

GV Films Ltd.

**Annual Report
2015-16**



Directors**Dr. Ishari Kadhivelan****Ganesh - Chairman****Balakumar Vethagiri Giri - Managing Director****Ganesh Mahadevan - Director****Navalpakkam Kuppan****Rajendiran - Independent Director**

(Appointed on 12.02.2016)

Gudupalle Nagamal Reddy - Independent Director

(Appointed on 12.02.2016)

Thangavelu Pitchandi - Independent Director

(Appointed on 12.02.2016)

AUDITORS

R. Ravindran & Associates

(Chartered Accountant)

BANKERS

Bank of Baroda

The Cosmos Co. Operative Bank Ltd.

REGD. OFFICE

001, Damini Building,

Next to Dilkhush School,

Opp. Hotel Ramanda Palm Grove,

Juhu Tara Road, Juhu,

Vile Parle (West), Mumbai-400 049.

REGISTRAR & SHARE TRANSFER AGENT

M/s Cameo Corporate Services Ltd

“Subramanian Building”, 1 Club House Road,

Chennai – 600 002

E mail : narasimhan@cameoindia.com

Phone: 044 - 28460390

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ANNUAL GENERAL MEETING**Date & Time:**

Saturday, 30th July 2016 at 4.00 p.m.

Venue:Mayors Hall, All India Institute of Local Self Government
Sthanikraj Bhavan, CD Barfiwala Marg, Juhu Lane, Andheri West, Mumbai 400058

NOTICE

NOTICE is hereby given that the Twenty-Seventh Annual General Meeting of the members of GV Films Limited will be held on Saturday, 30th July, 2016 at 4.00 p.m at Mayors Hall, All India Institute of Local Self Government, Sthanikraj Bhavan, CD Barfiwala Marg, Juhu Lane, Andheri West, Mumbai 400058, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including Audited Consolidated Financial Statements for the year ended 31st March 2016, together with Directors' Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Ishari Kadhivelan Ganesh, (DIN 00563409) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :

"RESOLVED that pursuant to Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and allied rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) the appointment of M/s. R. Ravindran & Associates, Chartered Accountants (Firm Registration No.0032225) as Statutory Auditors of the Company to hold such office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Eighth (28th) AGM to be held in the year 2017 at such remuneration as may be mutually agreed between the board of directors of the Company and auditors be and is hereby ratified.

SPECIAL BUSINESS:

ITEM NO: 4 –CONVERSION OF UNSECURED LOANS INTO EQUITY ON PREFERENTIAL BASIS

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

"RESOLVED that in terms of Sections 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other relevant rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement

entered into by the Company with the Stock Exchange where the Company's shares are listed, and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulation 2009, and SEBI (Listing Obligation and Disclosure Requirements), 2015 as may be applicable to the preferential issue of Equity shares and other applicable regulations/guidelines of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been / will be delegated) and subject to such, consents and approvals of SEBI, Stock Exchange(s), Government of India, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals and which may be agreed to by or any other authorities as may be necessary for that purpose, the consent of the members of the Company be and is hereby accorded to the Board to offer, issue, and allot upto 12,00,00,000 (Twelve Crores only) Equity shares of Re.1/- each at par to Dr. ISHARI KADHIRVELAN GANESH (whose name shall be recorded by the Company in the manner set out in Sec 42(7) of the Companies Act, 2013 read with the respective Rules) by issuing 12,00,00,000 (Twelve Crores only) equity shares of Re.1/- each at par and the price of equity shares of the issuer Company for such conversion of loans into equity as determined in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009 as amended provided that the price of the equity shares so issued shall not be less than the minimum price to be arrived or arrived at in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure requirements) Regulations, 2009 (ICDR) as amended."

"RESOLVED FURTHER THAT the pricing of the Equity Shares to be allotted will be in accordance with the SEBI (ICDR) Regulations with reference to the 'Relevant Date'. The 'Relevant Date' for the purpose of calculating the price of Equity Shares to be issued in terms hereof shall be June 30, 2016, being the date 30 days prior to the date of this Annual General Meeting scheduled to be held on July 30, 2016."

"RESOLVED FURTHER THAT the new equity shares issued shall rank pari-passu with the existing Equity

Shares of the Company. in all respects and that the equity shares so allotted during the financial year shall be entitled to dividend, if any, declared including other corporate benefits, if any, for which the book closure or the Record Date falls subsequent to the allotment of Equity Shares.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to do all such acts, deeds, matters and execute all documents as may be necessary in this regard and to delegate all or any of the powers herein conferred, to any one or more Directors or the Company Secretary of the Company .”

