



# VELS FILM INTERNATIONAL LIMITED

CIN: U74999TN2019PLC132235

Date: 12/06/2025

To,

The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai- 400051

NSE SYMBOL: VELS

Sub: Notice of 6<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2024-25  
Ref: Regulation 30 and 34 of SEBI (Listing Obligations and Disclosures Requirements)  
Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening 06<sup>th</sup> Annual General Meeting and the Annual Report for the financial year 2024-2025. The 6th Annual General Meeting scheduled to be held on Monday, 07<sup>th</sup> July, 2025 at 02.00 P.M. through Video Conference (VC) / Other Audio Visual Means (OAVM). The Notice and the Annual Report will be made available on the Company's website at [www.velsfilminternational.com](http://www.velsfilminternational.com).

The schedule of AGM is as set out below:

PARTICULARS	DETAILS
Benpos date for Sending Notice	06 <sup>TH</sup> June, 2025
Date of AGM Notice and Annual Report 2024-25 circulated to Shareholders through e-mail	12.06.2025
Cut Off Date for e-Voting	01 <sup>st</sup> July,2025
Remote e-Voting Start Date	04 <sup>th</sup> July,2025
Remote e-Voting Start Time	9:00 A.M.
Remote e-Voting End Date	06 <sup>th</sup> July,2025

Remote e-Voting End Time	05:00 P.M.
Date of AGM	07 <sup>th</sup> July,2025
AGM Start Time	02.00 PM
AGM e-voting Result Date	Within 48 hours from the conclusion of AGM

Kindly take the above information on record and acknowledge the receipt of the same.

Thanking You

Yours Faithfully,

For VELS FILM INTERNATIONAL LIMITED

SAMPATH KUMAR SUJATHA  
COMPANY SECRETARY AND COMPLIANCE OFFICER  
A32181



# **ANNUAL REPORT**

## **2024 - 2025**

**ANNUAL REPORT**  
**FINANCIAL YEAR 2024 - 2025**

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**DISCLAIMER:**

Certain statements in this communication about expected future events and financials of Vels Film International Limited may be forward looking. By their nature, forward-looking statements require the company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on such forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entity by the assumptions, qualifications and risk factors referred to in the MDAR of this Annual Report. Vels Film International Limited, will not be in any way responsible for any action taken based on such forward-looking statements and undertakes no obligation to publically update such statements to reflect subsequent events or circumstances.



**VELS**

FILM INTERNATIONAL LTD

*years of film making*

**LINE UP**



# ABOUT CHAIRMAN

## Dr. Ishari K. Ganesh

M.Com., MBA., M.L., M.Phil., Ph.D.

Dr. Ishari K. Ganesh, M.Com., MBA., M.L., M.Phil., Ph.D., is a distinguished educationist, environmentalist, sports enthusiast, global entrepreneur, and philanthropist. He is the Founder and Chancellor of VELS University, Chennai (Vels Institute of Science Technology and Advanced Studies - VISTAS) and Chairman of the VELS Group of Institutions and companies, which operates across India, Singapore, the United Kingdom, and the UAE. His contributions to education extend beyond three decades, with the VELS Group successfully running 52 institutions on 34 campuses, serving more than 46,000 students and employing 7,700 staff members. The VELS educational network offers courses ranging from Pre-KG to PhD, all under one umbrella.

In addition to his academic achievements, Dr Ishari K. Ganesh is an active member of key government bodies, including the Hindi Advisory Committee under the Ministry of Women and Child Development and the Fertilizer Advisory Forum under the Ministry of Chemicals and Fertilizers of the Government of India. He also serves as the President of the Tamil Nadu Olympic Association and the Taekwondo Federation of India, demonstrating his dedication to promoting sports at the state and national levels. Today, he is the chairman of Vels Film International Limited, and Prabhudeva Studios. Dr. Ishari K. Ganesh is a lifetime member and one of the trustees of the South Indian Artistes Association and Nadigar Sangam Charitable Trust (formerly).

Dr Ishari K. Ganesh is also well known in the Tamil film industry as a producer through his production company, Vels Film International. Vels Film International has produced several successful films, including LKG, Comali, Mookuthi Amman, and VTK. He has produced more than 25 films. His efforts in cinema, education, sports, and philanthropy have made him a prominent figure, respected for his contributions to society and ability to foster talent across multiple sectors.



# PATHWAY TO TAMIL CINEMA

Dr. Ishari K. Ganesh's entry into the cinema world can be traced back to his solid familial connections, mainly through his father, the late Ishari Velan, a well-known actor and close associate of legendary Tamil actor M. G. Ramachandran (MGR). Ishari Velan's deep involvement in Tamil cinema and friendship with MGR left a lasting impression on Dr. Ishari K. Ganesh during his formative years. Inspired by his father's legacy and the vibrant world of cinema, Dr. Ishari K. Ganesh eventually ventured into films by acting as the lead hero in "Vaakumoolam" in 1989. He starred in several movies over the next few decades. During this journey, he also extended financial support to many established directors and producers, helping them bring their films to life, often from behind the scenes.

In 2015, Dr. Ishari K. Ganesh took a formal step into film production by establishing Vels Film International, with its first significant production being the hit movie *Devi*. Since then, the banner has produced 25 films, contributing significantly to the Tamil film industry and fostering talent across various genres. Dr. Ishari K. Ganesh is also a recipient of the Kalaimamani Award. The Kalaimamani is the highest civilian award given by the Tamil Nadu government to recognise artists and technicians in the state for their achievements. Vels Thiruvizha was organised to celebrate his production house's success and accomplishments, a grand event graced by the then Chief Minister of Tamil Nadu, underscoring the influence and impact Vels Film International has had on the Tamil cinema landscape.

Vels Film International Ltd. (VFIL), being a leading player in the South Indian film industry, made a significant move by becoming a public limited company on the NSE emerged on March 22, 2023. Known for its contributions to the Tamil film industry, VFIL has expanded rapidly, producing blockbuster films. The IPO marks a new chapter in the company's growth, with a strong debut on its first trading day. The listing was celebrated with notable celebrities and industry figures joining Dr. Ishari K. Ganesh for the bell-ringing ceremony. Khambatta Securities Ltd.\* served as the lead manager, and SS Corporate Securities Ltd. as the market maker for the listing.





## VELS - IPO LISTING CEREMONY

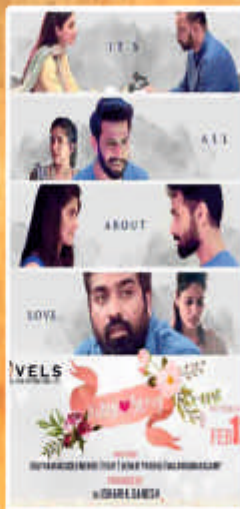


# FILMOGRAPHY

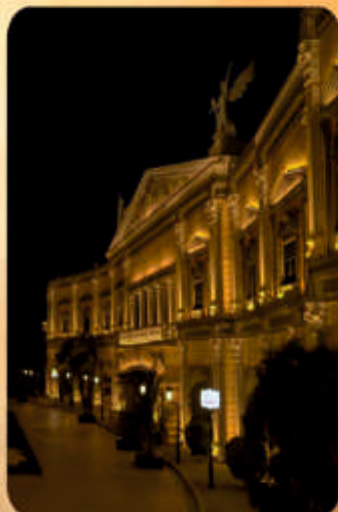
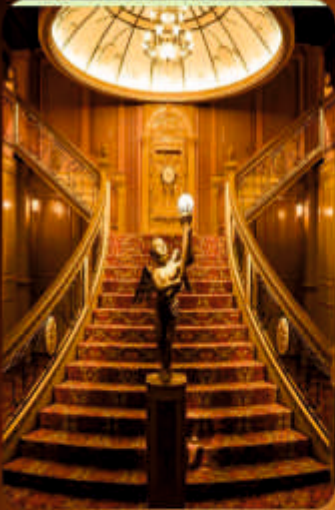




# filmography



# jollywood studios & adventures



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# JOLLYWOOD

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Spread across 40 acres, JOLLYWOOD is a magical, fun-filled destination offering a variety of unique attractions and immersive experiences, many being introduced in India. It boasts five state-of-the-art movie and TV studios, hosting shows like Masterchef Tamil and Big Boss Kannada. With thrilling adventures like the Lost World, where you explore the realm of dinosaurs, and an interactive Titanic deck experience, visitors are in for unforgettable excitement. The park also features Jolly Island, home to India's first temperature-controlled wave pool and a serene beachside Wave Bistro for ultimate relaxation.

