

# GV FILMS LIMITED

*Where every dream, a dream come true*

## 19<sup>th</sup> ANNUAL REPORT (2007-2008)



*A GV - SICA Award presented by your Director to "Aachi"*



*GV - SICA best film Award presented by your Director to Paruthiveeran Team*





**New look of Thanjavur Theatre Complex**

**GV FILMS LIMITED**

Regd. Office : *LVR Centre, III Floor, New No.7 (Old No.4), Seshadri Road, Alwarpet, Chennai-600 018.*

**Nineteenth Annual Report**

**Board of Directors**

**Mr. MAHADEVAN GANESH**

**Mr. A. VENKATRAMANI**

**Mr. S. RAMANATHAN**

**Mr. P. RAGHURAMAN**  
Whole - Time Director

**Mr. R. GOPALAN**

**Ms. MANISHA KOIRALA**

**Company Secretary**

**Mr. P. THIRUMALAI KUMAR**

**Registered Office**

LVR Centre, III Floor,  
New No.7 (Old No.4), Seshadri Road,  
Alwarpet, Chennai - 600 018.

**Auditors**

G. PARTHASARATHY,  
Chartered Accountant  
New No.1 (Old No. 3), 3rd Main Road,  
4th Cross Street, Jagannathapuram,  
Velachery, Chennai - 600 042.

**Registrars & Share Transfer Agents**

M/s. CAMEO CORPORATE SERVICES LTD,  
“Subramanian Building”  
No.1, Club House Road,  
Chennai - 600 002.

**Bankers**

STATE BANK OF INDIA  
ICICI Bank  
HDFC Bank

**COMMITTEES**

**Share Transfer Committee**

S. RAMANATHAN, Chairman  
R. GOPALAN, Member  
A. VENKATRAMANI, Member

**Shareholder / Investors Grievance Committee**

MAHADEVAN GANESH, Chairman  
R. GOPALAN, Member  
S. RAMANATHAN, Member

**Audit Committee**

S. RAMANATHAN, Chairman  
A. VENKATRAMANI, Member  
R. GOPALAN, Member

**Equity Shares Listed At**

The Madras Stock Exchange Ltd, Chennai  
The Bombay Stock Exchange Ltd, Mumbai  
The Hyderabad Stock Exchange Ltd, Hyderabad (De - Recognised by SEBI)

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**NOTICE**

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of the Company will be held at **New Woodlands Hotel (P) Ltd, 72-75, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004 on Thursday, the 25th September 2008 at 11.30 a.m.** to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Audited Balance Sheet as on 31st March 2008, the Audited Profit and Loss Account for the year ended on that date, together with the Reports of the Board of Directors and Auditor thereon.
2. To appoint a director in place of Mr. R.Gopalan, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint Auditor to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix his remuneration and to pass the following resolution thereof

"RESOLVED that Mr. G. Parthasarathy, Chartered Accountant, be and is hereby re-appointed as the Auditor of the company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting, as on remuneration as may be determined by the board of directors in consultation with the auditor."

For and on behalf of **THE BOARD OF THE DIRECTORS**

Place : Chennai

Date : 14-08-2008

**MAHADEVAN GANESH**  
DIRECTOR

**Notes :**

1. A member entitled to attend and vote is entitled to appoint a proxy and the proxy need not be a member of the Company. The proxy form to be valid must be deposited at the Company's Registered office not less than forty-eight hours before the time of the meeting.
2. Members desiring any information on the accounts are requested to write to the Company at least 7 days (on or before 18th September 2008) before the meeting so as to enable the Company to keep the information ready. The Members/ Proxies are requested to bring the copies of the Annual Report to the Meeting and the same will not be distributed at the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed **from 22nd September 2008 to 25th September 2008** (Both days inclusive) to ascertain the list of members for 19th Annual General Meeting.
4. The Members are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agents (M/s. Cameo Corporate Services Ltd)
5. **Details of Director seeking reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):-**

As required under the Listing Agreement, the particulars of Director, Mr. R.Gopalan (who is seeking re-appointment) is given below:-

<b>I. NAME</b>	- <b>R. GOPALAN</b>
DATE OF BIRTH	- 15th December 1937
QUALIFICATION	- Cost Accountant (AICWA)
EXPERIENCE	- Mr. R. Gopalan, is an associate member of the Institute of Cost and Works Accountant of India. He is having extensive experience of over 37 Years in all areas of Financial Management. He retired as Executive Director (Finance) of Bharat Earth Movers Limited. His expertise will help your Company in its operations.
OTHER DIRECTORSHIP	- M/s. Kaashyap Technologies Limited
COMMITTEE MEMBERSHIP	- NIL

**EXPLANATORY STATEMENT**

**Under Section 173(2) of the Companies Act,1956.**

**Item No. 2**

As per the provisions of Section 256 of the Companies Act, 1956, Mr. R. Gopalan is retiring by rotation and being eligible offer himself for reappointment at the ensuing Annual General Meeting.

Your directors recommend passing this resolution. None of the Directors are concerned or interested in the said resolution except Mr. R. Gopalan.

**DIRECTORS' REPORT**

To  
The Members,

Your Directors are pleased to present the 19th Annual Report on the business and operations of your Company for the year ended on 31st March 2008.

**Financial Results:**

(Rs. in Lakhs)

Particulars	Year ended 31.03.2008	Year ended 31.03.2007
Turnover	4,170.30	4,411.68
Profit Before Depreciation & Tax	263.10	2,093.83
Less: Depreciation	115.58	48.94
Profit Before Tax	147.52	2,044.88
Less: Provisions for tax	16.71	229.43
Less: Fringe Benefit Tax	8.89	18.88
Profit After Tax	121.92	1,796.56
Add: Surplus b/f from previous year	2,639.44	842.88
Amount available for appropriation	2,779.78	2,639.44

**Dividend:**

Your board has decided to conserve the resources for the on going projects and hence it has not recommended any dividend for this year.

**Business Performance Review:**

There is a marginal drop of 5.79% in the total income of your Company during the year under review compared to the previous year. There was substantial reduction in the profits before tax in FY 2007-08 from Rs. 2044.88 Lakhs to Rs.147.52 Lakhs due to various reasons viz. (a) competition due to large scale entry of global players in entertainment sector (b) some of the mega films distributed by the company not doing well in the box-office (c) some unforeseen delay in reopening of Shanti-Kamala theaters under renovation (d) the cost of film production going up substantially due to competition among corporates / NRI producers to sign up popular artists at mind boggling professional fees.

**Recent initiatives which augurs well for future:**

Your Directors feel that it is only a matter of time before your Company is back with a bang and continue to march ahead as a lot of initiatives have been taken by your management during the last 3 years to improve the performance of your Company on all fronts. Your Company continues to produce quality films in Tamil and also distribute films in other languages including English either on own or through jointly with other entertainment media partners. Also your company has taken certain initiatives to promote Web-casting business through exports. Last year GV New Media Tech (WebCasting) Division has recorded an export turnover of Rs.314.02 lakhs and this is bound to go up in the coming years.

The Scheme of De-merger (the meeting of Shareholders of the Company convened by the Order of Hon'ble High Court of Madras Judicature has approved the Scheme of Demerger on 24th January 2008) will be given effect by the Company on receipt of order of the Hon'ble High Court of Madras Judicature.

**Statutory Disclosures:****Conservation of Energy and Technology Absorption:**

The Company is not engaged in any manufacturing activities, and as such the Particulars relating to conservation of energy and technology absorption is not applicable. The company makes every efforts to conserve energy as far as possible in its Theatre division production floor, offices etc.

**Foreign Exchange Earnings and Outgoings:**

During the year under review, the foreign exchange earnings amounted to Rs.177,89,86,956/- and the foreign exchange outgo amounted to Rs. 193,41,78,068/- in Equivalent Indian Currency.

**Particulars of Employee's Remuneration and Industrial Relations:**

There were no employees whose particulars, pursuant to Section 217(2A) of The Companies Act 1956, read with Companies (Particulars of Employees) Rules 1975, are to be disclosed. Industrial relations in the company were very cordial and stable.

**Public Deposits:**

Your Company has not accepted any public deposit during the year under review.

**Directors:**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. R. Gopalan & Ms. Manisha Koirala will retire by rotation and being eligible for reappointment. Ms. Manisha Koirala has not offered herself for re-election and hence not considered for reappointment. Your directors wish to place on record their sincere appreciation for the services rendered by Ms Manisha Koirala as a Director of the Company.

Mr. R Gopalan offers himself for re-appointment. His re-appointment requires the approval of the members at the ensuing AGM. Necessary resolutions has been proposed in this regard. Your directors feel his continuance will be beneficial to the Company and therefore recommend his re-appointment.

**AUDITORS**

Mr. G. Parthasarathy, Chartered Accountant, Auditor of the Company retires at the ensuing Annual General Meeting and has confirmed his eligibility and willingness to accept the office for re-appointment.