5.APPOINTMENT OF MR. NAVAL PAKKAM KUPPAN RAJENDIRAN (DIN 07411975) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualification of Directors) Rules 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. Navalpakkam Kuppan Rajendiran (DIN 07411975) who was appointed as Additional Director of the Company with effect from 12.02.2016 and who holds Office upto the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a Member proposing his candidature for the Office of Director, be and is hereby appointed for a period of 5 years as an Independent Director and not liable to retire by rotation “

6.APPOINTMENT OF MR. GUDUPALLE NAGAMAL REDDY (DIN 02490682) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualification of Directors) Rules 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr.

Gudupalle Nagamal Reddy (DIN 02490682) who was appointed as Additional Director of the Company with effect from 12.02.2016 and who holds Office upto the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a Member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director for a period of 5 years and not liable to retire by rotation”

7. APPOINTMENT OF MR. THANGAVELU PITCHANDI (DIN 02187591) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualification of Directors) Rules 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. Thangavelu Pitchandi (DIN 02187591) who was appointed as Additional Director of the Company with effect from 12.02.2016 and who holds Office upto the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a Member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director for a period of 5 years and not liable to retire by rotation”

8. APPOINTMENT OF MR. SADAGOPAN KAMALA KANNAN (DIN 07535351) A DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. Sadagopan Kamala Kannan (DIN 07535351) in respect of whom the Company has received a notice under section 160 in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, and whose office shall be liable to determination by retirement of directors by rotation.”

9. APPOINTMENT OF MRS. ISARI GANESH ARTHI (DIN 00568101) AS A DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mrs. Isari Ganesh Arthi (DIN 00568101) in respect of whom the Company has received a notice under section 160 in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, and whose office shall be liable to determination by retirement of directors by rotation.”

Place : Chennai

Date : 1st July, 2016

**BY THE ORDER OF THE BOARD OF
DIRECTORS
FOR GV FILMS LIMITED
Sd/-
VISWANATHAN SRIDHAR
COMPANY SECRETARY**

NOTES

a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE COMPLETE, STAMPED AND SIGNED AND MUST BE RECEIVED AT THE COMPANY’S REGISTERED OFFICE, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.

A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH OTHER PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

b) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

- c) Register of Members & Share Transfer Books of the Company will remain closed from 24th July, 2016 to 30th July, 2016 (both days inclusive) for the purpose of Annual General Meeting.
- d) Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business set out above is annexed hereto.
- e) Members are requested to bring their copies of the Annual Reports to the Annual General Meeting of the Company.
- f) The Members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
- g) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by coordinating with the RTA of the Company i.e. M/s Cameo Corporate Services Ltd. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
- h) All documents relevant to the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on any working day prior to the date of the Annual General Meeting, except Saturdays, Sundays and Public Holidays between 11.00 a.m and 1.00 p.m.
- i) Pursuant to Section 108 of the Companies Act, 2013 and Rule 20, of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The members, whose names appear in the Register of Members/list of beneficial owners as on 23rd July, 2016 may cast their vote electronically. The members, who have acquired shares after the dispatch of the AGM Notice, may approach the Company for issuance of the User Id and Password for exercising their right to vote by electronic means. The voting period will commence at 9.00 a.m. on the 27th July, 2016 and will end at 6.00 p.m. on the 29th July, 2016. The Company has appointed Ms. Khushboo Bakul Gopani, Practicing Company Secretary, to act as the scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

Procedure for E-voting:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27th July, 2016, at 9.00 A.M. and ends on 29th July, 2016 at 6.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd July, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (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 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 both demat shareholders as well as physical shareholders).

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details or Date of Birth (DOB)

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.

- If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(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 <Company Name> 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) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone**

Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Since the Company is required to provide members, the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut – off date and not casting their votes electronically, may cast their vote at the AGM venue, facility will be available at the venue. The results of e-voting will be placed by the Company on the website: www.gvfilms.com two days of the AGM and also communicated to the stock exchange(s), where the shares of the Company are listed.

J. The resolution proposed will be deemed to have been passed on the date of AGM subject to receipt of number of votes in favour of the resolutions.

K. Voting will be provided to the members through e-voting and / or at the AGM venue. A member

can opt for only one mode of voting i.e. either through e-voting or ballot. If a member cast votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.