For a European escape, Romancia offers a stunning street perfect for events, while Adrenaline challenges thrill-seekers in the adventure park. Top it off with an electrifying multimedia show, vibrant shopping at The Circus Shop, and a tribute to Indian cinema at the Amphi Theatre, making JOLLYWOOD a perfect getaway for all ages.

Jollywood Theme Park is the dream project of Dr Ishari K. Ganesh, known for his passion for cinema; he conceived this theme park to bring the magic of films to life for people of all ages. He wanted to create a space where families, movie lovers, and thrill-seekers could enjoy a blend of cinematic charm, thrilling rides, and immersive experiences in one place. Dr. Ishari K Ganesh's vision is to combine entertainment with professional filmmaking. His passion for cinema and his desire to create an entertainment destination that celebrates the spirit of movies is what drives the essence of Jollywood. It is a testament to his lifelong dream of merging the worlds of film and entertainment in an innovative and fun-filled environment.



# PROJECT RELEASED 2024 - 2025



CHUTNEY SAMBAR  
WEB SERIES



# அகத்தியா

ANGELS vs DEVIL

Aghathiyaa



SHIVA IN

# SUMO

**TO BE  
RELEASED**

HAPPY BIRTHDAY  
JAYAM RAVI

by **AR RAHMAN** WILLIS TOWERS WATSON  
by **AGUNIAN Jr** WATSON



PRODUCED BY ISHARI K. GANESH

MADE IN CHINA | 100% COTTON | 100% COTTON | 100% COTTON | 100% COTTON  
MADE IN CHINA | 100% COTTON | 100% COTTON | 100% COTTON | 100% COTTON  
MADE IN CHINA | 100% COTTON | 100% COTTON | 100% COTTON | 100% COTTON  
MADE IN CHINA | 100% COTTON | 100% COTTON | 100% COTTON | 100% COTTON

BY MR. SUNIL SHAH - MR. PAUL SUBRAMANIAN

TEAM TALK AND






# PROJECTS ON FLOOR

 **VELS**  
FILM INTERNATIONAL LTD

**DR. ISHARI K GANESH**  
PRESENTS



NAYANTHARA IN  
SUNDAR C'S

# MOOKUTHI AMMAN

THE RISE OF THE DIVINE



**VELS**  
FILM INTERNATIONAL LTD

DR. ISHARI K GANESH  
PRESENTS

**Dhanush**

**D53**

WRITTEN AND DIRECTED BY  
**VIGNESH RAJA**

MUSIC  
**GV PRAKASH**



**VELS**

FILM INTERNATIONAL LTD

DR. ISHARI K GANESH  
PRESENTS

VISHNÚ VISHAL IN

# GATTA KUSTHI 2

WRITTEN AND DIRECTED BY  
CHELLA AYYAVU



**VELS**

FILM INTERNATIONAL LTD

**DR.ISHARI K.GANESH**  
PRESENTS



# DYANGARAM

WRITTEN AND DIRECTED BY  
VJ SINDHU

# UPCOMING PROJECT

DR. ISHARI K GANESH  
PRESENTS



D54

WRITTEN & DIRECTED BY  
MARI SELVARAJ

DR. ISHARI K GANESH PRESENTS



DR.ISHARI K.GANESH  
PRESENTS

**DHANUSH & VETRIMAARAN**

**#UNTITLED PROJECT**



**DR. ISHARI K GANESH**  
PRESENTS

VISHNU VISHAL IN

# #UNTITLED PROJECT

WRITTEN & DIRECTED BY  
ARUNRAJA KAMARAJA

DR. ISHARI K GANESH  
PRESENTS

VISHNU VISHAL IN

# #UNTITLED PROJECT

WRITTEN & DIRECTED BY  
**SATISH**  
(BACHELOR MOVIE)

JAYAM RAVI IN

# #Untitled Project

WRITTEN & DIRECTED BY  
GAUTHAM VASUDEV MENON

SCREENPLAY BY  
VETRI MARAN



# VELS

FILM INTERNATIONAL LTD

[www.velsfilm.in](http://www.velsfilm.in)

vels film international

[info@velsfilminternational.com](mailto:info@velsfilminternational.com)

## VELS FILM INTERNATIONAL LIMITED

### BOARD OF DIRECTORS

**Dr. Ishari K. Ganesh**

Promoter and Managing Director  
(DIN : 00269445)

**Dr. Arthi Ganesh**

Promoter Group and Director  
(DIN: 00568101)

**Ms. Preethaa Ganesh**

Promoter Group and Director  
(Din: 07105539)

**Mr. Thummala Gangatharan Balaji**

Independent Director  
(Din : 00580819)

**Mr. Sivakumar Ranagasamy**

Independent Director  
(Din : 08336763)

**Mrs. Sangeetha Santharam**

Independent Director  
(Din : 07567200)

**Ms. Kushmitha Ganesh**

Promoter Group and Director  
(Din: 09271301)

**Mr. Ayyappa Prasad**

Independent Director  
(Din : 11083356)

**Mr. Lushvin Kummar**

Promoter Group and Director  
(Din: 11129347)

**Key Managerial Personnel****Mr. S. Rajagopal**

Chief Financial Officer

**CS S. Sujatha**

Company Secretary and  
Compliance Officer

**Corporate Identity Number (cin)**

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**Statutory Auditors**

SRBR & Associates LLP  
Romar House, Chamber D,  
3<sup>rd</sup> Floor, 6/9, (Old No. 15/9),  
Jaganathan Road, Nungambakkam,  
Chennai – 600 034

**Bankers**

Bank of Baroda

**Registered office**

No.521/2, Anna Salai, Nandanam,  
Chennai - 600 035. Tel: 044 24315541 / 542  
Website: [www.velsfilminternational.com](http://www.velsfilminternational.com)  
E-mail: [info@velsfilminternational.com](mailto:info@velsfilminternational.com)

**Secretarial Auditors**

BP & Associates  
Company Secretaries  
New No 443 & 445, 5<sup>th</sup> Floor, Annexe 1,  
Guna Complex, Anna Salai, Teynampet,  
Chennai-600 018

**Internal auditors**

S B N and Co.  
Chartered Accountants  
B7, Prince Centre  
No. 709 & 710, Anna Salai,  
Chennai 600002

**Registrar & share transfer agent**

Cameo Corporate Services Limited  
Subramanian Building” No.1 Club  
House Road Chennai TN 600002

### INVESTOR INFORMATION

**CIN** : L74999TN2019PLC132235

**Nse Symbol** : VELS

**AGM Date** : 7<sup>th</sup> July 2025

**AGM Time** : 02.00 p.m

**AGM Venue** : To be held via Video-Conference /other Audio Visual Means

## NOTICE

NOTICE is hereby given that the 6<sup>th</sup> Annual General Meeting (AGM) of the Members of **Vels Film International Limited** ("the Company") will be held on Monday, 7<sup>th</sup> July 2025 at 2.00 A.M. through Video conferencing (VC)/Other Audio-Visual Means (OAVM) and proceedings of the AGM shall be deemed to have taken place thereat to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2025, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. Preethaa Ganesh, ( DIN: 07105539), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and re-appoint M/s. S R B R & ASSOCIATES LLP, Chartered Accountants, as the Statutory Auditors of the Company and to authorize Board of Directors to fix their remuneration, and in this regard, to consider and if thought fit, to pass the following Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions if any, M/s. S R B R & ASSOCIATES LLP, Chartered Accountants (Firm Registration No. 004997S) be and are hereby reappointed as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2029, at a remuneration as may be mutually agreed upon between the Board and the aforesaid Auditors subject to approval by the members in the ensuing Annual General Meeting."

### SPECIAL BUSINESS:

#### 4. APPOINTMENT OF MR. AYYAPPA PRASAD (DIN: 11083356) AS INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass with or without modifications, the following resolution as ordinary Resolution:

"RESOLVED THAT, pursuant to provision of Section 149, 150, 152 read with Schedule IV of the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013, if any 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), and upon the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company; Mr. AYYAPPA PRASAD (DIN: 11083356) and Independent Director Reg.No: IDDB-DI-202406-060356) who was appointed as an Additional Director of the Company in Independent Category w.e.f 2<sup>nd</sup> June 2025 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and from whom the Company has received a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for five (5) consecutive years for the period from June 2<sup>nd</sup>, 2025 to June 1<sup>st</sup>, 2030 (both dates inclusive)."

