2	0.28	-
Tax effect of adjustments	2	2.05	1.79
<b>Total adjustments</b>		<b>28.14</b>	<b>26.00</b>
<b>Total equity as per Ind AS</b>		<b>2,509.46</b>	<b>4,875.76</b>

**Reconciliation of total comprehensive income for the year ended 31 March 2018**

Particulars	Notes	31-Mar-18
Profit after tax as per previous GAAP		(2,368.53)
<b>Adjustments:</b>		
Fair valuation of investments	1	0.27
Unwinding of discount on Security deposits	2	(14.94)
Interest Income on Security deposits	2	0.47
Unwinding of revenue received in advance	2	16.17
Deferred tax impact on adjustments	2	0.26
<b>Total value of adjustments</b>		<b>2.23</b>
<b>Profit after tax as per Ind AS</b>		<b>(2,366.30)</b>
<b>Other Comprehensive income</b>		<b>-</b>
<b>Total Comprehensive income as per Ind AS</b>		<b>(2,366.30)</b>

**GV FILMS LIMITED and its subsidiary****Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2020***(All amounts are in Rs. Lakhs unless otherwise stated)***Impact of Ind AS adoption on the statement of cash flows for the year ended 31 March 2018**

Particulars	Notes	Previous GAAP	Adjustments	IND AS
Net cash flow from operating activities	-	(1,376.01)	-	(1,376.01)
Net cash flow from investing activities	-	1,688.24	-	1,688.24
Net cash flow from financing activities	-	(309.63)	-	(309.63)
<b>Net increase in cash and cash equivalents</b>		<b>229.93</b>	-	<b>229.93</b>
Cash and cash equivalents as at 1 April 2017	-	12.85	-	12.85
<b>Cash and cash equivalents as at 31 March 2018</b>	-	<b>15.45</b>	-	<b>15.45</b>

**C. Notes to first time adoption****Note 1: Fair valuation of investments**

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2018. This increased the retained earnings by Rs. 17.59 as at 31 March 2019 (1 April 2018 - Rs. 17.32).

**Note 2: Fair valuation of security deposits**

Under the previous GAAP, interest free security deposits that are refundable at the end of the lease-term are recorded at transaction cost. Under Ind AS, all financial assets are recognised at fair value. Accordingly, the Company has valued security deposits at fair value under Ind AS and the difference between transaction cost and fair value has been considered as a prepayment/ revenue received in advance. Consequent to the change, the amount of security deposit under borrowings has decreased by Rs. 85.08 and the amount of revenue received in advance has increased by Rs. 78.19 as at 1 April 2018. The deferred tax impact on the above is Rs.(1.79). The net impact on retained earnings as at 1 April 2018 is an increase of Rs. 8.68.

As at 31 March 2019, the cumulative effect of the adjustment is decrease in the amount of security deposits under borrowings by Rs. 70.24 and increase in the amount of revenue received in advance by Rs. 62.02. Further, as at 31 March 2019, security deposits given under the head loans has decreased by Rs. 3.39 and prepayment has increased by Rs. 2.10. The cumulative impact on equity as at 31 March 2019 is an increase by Rs. 10.55.

**Note 34: Previous Year Figures**

As stated in Note 1, the Company has adopted Indian Accounting Standards with effect from 1 April 2019 with date of transition to Ind AS being 1 April 2018. Accordingly, previous year figures in the financial statements have been restated to Ind AS. Further, previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**Note 35: Impact of Covid 19 Pandemic**

The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 has adversely affected the entire media and entertainment industry and consequently the business activities of the Company are also affected. The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and value of all Investments, other assets, and liabilities as at March 31, 2020 and concluded that there were no material adjustments required in the financial statements as of 31st March 2020. However, there has been a significant impact in the business of the Company in the current year. The management anticipates negligible revenue in the first three Quarters of FY21 and business is likely to pick up from the last Quarter of FY21. Our operations have come to minimum with mostly maintenance services. The Company has resorted to multiple cost reduction and cash deferral activities. The impact of assessment of Covid-19 is a continuous process given the uncertainty associated with its nature and durations. The Company will continue to monitor any material changes as the situation evolves.

**M/s CNGSN & ASSOCIATES LLP**

Chartered Accountants

Firm Registration No. 004915S/S200036

**For and on behalf of the Board**

-Sd-	-Sd-	-Sd-	-Sd-	-Sd-
<b>Balakumar Vethagiri Giri</b>	<b>Ishari Ganesh Kadirvelan</b>	<b>Ashwinkumar Kamala Kannan</b>	<b>Parvinder Kaur</b>	<b>K.Parthasarathy</b>
Chief Executive Officer	Director	Director	Company Secretary	Partner
PAN. AADPG2683A	DIN. 00269445	DIN. 03447494	M.No. F8426	M.No. 018394
Place : Chennai				
Date : 31.07.2020				

*In case of any assistance please contact :*

**M/s. Cameo Corporate Services Ltd**

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