L. Members/Proxies are requested to bring their attendance slip dully filled in.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

The following statement sets out all the material facts relating to the special business mentioned in the accompanying Notice dated 1st July, 2016 and shall be taken as forming part of the notice.

Item No: 4 – Issue and Allotment of Equity Shares

The special resolution as mentioned under item no.4 proposes to authorize the Board of Directors to issue and allot up to 12,00,00,000 (Twelve Crores only) Equity Shares of Re.1/- each at par to DR. ISHARI KADHIRVELAN GANESH in such manner and on such terms of conditions as prescribed under SEBI (ICDR) Regulations and in compliance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014. Consent of the shareholders is sought for issuing the Equity Shares as stated in the resolution on a preferential basis. In terms of Regulation 73 of SEBI (ICDR) Regulations, 2009 ("Regulations") as amended, the following disclosures are needed to be made in the Explanatory Statement to the Notice of the Annual General Meeting:

i. The Objects of the issue through preferential offer:

Since the Company is not in a position to repay the outstanding loan amount, the Management of the Company has made arrangement whereby the outstanding amount payable to one of the Directors, namely Dr. Ishari Kadhivelan Ganesh of the Company would be settled through converting the outstanding loan amount into Equity shares of the Company on preferential basis.

The Board of Directors of the Company at its meeting held on 24.02.2016, have received the consent and confirmation from the above mentioned Dr. Ishari Kadhivelan Ganesh for converting the outstanding loan amount to Equity Shares of the Company.

ii. The Total Number of shares to be issued:

The Board intends to offer, issue and allot upto 12,00,00,000 (Twelve Crores only) equity shares of Re.1/- each fully paid-up at par to the proposed allottee on preferential basis by issuing 12,00,00,000 (Twelve Crores only) equity shares of Re.1/- each at par and the price of equity shares of issuer Company for such conversion of loans into equity is determined in

GV Films Ltd

accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009 as amended provided that the price of the equity shares so issued shall not be less than the minimum price to be arrived or arrived at in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009 as amended."

iii. Intention of the Directors/Key Managerial personnel to subscribe to the offer:

None of the Directors and Key Managerial Persons are subscribing to the offer, except Dr. Ishari Kadhivelan Ganesh

iv. The class or classes of persons to whom the allotment is proposed to be made:

The allotment is proposed to be made to the Proposed Allottee as mentioned at point no. (vi) below.

v. The details of the shareholding of the proposed allottee Dr. Ishari Kadhivelan Ganesh as on date, as mentioned at point no. (vi) below.

vi. Identity of the proposed allottee and percentage of post preferential issued capital:

Proposed Allottee	Pre-preferential issue holding	No. of Equity proposed to be allotted	Post-preferential issueholding
Dr. Ishari Kadhivelan Ganesh Address: Old No.30, New No.9, Dr. Ranga Road, Mylapore, Chennai 600004 PAN:AAAP14538D	60,000	12,00,00,000	12,00,60,000 24.57%

vii. Control:

There will not be any change in the management or control of the Company as a result of the proposed preferential allotment, except a corresponding change in shareholding pattern as well as voting rights.

viii. Relevant Date:

The Relevant Date as per the Regulations for the determination of issue price of the equity shares, pursuant to the aforesaid preferential allotment is fixed as June 30, 2016 i.e. the date falling 30 days prior to the date of this Annual General Meeting to be held on July 30, 2016 to approve the proposed preferential issue, in terms of Section 62 of the Companies Act, 2013.

ix. Pricing of Preferential Issue:

The equity shares will be allotted in accordance with the price determined in terms of Regulation 76(1) of the ICDR Regulations. The equity shares shall be allotted at a price not less than higher of the following:

(a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or

(b) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date. As per the calculations, the issue price has been fixed as Re.1/- per share which is more than the minimum price determined per share, in terms of Regulation 76(1) of the ICDR Regulations

x. The justification for the allotment proposed to be made for conversion of loan into equity:

The Company's financials do not permit repayment of outstanding loan amount and payment of interest thereon an ongoing basis, the Management of the Company has made arrangement whereby the portion of the amount payable to one the Directors of the Company would be settled by converting the portion of the loan amount into Equity shares through preferential allotment.

xi. Basis of valuation of shares:

The Company being a listed entity, the price of Equity share has been calculated in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations.

