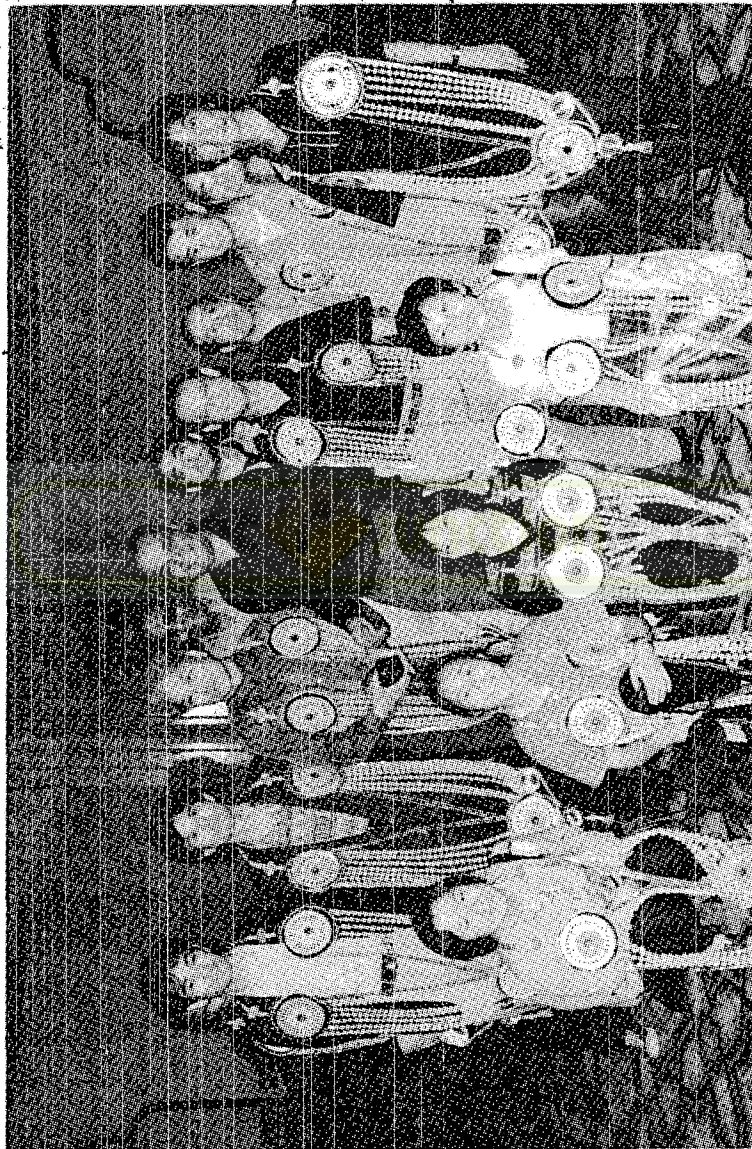


Annual Report 1997-98

MD	✓		BKC	✓
CS	✓		DPY	NA
RO	✓		DIV	ND
TRA	NA		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓



G V Films Limited



"Photograph with the Japanese Group marking the Export of 'DALAPATHI' to Japan / Korea"



G V FILMS LIMITED

Regd. Office : 'Sujatha Centre', No.4, Seshadri Road, Alwarpet, Chennai - 600 018.

NINTH ANNUAL REPORT

BOARD OF DIRECTORS

Mr. G. VENKATESWARAN, B.Com., F.C.A.
(Chairman & Managing Director)

Mr. C.L. NARASA REDDY, B.A.

Prof. P.M. GOPALAKRISHNA, M.Com.

Mr. DE. RAMAKRISHNAN

COMPANY SECRETARY

Mr. K. RAMARATHNAM, B.Sc., A.C.S.

AUDITORS

M/s. MAHADEV & CO.

M M Complex

57, Kodambakkam High Road

T.Nagar, Chennai - 600 017.

BANKERS

CENTRAL BANK OF INDIA

Nungambakkam, Chennai - 600 006.

BANK OF INDIA

STATE BANK OF INDIA

THE SOUTH INDIAN BANK LTD.