"RESOLVED FURTHER THAT the Managing Director be and are hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents and returns, e-forms for the purpose of giving effect to the aforesaid resolution."

#### 5. APPOINTMENT OF Ms. KADHIRVELAN GANESH KUSHMITHA (DIN:09271301) AS DIRECTOR

To consider and if thought fit, to pass the following items of business, as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 & 161 of the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 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) Ms. Kushmitha Ganesh (DIN: 09271301), who was appointed as an Additional Director (Non-Independent And Non-Executive), be and is hereby appointed as a Director (Non-Independent And Non-Executive) of the Company to hold office with effect from 2<sup>nd</sup> June 2025 be and is hereby appointed as a Director (Non-Independent And Non-Executive) of the

## VELS FILM INTERNATIONAL LIMITED

Company and shall be liable to retire by rotation.”  
“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to do all the acts, deeds and things which are necessary to give effect to the above resolution.”

### 6. APPOINTMENT OF Mr. Lushvin Kummar (DIN: 11129347) AS DIRECTOR

To consider and if thought fit, to pass the following items of business, as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 & 161 of the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 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. Lushvin Kummar, who was appointed as an Additional Director (Non-Independent And Non-Executive), be and is hereby appointed as a Director (Non-Independent And Non-Executive) of the Company to hold office with effect from 2<sup>nd</sup> June 2025 be and is hereby appointed as a Director (Non-Independent And Non-Executive) of the Company and shall be liable to retire by rotation.”

“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to do all the acts, deeds and things which are necessary to give effect to the above resolution.”

#### Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Businesses specified above is annexed hereto. Further pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (ICSI) are also annexed.
2. Relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (ICSI), in respect of a Director seeking re-appointment at this Annual General Meeting is annexed.

3. At the proposed 6<sup>th</sup> Annual General Meeting to be held on 7<sup>th</sup> July 2025 the Members to approve the appointment of M/s. S R B R & ASSOCIATES LLP, Chartered Accountants (Firm Registration No. 004997S) as Statutory Auditors of the Company to hold office for a period of four years from the conclusion of that AGM till the conclusion of AGM to be held in 2029.
4. Pursuant to Section 113 of the Companies Act, 2013 representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM. Corporate Members intending to attend the Meeting through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF/ JPG Format) if any, authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/ Authorisation shall be sent to the Company by e-mail through its registered e-mail address (ie) [compliance@velsfilminternational.com](mailto:compliance@velsfilminternational.com).
5. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 16.
6. Notice is also given under Section 91 of the Act read with Regulation 42 of the SEBI Listing Regulations, that the Register of Members and the Share Transfer Book of the Company will remain closed from Wednesday, 2<sup>nd</sup> July 2025 to Monday, 7<sup>th</sup> July 2025 (both days inclusive).
7. Members are requested to intimate/update changes, if any, pertaining to their name, postal address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their Depository Participants (“DPs”) in case the shares are held by them in dematerialized form and to the Registrar and Share Transfer Agents of the Company i.e. Cameo Corporate Services Limited in case the shares are held by them in physical form.
8. Members seeking any information/desirous of asking any questions at the Meeting with





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- regard to the accounts or any matter to be placed at the Meeting are requested to send email to the Company at [compliance@velsfilminternational.com](mailto:compliance@velsfilminternational.com) at least 10 days before the Meeting. The same will be replied by the Company suitably.
9. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
10. The Ministry of Corporate Affairs, ("MCA") issued General Circular Nos. 14/2020 dated 08<sup>th</sup> April, 2022, 17/2020 dated 13<sup>th</sup> April, 2020, 20/2020 05<sup>th</sup> May, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 09/2023 dated 25<sup>th</sup> September, 2023 issued by "MCA Circulars". Further, towards this, the Securities and Exchange Board of India ("SEBI"), vide its Circulars dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021, 13<sup>th</sup> May, 2022, 05<sup>th</sup> January, 2023, 06<sup>th</sup> October, 2023 and 07<sup>th</sup> October, 2023 ("SEBI Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/Other Audio-Visual Means ("VC / OAVM") facility on or before 30<sup>th</sup> June 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the deemed venue for the 06<sup>th</sup> AGM shall be the Registered Office of the Company. Electronic copy of the Annual Report of the Company for the Financial Year 2024-2025 is being sent to all the members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their e-mail address,
- hard copies of the Annual Report of the Company for the Financial Year 2024-2025 are being sent in the permitted mode. In case any member is desirous of obtaining hard copy of the Annual Report of the Company for the Financial Year 2024-2025 and Notice of the 06<sup>th</sup> AGM of the Company, may send request to the Company's e-mail address at [compliance@velsfilminternational.com](mailto:compliance@velsfilminternational.com) mentioning Foilo No./DP ID and Client ID.
11. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.
12. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
13. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to

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- attend the EGM/AGM without restriction on account of first come first served basis.
14. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the EGM/AGM will be provided by NSDL.
16. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.velsfilminternational.com](http://www.velsfilminternational.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
17. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.
- THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-
- The remote e-voting period begins on 4 th July 2025, Friday at 9.00 A.M. and ends on Sunday, 6th July 2025 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 1st July 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 01.07.2025.
- How do I vote electronically using NSDL e-Voting system?
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
- Step 1: Access to NSDL e-Voting system
- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Login method for Individual shareholders holding securities in demat mode is given below:

**VELS FILM INTERNATIONAL LIMITED**

Type of Share holders	Login Method
Individual Share holders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>3. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; margin-top: 20px;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p><b>App Store</b></p> </div> <div style="text-align: center;">  <p><b>Google Play</b></p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;">   </div> </div>

## VELS FILM INTERNATIONAL LIMITED

Individual Share holders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Share holders holding securities in demat mode login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

### **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911
<p>B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.</p> <p>How to Log-in to NSDL e-Voting website?</p> <p>1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</p>	

**VELS FILM INTERNATIONAL LIMITED**

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300*** 12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

c) How to retrieve your ‘initial password’?

(i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6) If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [prabakar@bpcorpadvisor.com](mailto:prabakar@bpcorpadvisor.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 or send a request to (Name of NSDL Official) at [evoting@nsdl.com](mailto:evoting@nsdl.com)

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at
- step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
2. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

## VELS FILM INTERNATIONAL LIMITED

Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([compliance@velsfilminternational.com](mailto:compliance@velsfilminternational.com)). The same will be replied by the company suitably.
6. Registration of Speaker related point needs to be added by company.

By order of the Board of Directors,  
**For Vels Film International Limited**

Place : Chennai

12<sup>th</sup> June, 2025

**SAMPATH KUMAR SUJATHA**

Company Secretary &

Compliance Officer

M.No: A32181

### Registered Office:

521/2, Anna Salai,  
Nandanam, Chennai – 600 042

EmailID:

[compliance@velsfilminternational.com](mailto:compliance@velsfilminternational.com)

Website: [www.velsfilminternational.com](http://www.velsfilminternational.com)

Contact No: +91 81483 52197

**ANNEXURE- I****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3: To consider and re-appoint M/s. S R B R & ASSOCIATES LLP, Chartered Accountants, as the Statutory Auditors of the Company and to authorize Board of Directors to fix their remuneration;**

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act. M/S S R B R & ASSOCIATES LLP, Chartered Accountants, Chennai (ICAI Firm Registration No.: 004997S/S200051) (SRBR) were appointed as the Statutory Auditors of the Company by the Members at the 1st Annual General Meeting (AGM) held on 31<sup>st</sup> December, 2020 to hold office from the conclusion of the 1st AGM till the conclusion of the 6<sup>th</sup> AGM of the Company to be held in the calendar year 2025. Accordingly, the present term of SRBR expires on conclusion of the ensuing 6th AGM.

SRBR are eligible for re-appointment for a second term of five years in terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014. SRBR have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the re-appointment of SRBR, as the Statutory Auditors of the Company, for the second consecutive term of Four years from the conclusion of 6<sup>th</sup> AGM till the conclusion of 10<sup>th</sup> AGM of the Company to be held in the year 2029, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors. The recommendation is based on various factors like People, Audit Methodology, Quality Control, Reputation of the Firm and Knowledge.