The Auditor has made certain observations in his report and also in the notes to the accounts, and the observations are self explanatory.

**Corporate Governance:**

We continue in benchmarking our corporate governance policies with the best in the industry. Our efforts are widely recognized by investors both in India and abroad.

We have complied with the recommendations of the Corporate Governance Committee constituted by the Securities and Exchange Board of India (SEBI). For fiscal 2008, the compliance report is provided in the Corporate Governance Report section of this Annual Report. The Auditors' certificate on compliance with the mandatory recommendations of the committee is annexed to this report.

We have documented our internal policies on corporate governance. In line with the committee's recommendations, the management's discussions and analysis of the financial position of the company is provided in this annual report and is incorporated here by reference.

**Directors' Responsibility Statement:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:-

- (1) that in the preparation of the accounts for the financial year ended 31st March, 2008 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (2) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 and of the profit of the Company for the year under review
- (3) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (4) that the Directors have prepared the accounts for the financial year ended 31st March, 2008 on a 'going concern' basis.

**Acknowledgement:**

Your Directors wish to place on record their deep sense of gratitude to the employees, our Bankers, Distributors, Exhibitors, Customers and Shareholders for their active co-operation during the year under review.

For and on behalf of **THE BOARD OF THE DIRECTORS**

Place : Chennai

Date : 30-06-2008

**MAHADEVAN GANESH**  
DIRECTOR



## MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of Listing Agreement, the Management Discussion and Analysis Report is as under:

### *(i) Industrial Structure and development*

The Entertainment industry has witnessed large number of newcomers in all segments of business. This has led to a healthy competition in the Industry. Your Company has increased its scope of activities to the most important areas of Film Industry viz., film production, distribution, exhibition, web-casting, animation and graphics.

The film exhibition business has also undergone sea change with technology upgradation viz; multiplexes, DTS and Digital etc. With its focus on the main part of the entertainment industry and with the new wave technology of 3D Serials and animation besides the conventional film making and exhibition, the Company plans to secure a premier place in the Industry. The company is also trying to expand its operations of tele-serials operations by producing mega serials in various languages to be aired in prominent channels. The Company is following the principle 'Content is the King' for its production including Television content division. At the last count it is estimated that there are over 180 television channels that are being aired in the Country making a bee line for content. The television serial 'Mayavi' received good response from the Tamil audience and it has already been shown in Telugu and Malayalam. Shortly it will be on air in Marathi as well.

### **Strengths**

**GV is one of the first to enter entertainment business as a corporate house and first public limited company who invited public participation in the hitherto private film production industry.**

- GV Films Limited has built a strong brand over the years and one of the reputed production houses in Tamil Nadu, with strong industry standing and relationship with artistes.
- Internet film rights of about 5500 films of different Indian languages in addition to 8000 Hollywood films recently added to the library. The Content Creation is the company's forte.
- Apart from the experience in areas of exhibition, the Company has several years of experience in film production and distribution and further perfected the technology of Film Making by using 3D technology.
- The Promoters have fair knowledge and rich experience in the industry and the company is managed by hard core professionals having hands on experience.
- The company has its presence in all segments of the entertainment chain like production, distribution, tele-serials, animation and graphics, Web-casting and entertainment Portal and screening through multiplex theaters.

### **Weaknesses**

- Being a corporate structure with set values and governance, at times it is difficult to compete with the industry practices as it is lying on un-organized sector of the Industry.
- the web casting business requires huge investment in content acquisition and fair amount of gestation period before results in terms of revenue generation could be expected.
- Screening business i.e. construction of Multiplex theaters, hotels and shopping malls under GV Studio City projects also entail huge capital out lay and gestation period.
- The risk and reward of each type of business under taken by the company is different. The business of production and distribution is very risky and rewards are also very high.
- The entertainment business is highly competitive with too many new players entering the market.

### *(ii) Opportunities and Threats*

#### **Opportunities**

- GV Studio City Projects consisting of Multiplex, shopping mall and hotels have excellent demand and potential for growth and the focus being on Tier II and tier III cities, the complex will be the landmark building in the town.
- The portal business of downloading films (Webcasting ) has a trillion dollar market and has excellent revenue generation potential in near future.
- with the country's economy booming, entertainment industry is also growing and the technological innovations like Digital, DTS, state of art multiplex theaters offer more choice to the screens and is bringing back masses to the theaters.

Television serials is another big opportunity as the Company has proved its expertise in that field and have won international awards

#### Threats

- The conventional way of doing business by the un-organized sectors and still a part of the business being done by them in cash is a major issue to be addressed.

(iii) *Segment-wise or product-wise performance*

**Statement of Segment-wise performance contribution of the divisions to the total income of the company in last two years.**

Sl. No.	Divisions and Turn Over	F.Y.2007-08 (Rs. Lacs)	Percentage	F.Y.2006-07 (Rs. Lacs)	Percentage
1	Film Division	3,501.60	88.76	4,134.84	96.7
2	GV Studio City (Theatre) Division	129.52	3.28	138.93	3.3
3	GV New Media Tech (WebCasting) Division	314.02	7.96	0.00	0.00
	<b>Total Income</b>	<b>3,945.14</b>	<b>100.00</b>	<b>4,272.77</b>	<b>100.00</b>

(iv) *Outlook, risks and concerns*

During the year under report, the Company has shown a downward trend in performance recording marginally lower income and lesser profits due to following macro factors:

The entry of new corporates and star struck NRI producers with deep pockets have impacted the cost of film production to a great extent in recent times. While overheads relating to production has gone up substantially, public response to films has become very unpredictable and lukewarm with pirated CDs hitting rock bottom price and available from the day of release of a film. These are all some of the concerns which the industry has to address immediately. However your company expects reversal in the trend in the years to come.

Thanks to rapidly decreasing internet connectivity costs and increase in connectivity speeds, the potential for web-casting of the films is good. As the company has a large library of films for which it possesses internet rights, it stands to gain in this scenario.

(v) *Internal control systems and their adequacy*

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

(vi) *Financial performance Vs operational performance:*

The top-line and bottom-line both have not shown expected growth during the financial year ended 31st march 2008 compared to the previous year.

(vii) *Material developments in Human Resources*

During the year, the Company has added employees at different levels in tune with the growth and expansion of the business in general and various divisions in particular. The Company enjoys harmonious relationship with its employees.

## CORPORATE GOVERNANCE

The Company submits its report on the matters mentioned in Clause 49 of the Listing Agreement with the Stock Exchanges as follows :

### **Company's Philosophy on Code of Governance**

G V Film's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its shareholders, employees, the government and lenders, film artists and other members of the film production team.

G V Films is committed to achieving the highest standards of corporate governance.

G V Films believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

The Company upholds its relationship with society and hence its social responsibility of environmental safety and human welfare.

### **BOARD OF DIRECTORS**

During the year 2007-2008, Composition and category of Directors were as follows:

Category	Name of the Director
Whole-Time Director	Mr. P. RAGHURAMAN
Non Executive Director	Mr. A.VENKATRAMANI Mr. MAHADEVAN GANESH
Non-Executive and Independent Director	Mr. S. RAMANATHAN Mr. R. GOPALAN Ms. MANISHA KOIRALA

*\*\*Ms. Manisha Koirala, who is retiring by rotation, has not opted for reappointment in the ensuing Annual General Meeting.*

Attendance of each Director at the 13 Board Meetings, last Annual General Meeting and Number of other Directorship and Chairmanship/Membership of Committee of each Director in various Companies :

Name of the Director	Attendance Particulars		Number of directorship and committee member/chairmanship of other company		
	Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Mahadevan Ganesh	12	YES	7	—	—
A.Venkatramani	13	YES	2	1	—
P.Raghuraman	13	YES	5	—	—
R.Gopalan	13	YES	2	—	—
S.Ramanathan	13	YES	3	—	—
Manisha Koirala	00	NO	1	—	—

### **Number of Board Meetings held and the dates on which held.**

13 Board Meetings were held during the year on the following dates:

23.4.2007, 27.04.2007, 30.04.2007, 07.06.2007, 25.06.2007, 11.07.2007, 16.07.2007, 16.08.2007, 24.09.2007, 23.10.2007, 31.10.2007, 31.01.2008, 08.02.2008

### **Profiles of Directors retiring by rotation/reappointed/appointed at the Annual General meeting.**

At the ensuing Annual General Meeting Mr. R.Gopalan retires by rotation and being eligible, offers himself for reappointment. Pursuant to Clause 49 of the Listing Agreements relating to Code of Corporate Governance, particulars of the aforesaid director are given below:-

1. NAME	- R. GOPALAN
DATE OF BIRTH	- 15th December 1937
QUALIFICATION	- Cost Accountant (AICWA)
EXPERIENCE	- Mr. R. Gopalan, is an associate member of the Institute of Cost And Works Accountant of India. He is having extensive experience of over 37 Years in all areas of Financial Management. He retired as Executive Director (Finance) of Bharat Earth Movers Limited. His expertise will help your Company in its operations
OTHER DIRECTORSHIP	- M/s. Kaashyap Technologies Limited
COMMITTEE MEMBERSHIP IN OTHER COMPANIES	- NIL

### AUDIT COMMITTEE

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreements, the Company has an Audit Committee comprising of two independent Non-Executive Directors and one Non-executive Director Viz., Mr.S Ramanathan as Chairman, Mr. Gopalan and Mr.A.Venkatramani, as members. The Audit Committee has met four times on 30.04.2007, 11.07.2007, 31.10.2007 and 31.01.2008 and during the financial year under review.