BRANCH

TRICHY

THEATRE DIVISIONS

GOODLUCK PREVIEW THEATRES,
CHENNAI

SHANTI-KAMALA THEATRES,
THANJAVUR

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G V Films Limited

NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the shareholders of the Company will be held at KUMARARAJAH M.A.M. MUTHIAH HALL, "Chettinad Vidyashram", R.A.Puram, Chennai - 600 028 on Monday, 28th September 1998 at 10.15 A.M. to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Audited Statements of Accounts for the year ended 31st March 1998 and the Reports of the Directors and Auditors thereon.
2. To elect a Director in place of Mr. C.L. Narasa Reddy, who retires by rotation and, being eligible, offers himself for re-election.
3. To appoint Auditors and fix their remuneration. (M/s. Mahadev & Co., are eligible to be re-appointed.)

By Order of the Board

K.RAMARATHNAM
Company Secretary

Registered Office :
"Sujatha Centre"
No.4, Seshadri Road
Alwarpet, Chennai - 600 018.
Dated : 30.07.1998

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and the proxy need not be a member of the Company. The proxy forms, in order to be effective, must be received by the Company not less than 48 hours before the time fixed for commencement of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th September 1998 to 28th September 1998 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the Company's Share Department.



DIRECTORS' REPORT

Your Directors present their Ninth Annual Report together with the Audited Accounts for the year ended 31st March 1998.

FINANCIAL RESULTS :

	Rs.
Turnover	: 4,65,61,666
Loss for the year	: 2,10,28,977
Proposed Dividend	: Nil

PERFORMANCE DURING 1997-98 :

Due to continuing recession in the film industry coupled with the uncertain economic scenario, the performance of your company has been adversely affected. During the year, your company had distributed ARUNACHALAM, ONCE MORE, NAERUKKU NAER, THINANTHORUM and exported DALAPATHI and ANJALI to Japan.

THEATRE DIVISIONS :

The Theatre divisions at Chennai and Thanjavur have done well. During the year under review, we had exhibited some hit Tamil movies like V.I.P., SURYA VAMSAM, NAERUKKU NAER, MARUMALARCHI, KADHALUKKU MARIYADHAI and LOVE TODAY at Shanthi/Kamala Theatres, Thanjavur.

DEPOSITS :

Your company has not accepted any Fixed Deposit during the year.

DIRECTORS :

In accordance with the Articles of Association of the Company, Mr. C.L. Narasa Reddy retires by rotation, and being eligible, offers himself for re-election.

Mr. K. Subramania Iyer resigned from the Board on 13.10.1997.

DECLARATION UNDER SECTION 217 OF THE COMPANIES ACT, 1956 :

There were no employees drawing a remuneration of Rs.3,00,000 per annum or Rs.25,000 per month either on full time or on part time basis during the year under review.

The nature of the business of the company is such that it is not necessary to report about the technological absorption and conservation of energy.

During the year under review, the foreign exchange earnings amounted to Rs.9,99,887/- and foreign exchange expenditure amounted to Rs.42,398/-.

AUDITORS :

M/s. Mahadev & Co. retire at the close of the 9th Annual General Meeting and are eligible to be re-appointed. Your Directors recommend that they be re-appointed to hold office till the end of the 10th Annual General Meeting.

EMPLOYEE RELATIONS :

The relationship between the management and the employees of the company was very cordial and your Directors wish to place on record their appreciation of the sincere services rendered by the employees.



G V Films Limited

ACKNOWLEDGEMENT :

Your Directors wish to express their gratitude to the bankers, distributors, exhibitors, customers and shareholders for their continued co-operation.

For and on behalf of
THE BOARD OF DIRECTORS

Place : Chennai
Dated : 30.07.1998

G. VENKATESWARAN
Chairman & Managing Director

ADDENDUM

With reference to the Auditors' remark under item Nos.4, 13 & 14 your Directors wish to report as follows :

Item No.4 :

As pointed out in the last annual general meeting, the unfulfilled portion of sale and lease back transactions with J V G Group of Companies has been rewritten since the said company expressed their inability to complete the pending portion of the contract. As the entire sale was accounted in the earlier year, the unfulfilled portion had to be rewritten during the year and debited to the Profit and Loss Account to offset the excess credit in the previous year.

Item No.13 :

The Provident Fund contributions have been updated and the provisions of the E.S.I. Act have since been implemented.

Item No.14 :

The company has already written to the Income Tax Department requesting them to adjust this arrear out of the refund due to the company from them for an earlier year.

For and on behalf of
THE BOARD OF DIRECTORS

Place : Chennai
Dated : 30.07.1998

G. VENKATESWARAN
Chairman & Managing Director