M/s. S R B R & Associates LLP, Chartered Accountants (Firm Registration No: 004997S/S200051) is a well-established firm engaged in providing audit and assurance service to its clients. The Audit Firm has a valid Peer Review certificate.

SRBR was paid a fee of Rs.5,00,500 for the audit of standalone and consolidated financial statements of the Company for the financial year ended March 31, 2025 plus applicable taxes and out-of-pocket expenses on actuals.

The increase in fee proposed to be paid to SRBR for the financial year ending March 31, 2026 will be mutually agreed basis in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the given period. Further, the Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee. The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution. The Board recommends the resolution set out at Item No. 3 of the accompanying Notice for approval of the Members by way of an Ordinary Resolution.

**ITEM NO 4 : APPOINTMENT OF MR. AYYAPPA PRASAD (11083356) AS AN INDEPENDENT DIRECTOR**

The members are informed that on the recommendation of Nomination & Remuneration Committee at their meeting held on 2<sup>nd</sup> June 2025, the Board of Directors has appointed Mr. Ayyappa Prasad (DIN: 11083356 and Independent Director Reg.No: IDDB-DI-202406-060356) as an Additional Director in the capacity of Non- Executive and Independent Director with effect from 2<sup>nd</sup> June 2025 and he holds office up to the ensuing General Meeting of the Company. Accordingly, it is proposed to appoint Mr. Ayyappa Prasad, as the Independent Director of the Company for a term of 05 (five) consecutive years on the Board with effect from 2<sup>nd</sup> June 2025 to 1<sup>st</sup> June 2030 and shall not liable to retire by rotation.

Mr. Ayyappa Prasad is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013 and has given his consent in writing to act as an Independent Director of the Company.

The Company has also received a declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act. In the opinion of the Board, he fulfills the conditions specified in the Act and he is independent of the management.

Except Mr. Ayyappa Prasad none of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are members of the Company.

The Board recommends the passing of an Ordinary resolution as set out in item no. 4 of this notice.

Details of the Directors seeking re-appointment/ appointment at the Forthcoming Annual General Meeting (In pursuance of Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard- 2 on General Meetings

Name of the Director	<b>Mr. Ayyappa Prasad</b>
Date of Birth	05.02.1958
Age	67 YEARS
Qualifications	BA., Dip in Journalism
Experience (including expertise in specific functional area) / Brief Resume	35 years of experience in relevant field
Terms and Conditions of Re-appointment	5 years
Remuneration last drawn (including sitting fees, if any) (FY2024-25)	nil
Remuneration proposed to be paid	nil
Date of first appointment on the Board	02.06.2025
Shareholding in the Company including shareholding as a beneficial owner as on 31 <sup>st</sup> March, 2025	Nil
Relationship with other Directors / Key Managerial Personnel	Nil
Number of meetings of the Board attended	Nil
Directorships of other Boards as on 31 <sup>st</sup> March, 2025	Nil

**ITEM NO 5 : APPOINTMENT OF MS. KADHIRVELAN GANESH KUSHMITHA (DIN:09271301) AS DIRECTOR OF THE COMPANY**

The members are informed that on the recommendation of Nomination & Remuneration Committee at their meeting held on 2<sup>nd</sup> June 2025, the Board of Directors has appointed Ms. Kadhivelan Ganesh Kushmitha (DIN:09271301) as an Additional Director in the capacity of Non- Executive and Non Independent) with effect from 2<sup>nd</sup> June 2025 and he holds office up to the ensuing General Meeting of the Company. Accordingly, it is proposed to appoint Ms. Kadhivelan Ganesh Kushmitha (DIN:09271301) as the Director (Non- Executive and Non Independent) of the Company and shall be liable to retire by rotation.

Ms. Kadhivelan Ganesh Kushmitha is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013 and has given his consent in writing to act as an Independent Director of the Company.

Except Ms. Kadhivelan Ganesh Kushmitha, Mr. Ishari Ganesh Kadhivelan, Ms. Arthi and Ms. Preetha Ganesh, none of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are members of the Company.

The Board recommends the passing of an Ordinary resolution as setout in item no. 5 of this notice.

Details of the Directors seeking re-appointment/ appointment at the Forthcoming Annual General Meeting (In pursuance of Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard- 2 on General Meetings

Name of the Director	<b>Ms. Kadhivelan Ganesh Kushmitha</b>
Date of Birth	25.11.1999
Age	25 years
Qualifications	BBA., LLB(Honours), LLM in International Commercial Law
Experience (including expertise in specific functional area) / Brief Resume	3 years in the concerned field
Terms and Conditions of Re-appointment	Non- Executive and liable to retire by rotation
Remuneration last drawn (including sitting fees, if any) (FY2024-25)	nil
Remuneration proposed to be paid	nil
Date of first appointment on the Board	02.06.2025
Shareholding in the Company including shareholding as a beneficial owner as on 31 <sup>st</sup> March, 2025	Nil
Relationship with other Directors / Key Managerial Personnel	Nil
Number of meetings of the Board attended	Nil
Directorships of other Boards as on 31 <sup>st</sup> March, 2025	VELS STUDIOS AND ENTERTAINMENT PRIVATE LIMITED
Membership / Chairmanship of Committees of other Boards as on 31 <sup>st</sup> March, 2025	NIL

**VELS FILM INTERNATIONAL LIMITED****ITEM NO 6 : APPOINTMENT OF MR. LUSHVIN KUMMAR (DIN: 11129437) AS DIRECTOR OF THE COMPANY**

The members are informed that on the recommendation of Nomination & Remuneration Committee at their meeting held on 2<sup>nd</sup> June 2025, the Board of Directors has appointed Mr. Lushvin Kummar (DIN: 11129437) as an Additional Director in the capacity of Non- Executive and Non Independent) with effect from 2<sup>nd</sup> June 2025 and he holds office up to the ensuing General Meeting of the Company. Accordingly, it is proposed to appoint Mr. Lushvin Kummar (DIN: 11129437) as the Director (Non- Executive and Non Independent) of the Company and shall be liable to retire by rotation.

Mr. Lushvin Kummar (DIN: 11129437) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013 and has given his consent in writing to act as an Independent Director of the Company.

Except Mr. Lushvin Kummar (DIN: 11129437), Mr. Ishari Ganesh Kadhivelan, Ms. Arthi and Ms. Preetha Ganesh, Ms. Kadhivelan Ganesh Kushmitha, none of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are members of the Company.

The Board recommends the passing of an Ordinary resolution as setout in item no. 6 of this notice.

Details of the Directors seeking re-appointment/ appointment at the Forthcoming Annual General Meeting (In pursuance of Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings

Name of the Director	Lushvin Kummar
Date of Birth	29.09.1996
Age	28 Years
Qualifications	Member in Council of Architech
Experience (including expertise in specific functional area) / Brief Resume	6 Years Experience in Relevant field 02.06.25
Terms and Conditions of Re-appointment	Non Executive and liable to retire by rotation
Remuneration last drawn (including sitting fees, if any) (FY2024-25)	nil
Remuneration proposed to be paid	nil
Date of first appointment on the Board	2.06.2025
Shareholding in the Company including shareholding as a beneficial owner as on 31 <sup>st</sup> March, 2025	Nil
Relationship with other Directors / Key Managerial Personnel	Nil
Number of meetings of the Board attended	Nil
Directorships of other Boards as on 31 <sup>st</sup> March, 2025	Nil
Membership / Chairmanship of Committees of other Boards as on 31 <sup>st</sup> March, 2025	NIL

## ANNEXURE TO NOTICE

**Details of the Directors seeking re-appointment/ appointment at the  
Forthcoming Annual General Meeting (In pursuance of Regulations 26(4) and 36(3)  
of the Listing Regulations and Secretarial Standard-2 on General Meetings)**

<b>Name of Director</b>	Ms. Preethaa Ganesh
<b>Date of Birth</b>	25 <sup>th</sup> August 1996
<b>Date of Appointment</b>	25 <sup>th</sup> October 2019
<b>Expertise in specific functional areas &amp; Qualifications</b>	Under Graduation in Computer Science from SSN College of Engineering, and Post-Graduation in Management & Political Science from London School of Economics.
	At our company she overlooks operations & distribution of films. She has been involved in project overview, script finalization, project cost analysis.
<b>Terms and Conditions of Re-appointment</b>	Non-executive & Non- Independent Director
<b>Remuneration last drawn (including sitting fees, if any) (FY2023-24)</b>	NIL
<b>Remuneration proposed to be paid</b>	NIL
<b>Date of first appointment on the Board</b>	25 <sup>th</sup> October 2019
<b>Shareholding in the Company including shareholding as a beneficial owner as on 31<sup>st</sup> March, 2024</b>	600 Equity Shares
<b>Relationship with other Directors /</b>	
<b>Key Managerial Personnel</b>	Yes, related to Directors of the Company
<b>Number of meetings of the Board attended</b>	14
<b>Directorships of other Boards as on 31<sup>st</sup> March, 2025</b>	Vels Studios and Entertainment Private Limited
<b>Membership / Chairmanship of Committees of other Boards as on 31<sup>st</sup> March, 2025</b>	NIL

**BOARD'S REPORT**

To,

The Members of

**VELS FILM INTERNATIONAL LIMITED**

Your Directors are pleased to present the 6<sup>TH</sup> Annual Report of your company together with Audited Financial statements for the year ended March 31, 2025.