The Committee is vested with following powers as per the terms of reference as prescribed under relevant provisions Section 292A of the Companies Act, 1956 and Listing agreements of Stock Exchanges

Mr. P. Thirumalai Kumar, Company Secretary acts as Secretary of the Audit Committee.

#### Powers:

The Audit Committee is empowered, pursuant to its terms of reference, to

- investigate any activity within its terms of reference.
- seek information from any employee.
- obtain outside legal and other professional information.
- secure attendance of outsiders with relevant expertise, if it consider necessary

#### Terms of Reference:

- a. Overview of the Company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e., transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors before the audit commences nature and scope of audit as well as to have post-audit discussion to ascertain any area of concern.
- i. Reviewing the company's financial and risk management policies.
- j. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.

**SUBSIDIARY COMPANY**

The company does not have any subsidiary company.

**Shareholders'/Investors' Grievance Committee**

The Committee consists of Mr. Mahadevan Ganesh, Mr.R Gopalan and Mr.S.Ramanathan and Committee oversees and reviews all matters connected with the securities transfers.

Mr. P Thirumalai Kumar, Company Secretary acts as Secretary of the Committee.

The committee also looks into redressing of shareholders' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Board of Directors has delegated the power of approving transfer of securities to the Share Transfer Committee.

The total number of complaints which were received and replied to the satisfaction of shareholders during the year under review was 27. Outstanding complaints as on 31st March, 2008 were NIL and NIL requests for dematerialization were pending for approval as on 31st March, 2008.

**Remuneration of Directors**

The remuneration committee consists of Mr. R. Gopalan, Mr. A. Venketramani & Mr. S. Ramanathan and it oversees and fix the remuneration payable to Whole-time Director & Sitting Fees to Non-Executive Directors. It met four times during the year.

**Details of Remuneration of the Directors for the financial year ended 31st March, 2008.**

Director	Consolidated Salary (Rs.)	Perquisites and other Benefits (Rs.)	Performance Bonus/Commission (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mahadevan Ganesh	NIL	NIL	NIL	30,000	30,000
P. Raghuraman	4,50,000	2,70,000	NIL	N.A.	7,20,000
A. Venkatramani	NIL	NIL	NIL	32,500	32,500
S. Ramanathan	Nil	Nil	Nil	32,500	32,500
R. Gopalan	Nil	Nil	Nil	32,500	32,500
Manisha Koirala	Nil	Nil	Nil	Nil	Nil

Details of remuneration paid to the executive director during the year:

**Mr.P.Raghuraman****Salary**

Basic Pay Rs. 37,500 p.m.

House Rent Allowance Rs.12,000 p.m.

Other Allowances Rs.9,250 p.m.

**Perquisites**

Medical Reimbursement for self and family for a sum not exceeding Rs 15,000 per year.

**Retirement Benefits**

Provident fund and Gratuity as per the rules of the Company from time to time.

**Leave Travel Allowance**

Provident fund and Gratuity as per the rules of the Company from time to time.

The Company has not provided for any performance linked incentive or Stock Option or Convertible Instruments to the Directors of the Company.

**DISCLOSURES****CODE OF CONDUCT**

The Board of Directors has laid down code of conduct for Directors and Senior Management personnel. A copy of the Code of Conduct is available on the web site of the company [www.gvfilms.com](http://www.gvfilms.com). All the Board of Directors and Senior Management personnel have affirmed the compliance with the Code of Conduct.

- a. The necessary disclosures regarding the transactions with Related Parties are given in the notes to the Accounts. None of these transactions have potential conflict with the interest of the Company in large.
- b. The company has followed the guidelines of Accounting standards laid down by the Institute of Chartered Accountant of India (ICAI) in preparations of its financial statements.
- c. The company has complied with the requirement of regulatory authorities on capital markets and no penalties/ strictures have been imposed against it in the last three years on any related to Capital Markets.
- d. The company does not have Whistle Blower policy. However no personnel has been denied access to the Audit Committee of the Company.
- e. The Company has adopted procedures for Risk Assessment & Minimization.
- f. The company has complied with all mandatory requirements of the Clause -49 of the Listing Agreement and the Non - Mandatory requirements.

**MEANS OF COMMUNICATION**

The Half-Yearly and Quarterly results are published in the Trinity Mirror and Makkal Kural.

The above results are also hosted on the company website [www.gvfilms.com](http://www.gvfilms.com)

Management discussion and analysis has been made a part of the annual report.

**GENERAL BODY MEETINGS**

Location and time for last Annual General Meetings.

Year	AGM	Location	Date	Time
2004-05	AGM	Vidyodaya Schools Auditorium 1, Thirumalai Pillai Road, T. Nagar, Chennai - 17.	23.11.2005	11.30 A.M.
2005-06	AGM	New Woodlands Hotel (P) Ltd, 72-75, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004.	11.07.2006	11.00 A.M.
2006-07	AGM	New Woodlands Hotel (P) Ltd, 72-75, Dr. Radhakrishnan Salai, Mylapore, Chennai-600 004	24.09.2007	11.00 A.M.

**COURT CONVENED MEETING:**

A court convened shareholders meeting was held on 24th of January 2008 under the chairmanship of Justice K. Govindarajan (Retd.) to consider the proposed scheme of arrangement between GV Films Limited and GV studio city Limited and GV New Media Technologies Limited and was approved by the shareholders in majority. Now the matter is pending before the Honorable High Court of Madras Judicature for final approval.

## GENERAL SHAREHOLDERS INFORMATION

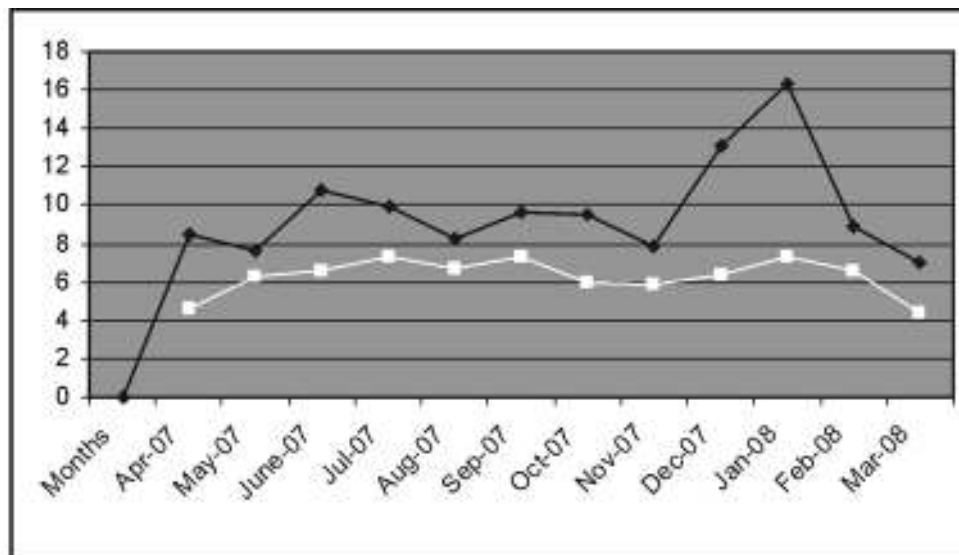
Sl. No.	Particulars	Description
1	<b>Financial Calendar</b>	Year Ended March 31, 2008
2	<b>Book Closure Date</b>	22 <sup>nd</sup> September 2008 to 25 <sup>th</sup> September 2008 (Both days inclusive)
3	<b>Listed Stock Exchange</b>	The Madras Stock Exchange Ltd, Chennai The Bombay Stock Exchange Ltd, Mumbai. The Hyderabad Stock Exchange, Hyderabad (De- Recognized)
4	<b>Registrar &amp; Transfer Agents</b> (share transfer and communication regarding share certificates and change of address)	<b>M/s. Cameo Corporate Services Ltd</b> Unit: <i>GV Films Ltd.</i> V Floor, Subramanian Building. No.1, Club House Road.Chennai-600 002. Tel : (044) 28460390/391 Fax No. (044) 28460129 E-mail : cameo@cameoindia.com Website : www.cameoindia.com
5	<b>Share Transfer System</b>	Presently, the share transfers which are received in physical form are processed and the share certificates returned within a period of 21 days from the date of receipt, subject to the documents being valid and complete in all respects. In case the transferee does not wish to dematerialize the shares, the Company will dispatch the share Certificates.
6	<b>Dividend Payment Date</b>	No dividend is declared
7	<b>Stock Code</b>	Scrip Name : GVFL Scrip Code : 523277
8	<b>Market Price data</b>	Annexed
9	<b>Address for Correspondence</b>	New No.7 (Old No. 4), Seshadri Road, Alwarpet, Chennai – 600 018, Tamil Nadu. Phone No. : (044) 24990830/40. Fax No. : (044) 42101785 E-mail : gvfilms@vsnl.com
10.	<b>ISIN</b>	INE395B01030
11.	<b>AGM</b>	19 <sup>th</sup> Annual General Meeting-
12.	<b>Quarterly Results (Tentative)</b> For the Quarter ending 30 <sup>th</sup> June 2008 For the Quarter ending 30 <sup>th</sup> September 2008 For the Quarter ending 31 <sup>st</sup> December 2008 For the Quarter ending 31 <sup>st</sup> March 2009	11th July 2008 Last Week of October 2008 Last Week of January 2009 Last Week of April 2009.
13.	<b>Dematerialization of Shares</b>	About 99.47% (i.e.350276106 shares) of the outstanding shares have been dematerialised as on 31st March 2008. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f 25th September 2000 as per notification issued by the Securities and Exchange Board Of India.(SEBI).
15.	<b>Any query on Annual Report</b>	M/s. G.V. Films Limited Secretarial Department “LVR Centre” New No.7 (Old No. 4), Seshadri Road, Alwarpet, Chennai – 600 018. Phone No. : (044) 24990830, 24990840 Fax No. : (044) 42101785 Email : gvfilms@vsnl.com
16.	<b>For Investor Correspondence</b>	<b>M/s. Cameo Corporate Services Ltd</b> Unit: <i>GV Films Ltd.</i> V Floor, Subramanian Building No.1, Club House Road, Chennai - 600 002. Tel : (044) 28460390/391