xii. Earlier allotment on preferential basis:

During the Financial Year 2015-16, the Company has not offered, issued and allotted any equity shares on preferential basis.

xiii. Shareholding Pattern of the Company before and after preferential issue:

Sr. No.	Category	Pre Issue		Post Issue	
		No. Shares held	% of share holding	No. Shares held	% of share holding
A Promoters Holding					
1	Indian:	0	0	0	0
	Individuals	0	0	0	0
	Body corporate	0	0	0	0
	Sub Total	0	0	0	0
2	Foreign Promoters	0	0	0	0
	Sub Total of A	0	0	0	0
B Non-Promoters holding					
1	Institutional Investors	702600	0.19	702600	0.14
2	Non-Institution:				
	Private Corporate Bodies	19404301	5.26	19404301	3.97
	FII	16492833	4.47	16492833	3.38
	Directors and Relatives				
	Dr. Ishari Kadhirvelan Ganesh	60000	0.016	120060000	24.57
	Mrs.Isari Ganesh Arthi	50000	0.014	50000	0.01
	Indian Public	310401563	84.20	310401563	63.53
	Others (including NRI's)	21516536	5.85	21516536	4.40
	Sub Total (B)	368627833	100.00	488627833	100.00
	Grand Total(A+B)	368627833	100.00	488627833	100.00

xiv. Proposed time within which the allotment shall be completed:

The Company will issue and allot equity shares on a preferential basis within the time limit specified under the ICDR Regulations or any longer time limit as may be permitted under the ICDR Regulations.

xv. Approvals:

The Company will take necessary steps to obtain the required approvals from the Stock Exchange, SEBI, or any other regulatory agency as may be applicable, for the proposed preferential issue of equity shares.

xvi. Holding of shares in demat form, non disposal of existing shares by the proposed allottees and lock-in period of prior-holding of shares of proposed allottees:

The entire shareholding of the proposed allottee in the Company, is held by him in dematerialized form. The entire pre preferential allotment shareholding of such allottee shall be under lock-in from the relevant date up to a period of six months from the date of trading approval from all the stock exchanges where the securities of the Company are listed. The shareholder who has sold their shares during the six months period prior to the relevant date shall not be eligible for allotment of equity shares on preferential basis. The proposed allottee has Permanent Account Number.

xvii. Lock –in Period of proposed allotment:

The Securities allotted on preferential basis shall be locked in as per Regulation 78 and other applicable provisions of ICDR Regulations.

The consent of the shareholders is sought for the issue of equity shares in terms of Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of the provisions of the ICDR Regulations, SEBI (LODR) Regulations and the listing agreements entered into by the Company with the stock exchange(s), where the Company's equity shares are listed.

xviii. Auditor's Certificate:

Certificate from the Statutory Auditors confirming that the proposed issue of equity shares is being made in accordance with the SEBI (ICDR) Regulations, 2009 including statutory amendments thereof will be made available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days up to the date of the meeting and also shall be placed before the shareholders at the ensuing Annual General Meeting of the Company.

xix. Undertaking to re-compute the price, if required:

The Company hereby undertakes that it shall re-compute the price of the Equity Shares in terms of the provisions of the SEBI (ICDR) Regulations, in case it is required to do so.

xx. Undertaking to put Equity Shares under lock-in till the re-computed price is paid, if required:

Not applicable in this case, as it involves issuance of shares against outstanding loan amount.

xxi. Compliances:

The Company has complied with the requirement of SEBI (LODR) Regulations and other applicable statutory compliances. The Board of Directors recommends the passing of the above resolution as a Special Resolution as set out in the Notice. Except Dr. Ishari Kadhivelan Ganesh & Mrs. Isari Arthi Ganesh, none of the Directors, key managerial personnel and their relatives are concerned or interested in the above said resolution except to the extent of their directorship and shareholding in the Company.

As per the provisions of Section 62(c) of the Companies Act, 2013 the Company may convert loan into equity if the approval of members is taken by way of special resolution. Hence, the resolution for converting the unsecured loans into equity is proposed for your approval.

Clause V of the Memorandum of Association (MoA) & Article 4 of Articles of Association (AoA) of the Company, specify the Authorized capital as Rs.2000,00,00,000/- (Two Thousand Crores) consisting of 2000,00,00,000 (Two Thousand Crores) equity shares of Re.1/- each.

The Articles of Association of the Company permits the issue and allotment of equity shares on preferential basis.