**1. FINANCIAL PERFORMANCE AND HIGHLIGHTS**

Your Company's performance during the year ended March 31, 2025 as compared to the previous financial year, is summarized as below-

**STANDALONE:**

(Rs. In '000)

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Turnover	3,42,660.72	1,07,530.24
Other Income	2,55,011.51	34,325.14
Total Income (Gross)	<b>5,97,672.23</b>	<b>1,41,855.38</b>
Total Expenditure	4,19,977.95	3,12,199.60
Profit / (Loss) before Tax	1,77,694.28	(1,70,344.23)
Less: Tax expenses:		
1. Current Tax	5,100	-
2. Deferred tax	(35,361.75)	35,823.83
3. Excess/Short provisions relating to tax earlier years	(1,213.88)	-
Profit/ (Loss) after tax	<b>136018.64</b>	<b>(1,34,520.40)</b>

**CONSOLIDATED**

Particulars	Year ended 31 <sup>st</sup> March, 2025	Year ended 31 <sup>st</sup> March, 2024
Turnover	687420.21	3,95,383.83
Other Income	232097.59	21,655.90
Total Income (Gross)	<b>919517.80</b>	<b>3,97,549.73</b>
Total Expenditure	958040.18	7,44,299.77
Profit Before Extraordinary items and tax	(38522.33)	(346750.04)
Exceptional Items	-	118651.63
Profit / (Loss) before Tax	422756.35	(4,65,401.67)
Less: Tax expenses:		
1. Current Tax	5100.00	-
2. Deferred tax	35361.75	35,823.83
Excess/short provision of tax relating to earlier years	(1213.88)	-
Minority's share of interest	(49,297.39)	(65,306.67)
Profit/ (Loss) after tax	<b>4,30,378.11</b>	<b>(36,42,71.19)</b>

**2. DETAILS OF REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT**

Your Company has not revised the financial statements or Boards Report during the year.

**3. AMOUNT, WHICH THE BOARD PROPOSES TO CARRY ANY RESERVES**

Your Directors do not propose to transfer any amount to the general reserves and the entire amount of profit for the year forms part of the 'Retained Earnings'.

**4. DIVIDEND**

During the year the Company has earned a net profit of Rs. 1360.18 Lakhs and the Board of Directors of the Company have not recommended any dividend for the FY 2024-25.

**5. PERFORMANCE REVIEW**

The Company's Revenue from operation for 2024-25 was Rs.3426.60 Lakhs as compared with Rs.1075.30 Lakhs during the previous year. The Company has resulted in a net profit after tax of Rs.1360.18 lakhs compared with a net loss of Rs.(1345.20) Lakhs during the last year.

**6. STATE OF AFFAIRS AND FUTURE OUTLOOK**

a) State of the company's affairs: During the year under review ended on 31<sup>st</sup> March 2025, your Company has earned Standalone profit of Rs. 1,360.18 lakhs /- against the consolidate profit of Rs. 4303.78/- and Standalone loss for the period ended 31<sup>st</sup> March 2024 was Rs. 134520.04 and Consolidate loss of Rs.3,64,271.1/- (in thousands) for the corresponding period ended 31<sup>st</sup> March 2024.

b) The Earnings per share (basic) were at Rs. (10.54) stood as on 31<sup>st</sup> March 2025 against Rs. (10.42) for the previous year. The company got listed in NSE and shares are traded at the SME platform of a nationwide Stock Exchange.

c) Change in the nature of business: No change in the Nature of Business.

d) Material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of the financial year of the company to which the Financial Statements relates and the date of the Report: Nil

**7. CAPITAL STRUCTURE**

The share capital of the Company as on 31<sup>st</sup> March 2025 is as mentioned below:

**VELS FILM INTERNATIONAL LIMITED**

Particulars	No. of Shares	Amount (in Rs. )	
Authorised Capital	Equity Shares of Rs. 10 each	2,00,00,000	20,00,00,000
Issued, Subscribed and Paid-up Capital	Equity Shares of Rs. 10 each	1,29,08,000	12,90,80,000

Increase in Authorised Share capital:

- During the reporting period, the Authorised share capital of the Company has not been increased .

Further during the Company has not issued

- Equity shares with Differential Rights
- Sweat Equity Shares
- Employee Stock options
- Shares to Trustees for Benefit of Employees
- Other securities which carries a right or option to convert into equity shares

**8. MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed report on Management Discussion and Analysis (MDA) Report is included in this Report as Annexure-I

**9. STATEMENT OF UTILIZATION OF FUNDS RAISED THROUGH IPO UNDER REGUATION 32(1) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015**

During the year under review, the Company has not issued any further equity shares to the public. Therefore, the statement of utilization of funds not applicable.

**10. ANNUAL RETURN**

The details forming part of Annual Return as required under Section 92 of the Companies Act, 2013 will be made available at the website of the Company at <https://velsfilminternational.com/>

**11. NUMBER OF BOARD MEETINGS**

Dates for Board Meetings are well decided in advance and communicated to the Board and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement. The information as required under Regulation 17(7) read with Schedule II Part A of the LODR is made available to the Board. The agenda and explanatory notes are sent to the Board in advance. The Board periodically reviews compliance reports of all laws applicable to the Company.

The Directors of the Company met 14 Times during the financial year 2024-2025.

S. No	Date of Meeting	No of Director entitled to attend the Meeting	No of Director present at the meeting
1.	10.04.2025	5	5
2.	29.04.2025	5	5
3.	29.05.2024	5	5
4.	08.06.2024	5	5
5.	13.07.2024	6	6
6.	31.08.2024	6	6
7.	11.09.2024	6	6
8.	10.10.2024	6	6
9.	14.11.2024	6	6
10.	20.01.2024	6	6
11.	14.02.2025	6	6
12.	01.03.2025	6	6
13.	21.03.2025	6	6
14.	31.03.2025	6	6

**CREDIT RATING**

No Credit Rating was required to be obtained by the company.

**13. COMPOSITION OF AUDIT COMMITTEE**

Your Company has formed an Audit Committee as per the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Audit Committee possess strong knowledge of accounting and financial management. During the year there are 04 (Four) meeting of an Audit committee was held, i.e. on 29.05.2024, 03.07.2024, 14.11.2024 and 14.02.2025. The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the statutory auditor and notes the processes and safeguards employed by each of them. Further, the Audit Committee is also functional as per the provision of Section 177 of Companies Act, 2013 and Rules made thereunder and as per Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**14. COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE**

Your Company has formed a Nomination & Remuneration Committee to lay down norms for determination of remuneration of the executive

## VELS FILM INTERNATIONAL LIMITED

as well as non-executive directors and executives at all levels of the Company. The Nomination & Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay. During the year there are 02 (Two) meeting of Nomination & Remuneration committee was held i.e. on 29.05.2024, 08.06.2024.

### 15. DISCLOSURES PERTAINING TO CORPORATE SOCIAL RESPONSIBILITY

As the company incurred loss during the financial year 2023-2024, the provisions of Corporate Social Responsibility are not applicable. The Board has convened the CSR Committee Meeting on 29.05.2024.

### 16. COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference are in line with Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year 01 (One) meeting of a Stakeholders Relationship Committee was held, i.e. on 14.02.2025.