**CEO/CFO CERTIFICATION**

A certificate from the Whole-Time Director / Chief Executive Officer on the financial statements of the Company was placed before the board

**Stock Market Data:**

**High & Low price in Bombay Stock Exchange from April 2007 to March 2008(FV RS.10/-)**



**High & Low price in Bombay Stock Exchange from April 2007 to March 2008**

Months	Mumbai Stock Exchange High(Rs.)	Low(Rs.)
April 2007	8.45	4.65
May 2007	7.62	6.30
June 2007	10.74	6.61
July 2007	9.93	7.30
August 2007	8.26	6.75
September 2007	9.60	7.30
October 2007	9.50	6.00
November 2007	7.90	5.82
December 2007	13.10	6.43
January 2008	16.36	7.28
February 2008	8.89	6.55
March 2008	7.00	4.42

There was no trading at MSE & HSE during the Year 2007-08.

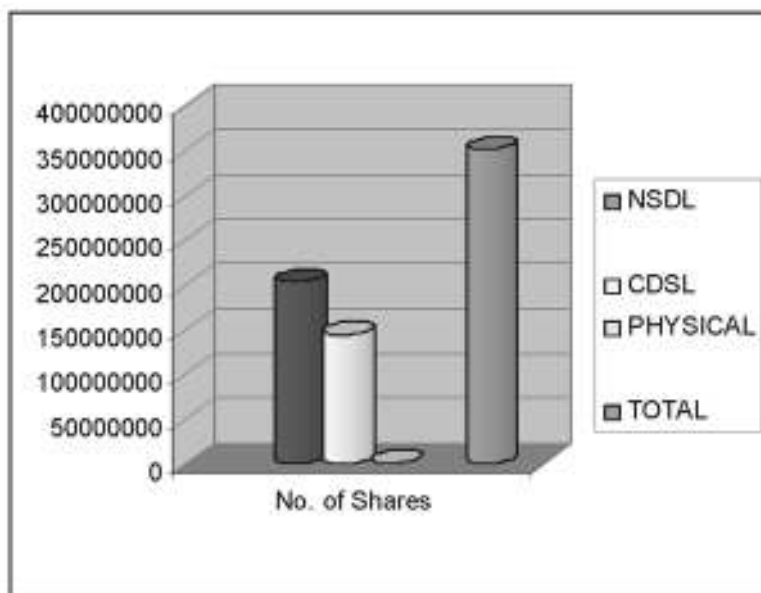
**Distribution of Shareholding as on 31<sup>st</sup> March 2008**

Shareholding Rs.	Shareholders		Share Amount	
	Nos.	% of Total	Amounts in Rs.	% of Total
Upto - 5000	81572	59.1628	19,93,00,180	5.6597
5001 – 10,000	26668	19.3418	24,36,89,270	6.9203
10,001 – 20,000	13890	10.0741	23,26,63,330	6.6072
20,001 – 30,000	5016	3.6380	13,37,16,400	3.7973
30,001 – 40,000	2099	1.5223	7,76,43,200	2.2049
40,001 – 50,000	2938	2.1308	14,32,42,060	4.0678
50,001 – 1,00,000	3249	2.3564	25,42,59,440	7.2205
1,00,001 and above	2445	1.7733	2,23,68,36,120	63.5221
<b>Total</b>	<b>137877</b>	<b>100.00</b>	<b>3,52,13,50,000</b>	<b>100.00</b>



**Dematerialization of shares and liquidity :**

350276106 Equity shares of Rs.10 each are under demat form constituting 99.47% of the paid up equity as on 31st March 2008. The shares are actively traded and liquid at Bombay Stock Exchange Limited.



	No. of Shares
NSDL	205018794
CDSL	145257312
PHYSICAL	1858894
TOTAL	352135000

## STATEMENT SHOWING SHAREHOLDING PATTERN

Name of the Company : G. V. FILMS LIMITED

Scrip Code : 523277

As on 31st March 2008

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of Shares in dematerialised form	Total Shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
<b>(A)</b>	<b>SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>					
<b>(1)</b>	<b>Indian</b>					
(a)	Individuals / Hindu undivided family	2	9377098	9377098	3.1380	2.6629
(b)	Central government / State government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0.00
	<b>Sub - Total (A)(1)</b>	<b>2</b>	<b>9377098</b>	<b>9377098</b>	<b>3.1380</b>	<b>2.6629</b>
<b>(2)</b>	<b>Foreign</b>					
(a)	Individual (Non Resident Individuals / Foreign Individuals)	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00
(d)	Any Other (Specify)	0	0	0	0.00	0.00
	<b>Sub - Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total shareholding of promoter and promoter group (A)=(A)(1)+(A)(2)</b>	<b>2</b>	<b>9377098</b>	<b>9377098</b>	<b>3.1380</b>	<b>2.6629</b>
<b>(B)</b>	<b>Public Shareholdings</b>					
<b>(1)</b>	<b>Institutions</b>					
(a)	Mutual Funds / UTI	1	1000	1000	0.0003	0.0002
(b)	Financial Institutions	5	700100	700000	0.2343	0.1988
(c)	Central government / State government(s)	0	0	0	0.00	0.00

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of Shares in dematerialised form	Total Shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(d)	Venture Capital Funds	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	4	32024492	32024492	10.7167	9.0944
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
	<b>Sub - Total (B)(1)</b>	<b>10</b>	<b>32725592</b>	<b>32725492</b>	<b>10.9513</b>	<b>9.2934</b>
<b>(2)</b>	<b>Non - Institutions</b>					
(a)	Bodies Corporate	1311	53396813	53135663	17.8687	15.1638
(b)	Individuals - i. Individual shareholders holding Nominal Share Capital up to Rs. 1 lakh	132088	121887096	120321463	40.7883	34.6138
	ii. Individual share holders holding Nominal Share Capital in excess of Rs. 1 lakh	1933	67380361	67348361	22.5482	19.1348
(c)	<b>Any Other :</b> - Clearing Members	153	2696770	2696770	0.9025	0.7658
	- HUF	2027	6272246	6272246	2.0990	1.7812
	- NRIs	346	2481236	2481236	0.8303	0.7046
	- OCBs	3	1111	1100	0.0003	0.0003
	- TRUSTs	2	2	2	0.0000	0.0000
	- FCBs	1	2610000	2610000	0.8734	0.7412
	<b>Sub - Total (B)(2)</b>	<b>137864</b>	<b>256725635</b>	<b>254866841</b>	<b>85.9107</b>	<b>72.9055</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>137874</b>	<b>289451227</b>	<b>287592333</b>	<b>96.8620</b>	<b>82.1989</b>
	<b>Total (A)+(B)</b>	<b>137876</b>	<b>298828325</b>	<b>296969431</b>	<b>100.0000</b>	<b>84.8618</b>
(C)	Shares held by custodians and against which Depository Receipts have been issued	1	53306675	53306675		15.1382
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>137877</b>	<b>352135000</b>	<b>350276106</b>		<b>100.0000</b>

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF M/s G.V. FILMS LIMITED**

I, P. Raghuraman, Whole-Time Director of **G.V. FILMS LIMITED** (the Company), to the best of my knowledge and belief certify that:-

1. I, have reviewed the Balance Sheet and Profit and Loss Account and all its Schedules and Notes on Accounts, as well as the Cash Flow Statement and Director's Report.
  - a. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit any material fact or contain statements that might be misleading.
  - b. 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.
2. I also certify, that based on my knowledge and the information provided to me, there are no transactions entered into by the Company, which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls and procedures for the Company pertaining to financial reporting, and have evaluated the effectiveness of these procedures in the Company. I have disclosed to the auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which I am aware and the steps that we have taken or propose to take to rectify these deficiencies.
4. I have disclosed, based on my most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors:-
  - a. Significant changes in internal controls during the year;
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances, if any, of significant fraud of which I have become aware and the Involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system.
5. I affirm that I have not denied any personnel, access to the Audit Committee of the Company (in respect of matters involving misconduct, if any).
6. I further declare that all the Board members and Senior Management have affirmed compliance with the Code of Conduct for the current year.