The Board of directors recommends conversion of loan into equity shares for your approval.

Item No-5

Mr. Navalpakkam Kuppan Rajendiran (DIN 07411975) who was appointed as Additional Director (Independent) of the Company with effect from 12.02.2016 and who holds Office upto the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a Member proposing his candidature for the Office of Director be appointed as an independent Director

The Board considers that with his rich experience, association of Mr. Navalpakkam Kuppan Rajendiran, would be beneficial to the Company and as such recommends his appointment as Independent Director and not liable to retire by rotation.

Item No-6

Mr. Gudupalle Nagamal Reddy (DIN 02490682) who was appointed Additional Director (Independent) of the Company with effect from 12.02.2016 and who holds Office upto the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the

GV Films Ltd

Act from a member proposing his candidature for the Office of Director be appointed as an Independent Director.

The Board considers that with his rich experience, association of Mr. Gudupalle Nagamal Reddy, would be beneficial to the Company and as such recommends his appointment as an Independent Director and not liable to retire by rotation.

Item No-7

Mr. Thangavelu Pitchandi (DIN 02187591) who was appointed as an Additional Director (Independent) of the Company with effect from 12.02.2016 and who holds Office upto the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a Member proposing his candidature for the Office of Director be appointed as an independent Director.

The Board considers that with his rich experience, association of Mr. Thangavelu Pitchandi, would be beneficial to the Company and as such recommends his appointment as a Independent Director and not liable to retire by rotation.

Item No-8

The Company has received necessary consent and declaration in writing from Mr. Sadagopan Kamala Kannan, in accordance with the provisions of the Companies Act 2013, and the rules prescribed there under.

Mr. Sadagopan Kamala Kannan (DIN 07535351) in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a Member proposing his candidature for the Office of Director be appointed as a Director liable to retire by rotation. The management considering his vast experience, recommends his presence on the Board will be of immense value to the Company

Item No-9

The Company has received necessary consent and declaration in writing from Mrs. Isari Ganesh Arthi, in accordance with the provisions of the Companies Act 2013, and the rules prescribed there under.

Mrs. Isari Ganesh Arthi (DIN 000568101) in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a Member proposing her candidature for the Office of Director be appointed as a Director liable to retire by rotation.

The Board considers that with her rich experience, association of Mrs. Isari Ganesh Arthi., would be beneficial to the Company and as such recommends her appointment as a Director liable to retire by rotation.

For and on behalf of the Board of
Directors of

GV FILMS LTD

sd/-

Chennai

Date: 1st July 2016

VISWANATHAN SRIDHAR
Company Secretary

ANNEXURE

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

Name of Directors	Mr.Navalpakkam Kuppan Rajendiran	Dr. Ishari K Ganesh	Mr. Thangavelu Pitchandi	Mr. Gudupalle Nagamal Reddy	Mr.Sadagopan KamalaKannan	Dr.Isari Ganesh Arthi
Date of Birth	21/11/1962	07/10/1966	24/04/1949	10/06/1949	10/01/1957	11/11/1973
Date of Appointment	12/02/2016	28/11/2015	12/02/2016	12/02/2016	NA	NA
Qualifications	B.Com; FCA	M.Com. B.L., Ph.D. , M.B.A - University of Madras- Dept. of Politics & Public –Administration	IAS Retd.	B.Sc.(Agri), LLB, CAIIB	BA	BSc., MCA, B.Ed., M.Ed., Ph.D. University of Madras
Expertise	Practicing Chartered Accountant 20 years Exp	He is presently the Chancellor of Vels University, Chennai. He has a different dimension to his Business activity which is multifarious ranging from Investments, Real Estate, Hotel Industry and Wharehousing.	Formerly Finance secretary of Govt. of Tamilnadu	Has served as MD & CEO of Tamilnad Mercantile Bank Ltd., and have in depth knowledge in Banking, Finance & Credit	Past Pro Chancellor of Vels University, Chennai	She is a Young and Dynamic lady interested in education and presently she is Vice President (Academic) of Vels University
Directorship held in in other Public Companies (excluding foreign & Section 25 Companies)	NIL	Nil	Dharni Sugars & Chemicals Ltd.	NIL	NIL	None
Membership of committees in other public companies (includes only Audit and stakeholders Relationship Committee)	NIL	NIL	Two	NIL	NIL	NA
Shareholding of Directors	NIL	60,000	NIL	NIL	NIL	50,000