Following are the details and attendance of Directors during the Board Meetings as well as its Committee:

Board of Directors	B.M	Audit Committee	NRC	Stake holders Committee	CSR Committee	I D Meet.
No. of Meetings	14	4	2	1	1	1
Ishari Ganesh Kadhivelan	14	4	-	-	1	-
Arthi	14	-	2	1	-	-
Preethaa Ganesh	14	-	-	-	-	-
Thummala Gangatharan Balaji	14	4	2	1	1	1
Sangeetha Santharam	13	-	-	1	-	1
Sivakumar Rangasamy	10	3	-	-	-	1

### 17. RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the FY 2024-25 with related parties were on an arm's length basis and in the ordinary course of business. Brief of Related Party

Transaction's pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are attached in Form AOC-2 as Annexure-II.

### 18. CORPORATE GOVERNANCE

Your Company being responsible corporate citizen provides utmost importance to best Corporate Governance practices and always works in the best interest of its stakeholders. Your company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Company is not obligated to comply with provisions of certain regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 19. RISK MANAGEMENT

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the Meetings of the Audit Committee and the Board of Director of the Company.

### 20. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the Provisions of Section 152 & 203 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Following changes in composition of Board of Director during the Financial Year

S. No	Name of the Director	Designation	Date of Appt	Date of Cessation
1.	Ishari Ganesh Kadhivelan	Managing Director	25/10/2019	-
2.	Dr. Arthi	Director	25/10/2019	-
3.	Preethaa Ganesh	Director	25/10/2019	-
4..	Thummala Gangatharan Balaji	Independent Director	30/04/2022	-
5.	Sangeetha Santharam	Independent Director	30/04/2022	-
6.	Sampath Kumar Sujatha	Company Secretary	30/04/2022	-
7.	Srinivasan Rajagopal	Chief Financial Officer	20/07/2023	-
8.	Vadasiruvelur Rajavelu Arasu	Chief Executive Officer	31/07/2023	21.6.2024
9.	Rangasamy Sivakumar	Independent director/ Add. Director	08/6/2024	-

## VELS FILM INTERNATIONAL LIMITED

Mr. Rangasamy Sivakumar who was appointed as an Additional Director (Nonexecutive and Independent) w.e.f 08<sup>nd</sup> June 2024 for a period of 5(five) years was regularised during the previous Annual General Meeting.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Preethaa Ganesh (DIN: 07105539) is due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer herself for re- appointment.

Appointment after the financial year:

- Mr. Ayyappa Prasad (DIN: 11083356) was appointed as an additional director (Non Executive and Independent) of the Company w.e.f 2<sup>nd</sup> June 2025 for a period of 5 years and holds office till the date of the ensuing Annual General Meeting. The Board proposes the regularisation of Ms. Ayyappa Prasad (DIN: 11083356) as a Director (Non Executive and Independent) of the Company.
- Ms. Kadhivelan Ganesh Kushmitha (DIN: 09271301) was appointed as an additional director (Non Executive and Non Independent) of the Company w.e.f 2<sup>nd</sup> June 2025 and holds office till the date of the ensuing Annual General Meeting. The Board proposes the regularisation of Ms. Kadhivelan Ganesh Kushmitha (DIN: 09271301) (Non Executive and Non Independent) as a Director of the Company.
- Mr. Lushvin Kummar (DIN: 11129847) was appointed as an additional director (Non Executive and Non Independent) of the Company w.e.f 2<sup>nd</sup> June 2025 and holds office till the date of the ensuing Annual General Meeting. The Board proposes the regularisation of Mr. Lushvin Kumar (DIN: 11129847) (Non Executive and Non Independent) as a Director of the Company.

### 21. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they comply the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015.

### 22. BOARD EVALAUTION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Nomination

and Remuneration Committee has carried out an Annual Performance Evaluation of the Board and of the Individual Directors has been made. During the year, the Evaluation cycle was completed by the Company internally which included the evaluation of the Board as a whole, Board Committees and Directors. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience, performance of duties and governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as contribution, independent judgment and guidance and support provided to the Management.

The results of the evaluation were shared with the Board, Chairman of respective Committees and individual Directors.

### 23. REMUNERATION POLICY

The Board of Directors on the recommendation of the Nomination & Remuneration Committee has framed a Policy for Directors, Key Managerial Personnel and other Senior Managerial Personnel of the Company, in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations. The website link for the policy is –

<https://velsfilminternational.com/nomination-and-remuneration-policy-2/>

### 24. DISCLOSURE REGARDING FRAUDS

There are no frauds reported during 2024-2025.

### 25. DETAILS OF VALUATION MADE WHILE TAKING LOAN FROM BANK OR FINANCIAL INSTITUTION :

The requirement to disclose details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the banks or financial institution along with the reasons thereof is not applicable

### 26. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

No application has been made under the insolvency and bankruptcy code: hence the requirement to disclose the details of application made or any proceeding pending under the insolvency and bankruptcy code 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable

**VELS FILM INTERNATIONAL LIMITED****27. LOAN FROM DIRECTORS AND RELATIVES:**

The Company has outstanding loan as on 31<sup>st</sup> March 2025 from the directors as follows;

<b>Name of Director</b>	<b>Director Relative</b>	<b>Amount Outstanding (Rs. In 000)</b>
Ishari Ganesh Kadhivelan	Managing Director	1,62,16,600
Vels Film International (Proprietor)	Proprietor concern of Director	8,80,660

**28. AUDITORS****Statutory Auditor:**

The tenure of M/s. S R B R & Associates LLP , Chartered Accountants, Chennai (Firm Registration No.004997S/S200051), statutory auditor of the Company shall be completed in the ensuing Annual General meeting. Pursuant to Section 139 of the Companies Act, 2013, an audit firm as auditor shall be appointed for two terms of five consecutive years. Accordingly, M/s. S R B R & Associates LLP , Chartered Accountants, Chennai (Firm Registration No.004997S/S200051) has completed the tenure of five consecutive years and eligible for second term. The Board recommends the reappointment of M/s. S R B R & Associates LLP , Chartered Accountants, Chennai (Firm Registration No.004997S/S200051) as Statutory Auditor of the Company in the ensuing Annual General Meeting for a term of 4 years to hold office till the conclusion of AGM of the Company to be held in the year 2029.

Pursuant to provisions of Section 143(12) of the Companies Act, 2013, as amended from time to time, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

**Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Chitra Lalitha & Associates, Practicing Company Secretaries to undertake the Secretarial Audit for F.Y 2024-25. Otherwise, except as mentioned in the secretarial audit report, does not contain any qualifications, reservations or adverse remarks or disclaimer. The Management has taken on record the remarks and it will duly comply it. The Board will adhere to all other rules and regulations has stipulated. The said report is attached to this report Annexure-IV.

**Internal Auditor:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board based on the Recommendation of Audit Committee, appointed M/s. Rajesh Samdaria & Associates, Chartered Accountants, Chennai as Internal Auditor of the Company for conducting internal audit of the Company for F.Y 2024-25.

**29. DISCLOSURE UNDER SCHEDULE V (F) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Your Company does not have any unclaimed shares issued in physical form pursuant to public issue/ Right issue.

**30. SUBSIDIARY AND ASSOCIATE COMPANY**

- Subsidiary Company

During the current year, the Company has disinvested the stake in the M/s. Vels Studios and Entertainment Private Limited, and non-participation in the rights issue offered by M/s Vels Studios and Entertainment Private Limited. M/s. Vels Studios and Entertainment Private Limited has been ceased to be the subsidiary on 24.3.2025. Therefore till the date of ceasing to be the subsidiary the consolidated financial statements have been submitted.

- Associate Company - Nil

- Joint Venture - Nil

A Statement containing silent features of Financial Statements of Company subsidiary is given in the prescribed Form AOC 1 as Annexure V.

**31. MATERIAL ORDERS OF REGULATORS**

No such orders/event took place during the period under review.

**32. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has implemented a vigil mechanism to provide a framework for the Company's employees and Directors to promote responsible and secure whistle blowing. It protects employees who raise a concern about serious irregularities within the Company.

**33. DETAILS OF REMUNERATION OF EMPLOYEES**

None of the Employees come under the Rule 5(2) of the companies (Appointment and remuneration of Managerial personnel) Rules 2014.