**P. RAGHURAMAN**  
Whole-Time Director

Chennai  
30-06-2008

**DECLARATION OF CODE OF CONDUCT**

To  
The members of M/s GV Films Limited

This is to confirm that the board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct has also been posted on the web site of the Company.

It is further confirmed that all the directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the company for the year ended 31st March 2008, as envisaged in clause 49 of the Listing Agreement with Stock Exchange.

**P. RAGHURAMAN**  
Whole-Time Director

Chennai  
30-06-2008

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**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of *M/s. GV Films Ltd,*  
Chennai

I have examined the compliance of the conditions of Corporate Governance by M/s. GV Films Ltd for the year ended 31<sup>st</sup> March 2008 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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 the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that generally no investor grievances were pending for a period of exceeding one month against the Company as per the records maintained by the Company.

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

**G. Parthasarathy**  
**Chartered Accountant**

Place : Chennai  
Date : 30.06.2008

## AUDITOR'S REPORT

To  
The Shareholders  
G V Films Ltd.

I have audited the attached Balance Sheet of **G V FILMS LIMITED** as at 31st March 2008 and Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I have conducted my audit in accordance with auditing standards generally accepted in India. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

- I. As required by the Companies (Auditor's Report) Order, 2003 (CARO, 2003) issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, I enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- II. Further to my comments in the Annexure referred to in paragraph I above, I report that:
- (i) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purposes of my audit;
  - (ii) In my opinion, proper books of accounts as required by law have been kept by the company so far as appears from my examination of those books;
  - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - (iv) In my opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, and taken on record by the Board of Directors, I report that none of the directors are disqualified as on 31st March 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) In my opinion and to the best of my information and according to the explanations given to me and subject to note 1 and 2 to the accounts the said Balance Sheet and Profit and Loss account read with the schedules and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
    - a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2008;
    - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
    - c) in the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

Chennai  
30.06.08

**G. PARTHASARATHY**  
Chartered Accountant  
Membership No. 20106

**ANNEXURE REFERRED TO IN PARAGRAPH I OF THE REPORT OF EVEN DATE OF THE AUDITORS TO THE MEMBERS OF GV FILMS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2008.****1. Fixed Assets accounting and verification**

The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

All the fixed assets have been physically verified by the management once during the year, which in my opinion is reasonable having regard to the size of the company and nature of its business. No material discrepancy was noticed on such verification.

The Company has not disposed off any part of its fixed assets during the year.

**2. Inventory verification**

The Company is principally engaged in the production, distribution and exhibition of motion pictures. As such, the Company does not carry any finished goods, raw materials, and spare parts and hence the question of physical verification of the same does not arise. Inventories in the books represent picture rights and Internet film rights.

**3. Loans to and from Companies etc with interested Directors**

The Company has not granted any loans, secured or unsecured during the year to companies listed in the Register maintained under Section 301 of the Companies Act, 1956.

The Company has not taken any loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.

**4. Internal Control Procedures**

In my opinion and according to the information and explanations given to me, the Company has adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and purchase and sale of goods. During the course of audit, I have not observed any continuing failure to correct major weaknesses in internal controls.

**5. Transactions under section 301**

According to the information and explanations given to me, I am of the opinion that there are no transactions during the year that need to be entered into the Register maintained under section 301 of the Companies Act, 1956.

**6. Deposits from Public**

The Company has not accepted any deposits from the public under section 58A of the Companies Act.

**7. Internal audit System**

The Company has adequate internal audit system commensurate with its size.

**8. Cost Records**

The Provision of Section 209(1)(d) of the companies Act, 1956 regarding maintenance of Cost Records is not applicable to the company.

**9. Remittance of undisputed taxes**

a. The Company has been generally regular in depositing with the appropriate authorities dues on account of Provident Fund and Employees State Insurance Corporation.

b. According to the information and explanations given to me, no undisputed amounts payable in respect of sales tax or income-tax were in arrears as at 31st March, 2008 for a period of more than six months from the date they became payable.

c. Amount involved in appeal in respect of Sales Tax is Rs.11.86 lakhs, the appeal is pending before the Appellate Assistant Commissioner.

**10. Accumulated Losses**

The Company has no accumulated losses. Hence clause (x) of paragraph 4 of the CARO (2003) is not applicable.

11. Loans from Institutions

The Company has borrowed Term loan from a bank during the year and has not defaulted on repayment in this loan.

12. Granting Loans on the pledge of Securities

The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause (xii) of CARO (2003) is not applicable.

13. Chit, Nidhi or Mutual Fund

The Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore the provisions of clause (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.

14. Trading in Shares / Investments

The Company has not traded any shares and other investments during the year under review. Accordingly Clause (xiv) of the CARO 2003 is not applicable to the company.

15. Guarantees to Institutions on behalf of others

According to the information and explanations given to me, the Company has not given any guarantee for loans taken by any other entity from banks or financial institutions. Accordingly clause (xv) of the CARO 2003 is not applicable.

16. Utilisation of Funds raised

The company had raised funds through Global Depository Receipts and through bank loans. The funds raised in the year were applied for the purpose for which they were raised. The management has disclosed the end use of money so raised and the same has been verified.

17. Short term Funds

According to the information and explanations given to me and on an overall examination of the balance sheet of the company, the company has not raised any funds on short-term basis. Accordingly clause (xvii) of the CARO 2003 is not applicable.

18. Allotment of shares on preferential basis to parties / companies covered by section 301

The Company has not made any preferential allotment of shares to any parties or companies. Accordingly clause 4(xviii) of CARO 2003 is not applicable.

19. Issue of debentures

The company has not issued any debenture during the period covered by my audit. Accordingly clause 4(xix) of CARO 2003 is not applicable.

20. Public issue

The company has, during the year raised Rs 172.80 crores by issue of Global Depository Receipts (GDRs) to the Investors comprising 16(sixteen) Crores underlying equity shares of Rs 10 each aggregating Rs 160 crores and Rs 12.80 crores to Share Premium Account.

21. Frauds

According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Chennai  
30.06.08

**G. PARTHASARATHY**  
Chartered Accountant  
Membership No. 20106



## GV FILMS LIMITED

Regd. Office : LVR Centre, III Floor, New No. 7 (Old No.4), Seshadri Road, Alwarpet, Chennai-600 018.

## BALANCE SHEET AS AT 31ST MARCH 2008

PARTICULARS	Sch.	As at 31-03-2008	As at 31-03-2007
		Rs.	Rs.
<b>SOURCES OF FUNDS</b>			
<i>SHAREHOLDERS' FUNDS</i>			
Share Capital	1	3,52,13,50,000	1,88,22,00,000
Reserves & Surplus	2	1,30,06,98,117	1,15,74,90,571
		4,82,20,48,117	3,03,96,90,571
<i>LOAN FUNDS</i>			
Secured Loans	3	6,34,54,468	1,47,74,376
Unsecured Loans	4	35,31,16,480	37,65,02,100
Deferred Tax Liability			5,05,814
Total		<b>5,23,86,19,065</b>	<b>3,43,14,72,861</b>
<b>APPLICATIONS OF FUNDS</b>			
<i>FIXED ASSETS</i>			
Gross Block	5	2,33,44,02,674	1,64,70,74,035
Less: Depreciation		3,12,77,425	1,97,19,481
Net Block		2,30,31,25,249	1,62,73,54,554
<i>INVESTMENTS</i>			
	6	1,49,66,135	1,96,496
<i>CURRENT ASSETS, LOANS &amp; ADVANCES</i>			
Current Assets			
(a) Inventories	7	2,00,26,98,973	31,01,69,940
(b) Sundry Debtors	8	39,77,34,507	22,35,44,213
(c) Cash & Bank balances	9	3,07,78,826	68,01,69,326
(d) Loans & Advances	10	60,77,67,254	56,74,51,340
		3,03,89,79,561	1,78,13,34,819
<i>Less: CURRENT LIABILITIES &amp; PROVISIONS</i>			
Net Current Assets	11	23,71,15,160	8,04,05,572
Deferred Tax Assets		2,80,18,64,401	1,70,09,29,247
		13,34,942	
<b>MISCELLANEOUS EXPENDITURE</b> (to the extent not written off / adjusted)			
Capital Issue and preliminary expenditure	12	11,73,28,338	10,29,92,566
Total		<b>5,23,86,19,065</b>	<b>3,43,14,72,861</b>
Notes to accounts	17		

As per our report of even date

Sd/-  
**MAHADEVAN GANESH**  
DIRECTORSd/-  
**A. VENKATRAMANI**  
DIRECTORSd/-  
**P. RAGHURAMAN**  
WHOLE-TIME DIRECTORSd/-  
**P. THIRUMALAI KUMAR**  
COMPANY SECRETARYSd/-  
**G. PARTHASARATHY**  
CHARTERED ACCOUNTANTChennai  
30.06.2008

**GV FILMS LIMITED**

Regd. Office : LVR Centre, III Floor, New No. 7 (Old No.4), Seshadri Road, Alwarpet, Chennai-600 018.

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2008**

PARTICULARS	Sch.	As at 31-03-2008	As at 31-03-2007
		Rs.	Rs.
<b>INCOME</b>			
Operating Income	13	39,45,13,569	42,65,63,766
Other Income	14	2,25,16,580	1,46,04,628
		<b>41,70,30,149</b>	<b>44,11,68,394</b>
<b>EXPENDITURE</b>			
Operating Expenses	14	27,91,33,093	16,03,09,801
Administrative & Other Expenses	15	10,08,33,909	6,66,04,402
Finance Charges	16	1,07,52,966	48,71,134
Depreciation	5	1,15,57,945	48,94,694
		<b>40,22,77,914</b>	<b>23,66,80,030</b>
<b>Profit/(Loss) before Taxation</b>		<b>1,47,52,235</b>	<b>20,44,88,364</b>
Less: Provision for MAT		16,71,428	2,29,43,594
		1,30,80,807	18,15,44,770
Less: Fringe Benefit Tax		8,88,517	18,88,505
		1,21,92,290	17,96,56,264
Add: Deffered tax Assets		18,40,756	
Add: Profit b/fd from Previous Year		26,39,44,605	8,42,88,341
Amount available for appropriation		27,79,77,651	26,39,44,605
Surplus/(Deficit) carried to Balance Sheet		27,79,77,651	26,39,44,605
Notes to accounts	17		

As per our report of even date

Sd/-  
**MAHADEVAN GANESH**  
DIRECTORSd/-  
**A. VENKATRAMANI**  
DIRECTORSd/-  
**P. RAGHURAMAN**  
WHOLE-TIME DIRECTORSd/-  
**P. THIRUMALAI KUMAR**  
COMPANY SECRETARYSd/-  
**G. PARTHASARATHY**  
CHARTERED ACCOUNTANTChennai  
30.06.2008

## GV FILMS LIMITED

## SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

	As at 31-3-2008	As at 31-3-2007
	Rs.	Rs.
<b>SCHEDULE 1: SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
200,00,00,000 Equity Shares of Rs.10/- each	20,00,00,00,000	20,00,00,00,000
<b>Issued, Subscribed and Paid up Share Capital</b>		
35,21,35,000 Equity Shares of Rs.10/- each (Previous year 18,82,20,000 Equity Shares of Re.10/- each)	<b>3,52,13,50,000</b>	<b>1,88,22,00,000</b>
<b>SCHEDULE 2: RESERVES &amp; SURPLUS</b>		
General Reserves	7,15,33,466	7,15,33,466
Profit & Loss Account	27,79,77,651	26,39,44,605
Share Premium	95,11,87,000	82,20,12,500
	<b>1,30,06,98,117</b>	<b>1,15,74,90,571</b>
<b>SCHEDULE 3: SECURED LOANS</b>		
Vehicle Loans	54,46,052	84,34,376
Term Loan	4,15,52,342	
Short Term Loan	1,64,56,074	
Others		63,40,000
	<b>6,34,54,468</b>	<b>1,47,74,376</b>
<b>SCHEDULE 4: UNSECURED LOANS</b>		
Foreign currency Convertible Bonds	33,04,38,100	37,07,62,600
Other Loans	2,26,78,380	57,39,500
	<b>35,31,16,480</b>	<b>37,65,02,100</b>

## GV FILMS LIMITED

## SCHEDULE 5: Fixed Assets and Depreciation schedule for the year ended 31.03.2008

ASSET	COST			DEPRECIATION				NET BLOCK		
	As on 01.04.2007 Rs.	Additions during the year Rs.	Deletions Rs.	As on 31.03.2008 Rs.	As on 01.04.2007 Rs.	For the year Rs.	on Deletions Rs.	As on 31.03.2008 Rs.	As on 31st March 2007 Rs.	As on 31st March 2008 Rs.
Goodwill (see Notes to Accounts 1 on De-Merger)	30,50,00,000			30,50,00,000					30,50,00,000	30,50,00,000
Land	3,89,47,274			3,89,47,274					3,89,47,274	3,89,47,274
Buildings	2,20,25,584	5,21,764		2,25,47,348	76,87,359	14,85,173		91,72,532	1,43,38,225	1,33,74,816
Plant & Machinery	82,04,764	6,74,961		88,79,725	81,42,914	48,620		81,91,534	61,850	6,88,191
Furniture & Fixtures	69,40,356	56,17,444		1,25,57,800	12,42,567	18,45,780		30,88,347	56,97,789	94,69,453
Office Equipment	4,10,92,819	2,85,607		4,13,78,426	18,44,596	55,43,853		73,88,449	3,92,48,222	3,39,89,977
Vehicles	1,09,77,861			1,09,77,861	8,02,044	26,34,519		34,36,563	1,01,75,817	75,41,298
Webcasting Portal (under construction)	91,03,10,489	52,21,69,097		1,43,24,79,586					91,03,10,489	1,43,24,79,586
Capital Work in Progress	30,31,74,889	15,84,59,765		46,16,34,654					30,35,74,889	46,16,34,654
<b>Total</b>	<b>1,64,66,74,036</b>	<b>68,77,28,638</b>		<b>2,33,44,02,674</b>	<b>1,97,19,480</b>	<b>1,15,57,945</b>		<b>3,12,77,425</b>	<b>1,62,73,54,554</b>	<b>2,30,31,25,249</b>
<b>Previous Years</b>	<b>1,41,97,20,977</b>	<b>22,73,53,058</b>		<b>1,64,70,74,035</b>	<b>1,48,24,787</b>	<b>48,94,694</b>		<b>1,97,19,481</b>	<b>1,40,48,96,190</b>	<b>1,62,73,54,554</b>

## GV FILMS LIMITED

## SCHEDULES ANNEXED Contd.

	As at 31-3-2008	As at 31-3-2007
	Rs.	Rs.
<b>SCHEDULE 6: INVESTMENTS</b>		
9400 Equity Shares of Rs 10/- each in GSFC	1,88,000	1,88,000
792 Units -( US 64 ) of Rs 10/- each in UTI	8,496	8,496
481000 shares of Pixel Box office Pte. Ltd , Singapore @ Sing \$ of 1 each	1,47,69,639	—
	<b>1,49,66,135</b>	<b>1,96,496</b>
<b>SCHEDULE 7: INVENTORIES</b>		
Closing Stock of pictures & films (Refer to Notes on accounts 1 - on De Merger)	2,00,26,98,973	31,01,69,940
	<b>2,00,26,98,973</b>	<b>31,01,69,940</b>
<b>SCHEDULE 8: SUNDRY DEBTORS</b> (Unsecured, Considered Good)		
(a) Debts outstanding for a period exceeding 6 months	19,43,43,944	16,65,94,675
(b) Other Debts (Refer to Notes on accounts 1 - on De Merger)	20,33,90,563	5,69,49,538
	<b>39,77,34,507</b>	<b>22,35,44,213</b>
<b>SCHEDULE 9: CASH &amp; BANK BALANCES</b>		
Cash in hand	72,93,700	75,89,906
Balance with Banks		
- On Current Accounts	46,50,017	62,80,48,249
- On Deposit Accounts	1,88,35,109	4,44,27,062
- Others	—	1,04,108
	<b>3,07,78,826</b>	<b>68,01,69,326</b>
<b>SCHEDULE 10: LOANS &amp; ADVANCES</b>		
Advances - Receivable in cash or in kind or for value to be received (considered good)		
Deposits	43,03,777	51,06,354
Loans & Advances	58,08,56,477	28,27,76,105
Advance for film production	2,26,07,000	27,95,68,881
	<b>60,77,67,254</b>	<b>56,74,51,340</b>