## VELS FILM INTERNATIONAL LIMITED

The Statement containing such particulars of employees as required in terms of provision of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies of Section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Annual Report. Pursuant to the provision of the Section 136(1) of the Companies Act, 2013, the reports and accounts, as set out therein, are being sent to all the members of the Company, excluding the aforesaid information and the same is open for inspection at the registered office of the Company during working hours upto the date of the Annual General Meeting and if any members are interested in obtaining such information, may write to the Director at the Registered Office of the Company in this regard.

### 34. DEPOSITS

During the period under review, the Company had not accepted any fixed deposits with the meaning of Section 73 to 76 of the Companies Act, 2013.

### 35. LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans given, investments made and guarantees provided by the Company under Section 186 of the Companies Act, 2013, have been disclosed in the financial statements provided in this Integrated Annual Report.

### 36. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have no material changes and commitments affecting the financial position of the Company which have occurred between the date of the Balance Sheet and the date of this Report.

There are no any significant and material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

### 37. ENERGY CONSERVATION, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

#### (a) Conservation of Energy:

We continue to strengthen our energy conservation efforts. We are always in lookout for energy efficient measures for operation, and value conservation of energy through usage of latest technologies for quality of services. Although the equipment's used by the Company are not energy sensitive by their very nature,

still the Company is making best possible efforts for conservation of energy, which assures that the computers and all other equipment's purchased by the Company strictly adhere to environmental standards, and they make optimum utilization of energy.

#### (b) Absorption of Technology:

In this era of competition, in order to maintain and increase the clients and customers, we need to provide best quality services to our clients and customers at minimum cost, which is not possible without innovation, and adapting to the latest technology available in the market for providing the services.

#### (c) Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings is Nil during the FY 2024-2025 and 60.00 Lakhs in FY 2023-2024 and Foreign Exchange Outgo Rs.129.16 Lakhs in FY 2024-2025 and Rs. 62.34 Lakhs during the FY 2023-24.

#### (d) Research & Development:

The Company believes that in order to improve the quality and standards of services, the Company should have a progressive Research and Development Process, which should keep on increasing along with the scale of operations of the Company.

### 38. STATEMENT PURSUANT TO SECTION 197(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in this Report as Annexure-V which forms a part of this Report.

### 39. DETAILS OF SICKNESS OF THE COMPANY

Not Applicable to the company

### 40. FAILURE TO COMPLETE BUY BACK

Not Applicable to the company

### 41. COST AUDITOR AND COST AUDIT REPORT

Your company does not come under the ambit of section 148 of the Companies Act, 2013. Hence appointment of cost auditor and cost audit report does not apply to the company.

### 42. EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS

The Auditors' Report on the Balance Sheet and Profit and Loss Account for the Year ending 31st March 2025 is self-explanatory and contains no

## VELS FILM INTERNATIONAL LIMITED

qualification, reservations, adverse remarks and disclaimer.

### 43. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices, the website link is available at – [www.velsfilminternational.com](http://www.velsfilminternational.com).

### 44. INTERNAL FINANCIAL CONTROLS

The Company has put in place an adequate system of internal financial controls with respect to the Financial Statement and commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of business. No reportable material weakness in the operation was observed.

### 45. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### 46. OBLIGATION OF YOUR COMPANY UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The below table provides details of complaints received/disposed during financial year 2024-25:

Number of complaints at the beginning of the financial year:	Nil
No. of complaints filed during the financial year:	Nil
No. of complaints disposed during the financial year:	Nil
No. of complaints pending at the end of the financial year:	Nil

### 47. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively ; and
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 48. LISTING OF SHARES

The equity shares of the Company are listed on the National Stock Exchange of India Ltd. (NSE). The listing fee for the year 2025-26 has already been paid to the credit of the Stock Exchange.

### 49. COMPLIANCE OF SECRETARIAL STANDARDS 1 AND 2

Your Directors confirms that pursuant to Section 118(10) of the Companies Act, 2013, applicable Secretarial Standards, i.e. SS-1 and SS- 2, pertaining to Meeting of Board of Directors and General Meetings, respectively specified by the Institute of Company Secretaries of India (ICSI) have been duly complied by the Company. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

### 50. CFO CERTIFICATION

The Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17 (8) of the Listing Obligations. The Chief Financial Officer also give quarterly certification on financial results while placing

## VELS FILM INTERNATIONAL LIMITED

the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The Annual Certificate given by the Chief Financial Officer is attached in Annexure-VI.

### 51. ACKNOWLEDGEMENT

Your company wishes to place this on record with appreciation to all Employees, Investors, vendors and Bankers for their continued support during the year. We are grateful to the various authorities like Tax Departments of Central and State Departments, Tax authorities, Ministry of Corporate Affairs, NSDL, CDSL and the National Stock Exchange of India Limited for their continued

cooperation. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

Place : Chennai

Date : 12.5.2025

For and Behalf of  
The Board of Directors of  
**Vels Film International Limited**

-sd-

**Dr. Ishari K Ganesh**  
Managing Director  
(Din: 00269445)

-sd-

**Dr. Arthi**  
Director  
(Din:00568101)

## ANNEXURE - I

### MANAGEMENT DISCUSSION ANALYSIS REPORT

#### **ECONOMIC SURVEY BUDGET 2025 HIGHLIGHTS:**

India's Economic Survey 2024-25 emphasizes deregulation for growth, citing the impact of global uncertainties. Key highlights include a 6.4% GDP growth, resilient services sector, and improved rural demand. The survey stresses balanced energy transition, AI-driven skilling, and agricultural productivity. The banking sector shows asset quality improvement, with regulatory reforms and investment in infrastructure.

India's Economic Survey for 2024-25 was tabled in Parliament. Finance Minister Nirmala Sitharaman tabled the report in Lok Sabha before the Union Budget. The Survey reviews the current financial year's economic performance and identifies national challenges. It also suggests future reforms and growth strategies.

The Economic Survey prioritises deregulation as the driving force for India's domestic growth and resilience in the face of global economic and political shifts. Given the slowing pace of global trade, the survey emphasizes the importance of domestic growth drivers. The survey advocates for a balanced approach to energy transition, promoting electric mobility and public transport while also addressing the need for skilling and education to leverage technological advancements like AI.

**Here are all the key highlights from the Economic Survey 2025:**

#### ➤ **Global Economic Overview:**

- ❖ The global economy experienced steady but uneven growth in 2024, with a manufacturing slowdown.
- ❖ Geopolitical tensions, conflicts, and trade policy risks add to global economic instability.

#### ➤ **India's Economic Performance:**

- ❖ India's real GDP is estimated to grow by 6.4% in FY25, driven by agriculture and services.
- ❖ Rural demand improved due to record Kharif production.
- ❖ Manufacturing faced pressure from weak global demand.
- ❖ Macroeconomic stability was maintained through fiscal discipline and a strong external balance.

- ❖ Money supply (M3) growth moderated to 9.3% (YoY) as of December 2024.
- ❖ A higher money multiplier indicates increased liquidity in the economy.

#### ➤ **Outlook for FY26:**

- ❖ Balanced outlook with headwinds from global uncertainties and commodity price shocks.
- ❖ Domestically, investment pick-up, improved consumer confidence

#### **Summary and Key Takeaways from Economic Survey 2025:**

##### **Global Economic Context:**

- ❖ Global growth slowed to 3.3% in 2023, with IMF projecting an average of 3.2% over the next five years.
- ❖ Rising trade protectionism and China's dominance in global manufacturing (one-third of global output) pose challenges.
- ❖ India's economy remains steady despite global headwinds, with real GDP growth pegged at 6.4% in FY25 and expected to grow between 6.3% and 6.8% in FY26.

##### **Domestic Economic Performance:**

- ❖ **GDP and GVA:** Real GDP growth estimated at 6.4% in FY25, close to the decadal average. Gross Value Added (GVA) grew by 6.4%, driven by strong performance in construction, electricity, and utilities.
- ❖ **Private Consumption:** Private final consumption expenditure grew by 7.3%, supported by a rebound in rural demand.
- ❖ **Inflation :** Retail headline inflation softened to 4.9% (April-December 2024), but food inflation rose to 8.4% due to supply chain disruptions and weather vagaries.
- ❖ **Employment :** Unemployment rate declined to 3.2% in 2023-24, with improved labor force participation and worker-to-population ratios.