## GV FILMS LIMITED

## SCHEDULES ANNEXED Contd.

	As at 31-3-2008	As at 31-3-2007
	Rs.	Rs.
<b>SCHEDULE 11: CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors	19,49,42,144	1,00,30,008
Other Liabilities	3,87,65,923	3,90,94,883
Dues to Directors	—	34,58,660
	<b>23,37,08,067</b>	<b>5,25,83,550</b>
<b>Provisions</b>		
Provision for FBT payable	8,83,789	6,03,287
Provision for MAT payable	16,71,428	2,30,47,271
Provision for Interest on FCC Bonds	7,85,426	41,71,464
Provision for interest on bank Loans	66,450	—
	<b>34,07,093</b>	<b>2,78,22,022</b>
	<b>23,71,15,160</b>	<b>8,04,05,572</b>
<b>SCHEDULE 12: MISCELLANEOUS EXPENDITURE</b>		
GDR Issue Expenditure	5,12,42,424	3,69,06,652
Rights Issue Expenditure	5,86,28,534	5,86,28,534
Other Preliminary Expenses (see notes to accounts 1 - on De Merger)	74,57,380	74,57,380
	<b>11,73,28,338</b>	<b>10,29,92,566</b>
<b>SCHEDULE 13: OPERATING INCOME</b>		
Realisation from Film production/ Distribution /Teleserials	35,01,60,456	41,34,81,171
GV Studio City (Theatre) Division	1,29,51,601	1,30,82,595
GV New Media Tech (WebCasting) Division	3,14,01,512	—
	<b>39,45,13,569</b>	<b>42,65,63,766</b>
<b>Other Income</b>		
Interest earned	2,22,26,191	1,08,42,883
Miscellaneous Income	2,90,389	37,61,745
	<b>2,25,16,580</b>	<b>1,46,04,628</b>

## GV FILMS LIMITED

## SCHEDULES ANNEXED Contd.

	As at 31-3-2008	As at 31-3-2007
	Rs.	Rs.
<b>SCHEDULE 14: OPERATING EXPENSES</b>		
Opening Stock - Films	20,26,72,775	13,89,77,726
Cost of Films Produced / Distributed	1,96,65,01,583	20,79,74,580
Less: Closing Stock	1,90,86,35,205	20,26,72,775
Cost of Sales	26,05,39,152	14,42,79,531
GV Studio City (Theatre) Division	59,96,241	1,60,30,269
GV New Media Tech (WebCasting) Division	1,25,97,700	—
	<b>27,91,33,093</b>	<b>16,03,09,801</b>
<b>SCHEDULE 15: ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Advertisement & Publicity	13,15,040	30,16,192
Share Holders Meeting Expenses	16,55,710	8,73,808
Audit Fees	1,31,575	1,15,000
Bank Charges	1,64,997	2,03,803
Business Development Expenses	15,82,460	17,04,412
Electricity Charges	20,50,406	19,64,190
Legal & Professional Charges	1,40,35,282	1,68,76,470
Other Service Charges	30,57,188	24,91,199
Listing, Depository and ROC Fees	1,14,40,176	29,48,727
Other Expenses	68,17,704	8,48,075
Postage, Trunks & Telephones	42,06,498	37,15,790
Printing & Stationery	3,94,656	11,79,934
Rent, Rates & Taxes	57,62,171	14,81,449
Repairs & Maintenance	17,72,599	15,88,864
Staff Costs	1,13,13,215	86,51,471
Travelling & Conveyance	2,13,10,512	1,89,45,018
Foreign Currency fluctuation loss	1,38,23,720	—
	<b>10,08,33,909</b>	<b>6,66,04,402</b>
<b>SCHEDULE 16: FINANCE CHARGES</b>		
Interest on loans	1,01,77,966	48,71,134
Processing Charges	5,75,000	—
	<b>1,07,52,966</b>	<b>48,71,134</b>

## GV FILMS LIMITED

## CASH FLOW STATEMENT

Cash Flow Statement for the year ended	31st March 2008 Rs.	31st March 2007 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax and extraordinary items	1,47,52,235	20,44,88,363
Adjustment for:		
Previous Year Expenses	20,00,000	—
Depreciation	1,15,57,945	48,94,694
Interest Paid (Net)	1,01,77,966	48,71,134
<b>Operating Profit before Working Capital Changes</b>	<b>3,84,88,146</b>	<b>21,42,54,191</b>
Adjustment for:		
Decrease/(Increase) in Investments	- 1,47,69,639	—
Decrease/(Increase) in Inventories	-1,67,93,64,125	- 3,09,183
Decrease/(Increase) in Sundry Debtors	- 17,41,90,294	- 9,18,66,279
Decrease/(Increase) in Loans & Advances	- 4,03,15,914	- 50,68,50,963
Decrease/(Increase) in Current Liabilities	18,11,24,517	- 1,45,14,787
<b>Cash generated from Operations</b>	<b>-1,68,90,27,309</b>	<b>- 39,92,87,022</b>
Extraordinary Items		
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>-1,68,90,27,309</b>	<b>- 39,92,87,022</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
(Acquisition)/Disposal of Assets - Net	- 68,77,28,638	- 22,73,53,058
Preliminary and Preoperative Expenditure	- 1,43,35,772	- 3,49,32,343
Investments in securities	- 1,47,69,639	—
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 71,68,34,049</b>	<b>- 26,22,85,401</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Shares	1,76,83,24,500	92,74,62,500
Proceeds from Borrowings	2,52,94,472	37,88,13,790
Tax paid	- 2,36,50,558	- 17,84,826
Interest Paid (Net)	- 1,34,97,554	- 48,71,134
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1,75,64,70,859</b>	<b>1,29,96,20,330</b>
Net Increase/(Decrease) In Cash and Cash Equivalents during the year	- 64,93,90,499	63,80,47,907
Cash and Cash Equivalents as at the Beginning of the year	68,01,69,326	4,21,21,418
Cash and Cash Equivalents as at the End of the Year	3,07,78,826	68,01,69,326

Sd/-

**MAHADEVAN GANESH**  
DIRECTOR  
Chennai  
30.06.2008

Sd/-

**A. VENKATRAMANI**  
DIRECTOR

Sd/-

**P. RAGHURAMAN**  
WHOLE-TIME DIRECTOR

Sd/-

**P. THIRUMALAI KUMAR**  
COMPANY SECRETARY

I have examined the above Cash Flow Statement for the year ended 31st March 2008. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreement with the Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and the Balance Sheet of the Company covered by my report of 30th June, 2008 to the members of the Company.

Chennai  
30.06.2008

Sd/-

**G. PARTHASARATHY**  
Chartered Accountant



## Schedule 17

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**A. Significant Accounting Policies**a) Basis of Accounting:

The Financial Statements are prepared under the historical cost convention on a going concern basis and in accordance with the requirements of the Companies Act, 1956.

b) Income recognition

- Revenues are recognized in the year of concluding sale agreements.

c) Fixed assets accounting:

- Fixed Assets are stated at cost of acquisition less accumulated depreciation.
- Cost includes all expenses incurred to bring the Asset to its present location and condition.
- Theatre renovation expenses are grouped under Capital Work in Progress till completion of renovation.
- Depreciation has been provided on the assets which are put to use on written down value Method at the applicable rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

d) Inventory valuation:

Inventories represent films under production and other film rights.

Films under production are valued at cost.

The other film rights are valued as per the current market potential of the pictures as at the year-end.

**B. Notes on Accounts**1) Demerger

The company's application for demerger of its GV Studio City (Theatre) Division and GV New Media Tech (WebCasting) Division is pending before the Hon'ble High Court of Madras.

The impairment of the assets to the extent of Rs 74,23,14,033 as under will be recognized upon approval of the demerger scheme by the Court.

i. Closing Stock of Films & Pictures	Rs. 28,39,40,705
ii. Sundry debtors (Other debts)	Rs. 5,03,80,762
iii. Goodwill	Rs. 30,50,00,000
iv. Miscellaneous expenses	Rs. 10,29,92,566

2) Receivables & Payables

Balance confirmation letters have been dispatched to various Loans and advances, Sundry Debtors and Sundry Creditors. Confirmations have been received from some parties and reconciliation work is in progress in respect of those confirmations.

3) Funds Raised through Global Depository Receipts (GDRs).

- The company issued 64,00,000 GDR of USD 6.25 each convertible into 16,00,00,000 equity shares of Rs 10 each at a premium of Re 0.80 per share aggregating to USD 40 million ( equivalent to 160,00,000 shares @ Rs 10/- per share). Share premium realized on this Issue is Rs. 12,80,00,000/-
- Foreign Currency Convertible Bonds amounting to Rs 4,03,24,500/- were converted with into 39,15,000 equity shares of Rs 10/- each at a premium of Rs.0.30 per share. Share premium realized on this Issue is Rs.11,74,500/-

4) Deferred Taxation

- Deferred Tax, being tax on timing difference between taxable income and accounting income, that originate in one year and are capable of reversal in one or more subsequent years has been recognised.
- Depreciation as per the books Rs. 1,15,57,945
- Depreciation as per the rates under Income Act Rs. 61,42,364
- Timing Difference Rs. 54,15,582
- Deferred tax (Asset) Rs. 18,40,756
- Deferred tax liabilities as on 31.03.07 Rs. 5,05,814
- Net deferred tax (Asset) Rs. 13,34,942

5. Contingent Liability  
 Capital commitments Rs. 19,78,50,000/-  
 Disputed Sales Tax Rs. 11,86,000/-
6. Provision for Taxation  
 Income tax provision for the year  
 • Tax under MAT Rs.16,71,428/- (P.Y. Rs.2,29,43,594/-)  
 • Tax under FBT Rs.8,88,517/- (P.Y. Rs. 18,88,505/-)
7. Audit Fee  
 Statutory Audit fee Rs. 30,000/- ( P.Y. Rs. 30000)  
 Tax Audit fee Rs. 15,000/- ( P.Y. Rs.15000)  
 Certification Rs. 86,575/- (P.Y. Rs. 70000)
8. Foreign Currency earnings and outflow  
**Foreign Exchange earnings:**  
 i. Interest earned on Deposits Rs. 1,95,85,444 (USD 4,82,622)  
 ii. Earnings by Web casting Division Rs. 3,14,01,512 (USD 7,80,000)  
 iii. Issue of Global Depository Receipts Rs. 1,72,80,00,000 (USD 4,00,00,000)  
**Foreign Currency outflow**  
 i. Hollywood Films Purchases Rs. 1,39,39,20,000 (USD 3,16,80,000)  
 ii. Web casting of films Rs. 52,11,24,701 (USD 1,18,80,000)  
 iii. GDR issue expenditure Rs. 1,61,43,779 (USD 3,60,312)  
 iv. Interest paid on FCC Bonds Rs. 29,89,588 (USD 96,750)
9. Retirement benefits  
 Retirement benefit in respect of Gratuity is provided as per the provisions of The Payment of Gratuity Act, 1972.
10. Business Segments  
 The company has three business segments as under

Rs. in Lakhs

Segment	Capital Employed	Sales/ Service	Profit Earned
i. Film Distribution	16902.50	3501.60	(2.54)
ii. GV Studio City (Theatre) Division	1092.64	129.52	69.55
iii. GV New Media Tech (WebCasting) Division	13259.20	314.02	188.04

The above are gross earnings before deduction of common expenses.

11. Rounding off  
 i. Figures have been rounded off to the nearest Rupee.  
 ii. Previous year figures have been regrouped / reclassified wherever necessary.  
 iii. Figures in brackets represent previous year figures.
12. **The audit Sub-Committee in their meeting held on 28.04.2003 had noted the shortfall in physical cash balance of Rs.68,92,618/-. The board also discussed this issue in their meeting held on 09.05.2003 decided to transfer the balance to the account of Late Mr. G. Venkateswaran. The new management has now initiated an enquiry into shortfall. Pending completion of enquiry, the amount of shortfall is still included in the cash balances at 31.03.2004, 31.03.2005, 31.03.2006, 31.03.2007 and 31.03.2008. This amount will be included in the impairment of assets to be considered by the Company upon approval of the demerger scheme by the court.**

As per our report of even date

Sd/- <b>MAHADEVAN GANESH</b> DIRECTOR Chennai 30.06.2008	Sd/- <b>A. VENKATRAMANI</b> DIRECTOR	Sd/- <b>P. RAGHURAMAN</b> WHOLE-TIME DIRECTOR	Sd/- <b>P. THIRUMALAI KUMAR</b> COMPANY SECRETARY	Sd/- <b>G. PARTHASARATHY</b> CHARTERED ACCOUNTANT
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(Information pursuant to Part IV, schedule VI of the Companies Act, 1956) Balance Sheet Abstract and Company's General Business Profile.

**I. Registration Details**

Registration Number  State code  Balance Sheet Date

**II. Capital raised during the year(Amount in Rs.Thousand)**

Public Issue  Right Issue  Bonus Issue  Private Placement   
(GDRs & FCCBs)

**III. Position of Mobilisation and Deployment of funds (Amount in Rs. Thousand)**

Total Liabilities  Total Assets

**Source of Funds**

Paid-up Capital  Reserve & Surplus

**Application of Funds**

Net Fixed Assests  Investment

Net Current Assets  Misc. Expenditure

Accumulated Losses

**IV. Performance of the Company (Amount in Rs. Thousands)**

Turnover  Total Expenditure

Profit/(Loss) Before Tax  Profit/(Loss) After Tax

Earnings Per Share (Annualized Basis)  Dividend Rate

**V. Generic Name of Three Principal products/Services of the Company:**

Item Code No. (ITC Code)  Product Description

As per our report of even date

Sd/-  
**MAHADEVAN GANESH**  
DIRECTOR

Sd/-  
**A. VENKATRAMANI**  
DIRECTOR

Sd/-  
**P. RAGHURAMAN**  
WHOLETIME DIRECTOR

Sd/-  
**P. THIRUMALAI KUMAR**  
COMPANY SECRETARY

Sd/-  
**G. PARTHASARATHY**  
CHARTERED ACCOUNTANT

Chennai  
30-06-2008

## GV Films Limited

Regd. Office : LVR Centre, New No. 7 (Old No.4), Seshadri Road, Alwarpet, Chennai – 600 018.

### ATTENDANCE SLIP

NAME AND ADDRESS OF THE MEMBER

ANNUAL GENERAL MEETING

#### TIME

Thursday, 25<sup>th</sup> September 2008 At 11.30 a.m.

#### VENUE

New Woodlands Hotel (P) Ltd,  
No. 72-75, Dr. Radhakrishnan Salai,  
Mylapore, Chennai-600 004

FOLIO NUMBER :

NO. OF SHARES :

DP ID. NO./Client ID. No. :

NAME OF PROXY (if applicable)

I hereby record my presence at the Annual General Meeting of the Company

- Notes : 1. This slip may please be handed over at the entrance of the meeting hall.  
2. Only Shareholders / Proxies will be allowed to attend the meeting.

Signature of Member/Proxy

## GV Films Limited

Regd. Office : LVR Centre, New No. 7 (Old No.4), Seshadri Road, Alwarpet, Chennai – 600 018.

### PROXY FORM

I / We \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ being the Member(s) of G.V. Films Limited hereby appoint

\_\_\_\_\_ of \_\_\_\_\_

failing him \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, the 25<sup>th</sup> September, 2008 at 11.30 A.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

Folio No.

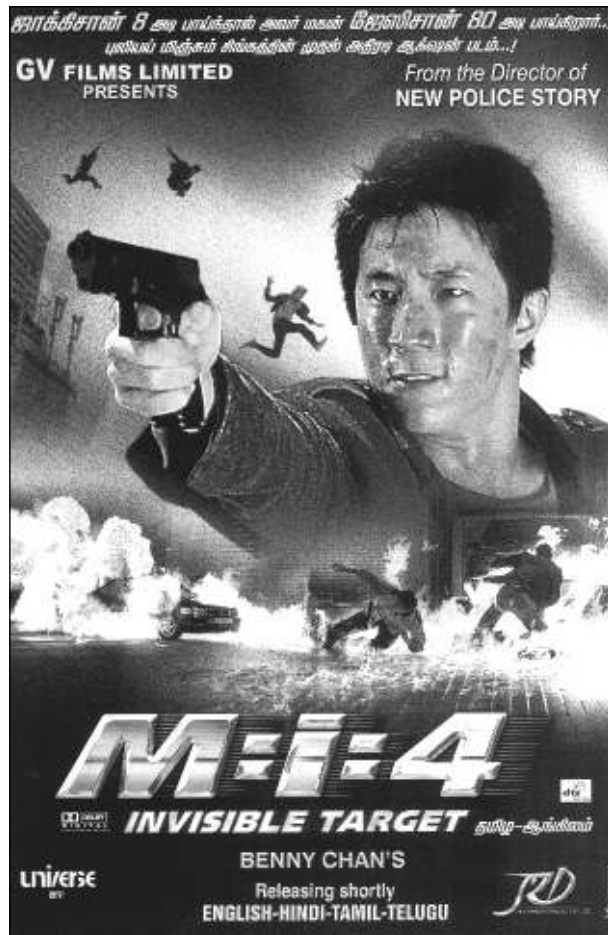
No. of Shares Held

DP ID No. / Client ID No.

Signature of Member

Signature of Member

Note : Form of proxy duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.



A few Stills from Movies Distributed by the company

## BOOK-POST

To

*If undelivered, please return to:*

**G.V. Films Ltd.,**  
LVR Centre,  
No. 7, Seshadri Road,  
Alwarpet,  
Chennai - 600 018.