##### **Sectoral Growth:**

- ❖ **Agriculture:** Expected to grow at 3.8% in FY25, supported by record Kharif foodgrain production (1647.05 lakh metric tonnes).
- ❖ **Industry:** Estimated to grow by 6.2%, with strong performance in construction and utilities.

## VELS FILM INTERNATIONAL LIMITED

- ❖ **Services:** Robust growth of 7.2%, driven by financial, real estate, and professional services. Services exports surged by 12.8% (April-November 2024).

### **Fiscal Health and Capex:**

- ❖ Capital expenditure grew by 8.2% (July-November 2024), with a focus on infrastructure development.
- ❖ Gross tax revenue increased by 10.7% (April-November 2024), but net tax revenue growth was modest due to higher devolution to states.
- ❖ States' revenue expenditure grew by 12%, with subsidies and committed liabilities driving spending.

### **External Sector:**

- ❖ Merchandise exports grew by 1.6% (April-December 2024), while imports rose by 5.2%.
- ❖ Services exports and remittances supported a current account deficit (CAD) of 1.2% of GDP in Q2 FY25.
- ❖ Forex reserves stood at \$634.6 billion (January 2025), covering 10.9 months of imports and 90% of external debt.

### **Banking and Financial Stability:**

- ❖ Gross NPAs declined to a 12-year low of 2.6% of gross loans.
- ❖ Capital-to-risk-weighted assets ratio (CRAR) for banks stood at 16.7% (September 2024), well above regulatory norms.

### **Infrastructure and Renewable Energy:**

- ❖ Railway network expanded by 2031 km (April-November 2024), with 17 new Vande Bharat trains introduced.
- ❖ Renewable energy capacity increased by 15.8% (December 2024), driven by solar and wind power.
- ❖ Port efficiency improved, with average container turnaround time reduced to 30.4 hours (FY25).

### **Social Sector and Health:**

- ❖ Government health expenditure increased from 29% (FY15) to 48% (FY22), reducing out-of-pocket expenses from 62.6% to 39.4%.
- ❖ Social services expenditure grew at 15% annually (FY21-FY25), with initiatives like Samagra Shiksha Abhiyan and PM POSHAN.

### **MSME and Deregulation:**

- ❖ The Rs. 50,000 crore Self-Reliant India Fund launched to support MSMEs.

- ❖ Economic Survey advocates systematic deregulation under Ease of Doing Business 2.0 to boost growth and competitiveness.

### **AI and Future Workforce:**

- ❖ Collaborative efforts between government, private sector, and academia needed to address AI-driven labour market transformations.
- ❖ Emphasis on education and skill development to prepare the workforce for AI-augmented jobs.

### **New Concepts Highlighted in the Economic Survey 2024-25:**

#### **1. Systematic Deregulation:**

A three-step process for states to review and reduce regulatory burdens:

- ❖ Identify areas for deregulation.
- ❖ Compare regulations with other states and countries.
- ❖ Estimate the cost of regulations on enterprises.

#### **2. Geo-Economic Fragmentation (GEF):**

- ❖ Acknowledges the impact of global economic fragmentation on trade and investment.
- ❖ Calls for strengthening domestic growth levers to mitigate risks.

#### **3. AI-Driven Labor Market Transformation:**

- ❖ Emphasizes the need for collaborative efforts between government, private sector, and academia to address AI's societal effects.
- ❖ Focuses on education and skill development to prepare the workforce for AI-augmented jobs.

#### **4. Mittelstand Concept for India's SME Sector:**

- ❖ Advocates creating a robust SME sector akin to Germany's Mittelstand.
- ❖ Aims to foster innovation, competitiveness, and economic growth through deregulation and policy support.

#### **5. Risk-Based Regulation:**

- ❖ Proposes a shift towards risk-based regulatory frameworks to reduce compliance costs and improve business efficiency.

**INDUSTRY REVIEW****The Indian Media and Entertainment Sector - Outlook**

The Indian Media and Entertainment (M&E) industry reached a total value of Rs 2.5 trillion (US\$29.4 billion) in 2024, reflecting a growth of Rs 81 billion from the previous year, which marks a 3.3% increase, according to the latest FICCI-EY report. However, the growth rate slowed down to 3.3% in 2024 from 8.3% in 2023, primarily due to falling subscription revenues and a global decline in outsourced animation and VFX work to India.

The report forecasts that the M&E sector will grow by 7.2% in 2025, reaching Rs 2.7 trillion, with a compound annual growth rate (CAGR) of 7%, pushing the industry's value to Rs 3.1 trillion by 2027.

One of the major shifts identified in the report is the rise of digital media, which grew by 17% in 2024, reaching Rs 802 billion, overtaking television to become the largest segment in the M&E industry. Television, which had been the largest segment for 20 years, saw a decline in revenues, with both advertising and subscription revenues falling by 6% and 3%, respectively. The number of Pay TV homes dropped by six million, while Free TV and Connected TV homes increased, with weekly active Connected TVs growing from 23 million in 2023 to 30 million in 2024.

Despite these declines in traditional media, the Indian M&E sector's advertising revenues grew by 8.1%, driven largely by performance advertising on digital platforms, including e-commerce websites, and a surge in demand for premium and digital Out-of-Home (OOH) media. Digital media, live events, and OOH media have been key drivers of this growth, alongside the resilience of print and radio retail advertising revenues.

**Key findings of the FICCI-EY report:**

- Indian advertising grew 8.1% in 2024. Digital media comprised 55% of total ad spends
- M&A value grew 9.5 in 2024 with 9 deals over Rs 5 billion each
- Digital media is expected to be the first M&E segment to cross Rs 1 trillion in ad revenues in 2026
- Looking ahead, the Indian M&E sector is expected to grow by 7.2% in 2025, reaching Rs 2.7 trillion (US\$31.6 billion), and then expand at a Compound Annual Growth Rate (CAGR) of 7% to reach Rs 3.1 trillion (US\$36.1 billion) by 2027. This growth trajectory is poised to be

shaped by innovative business models, strategic alliances, and industry consolidation.

**Segmental performance in 2024**

- **Digital advertising:** Digital advertising grew 17% to reach Rs 700 billion, which is 55% of total advertising revenues. Growth was led by short video and social media (11%) and e-commerce advertising (50%), which reached Rs 147 billion. Included in digital advertising are spends by SME and long-tail advertisers of over Rs 258 billion
- **Digital subscription:** Revenues grew 15% to Rs 102 billion. Paid video subscriptions increased to 111 million, across 47 million households. Paid music subscriptions rose from 7 million to 10.5 million, while news subscriptions remained at 3.1 million
- **Live events:** The organized segment grew 15% driven by increased spends across government and election related events, personal events and weddings, and ticketed events, including several international acts and concert formats that played to packed venues in India
- **OOH:** OOH media grew 10% in 2024 across both traditional and transit media. Premium properties and locations led the growth. Digital OOH grew 78% and contributed 12% of total segment revenues, up from 7% in 2023
- **Radio:** Radio segment revenues grew 9% in 2024 to Rs 25 billion on the back of a growth in ad volumes, and alternate revenue streams. On an average, 20% of radio revenues are related to events, content production and other revenue streams
- **Print:** Ad revenues grew 1% in 2024, with premium ad formats driving growth. Subscription revenues fell 1%, while digital revenues remained sub scale, at under 5% of total print revenues
- **Music:** Revenues fell by 2% due to a push to reduce free music consumption and lower streaming royalty rates. Paid subscriptions grew from 7 million to 10.5 million. Free alternatives like YouTube and radio limit the growth of the paid subscriber base
- **Online gaming:** Growth slowed significantly due to imposition of 28% GST on deposits and the rise of illegal offshore sites. Accordingly, net revenues for transaction-based gaming fell by 6%. However, casual and free-to-play gaming grew by 16%, resulting in an overall 2% decline in the segment

## VELS FILM INTERNATIONAL LIMITED

- Film: Though over 1,600 films released in 2024, theatrical admissions declined, and only 11 Hindi films grossed Rs 1 billion, down from 17 in 2023. Revenues dropped 5% to Rs 187 billion. Both digital and satellite rights values fell by 10% as broadcast and OTT buyers focused on profitability.
- Television: Linear TV revenues fell for the second consecutive year with a 6% drop in advertising revenue and a 3% decline in subscription revenue. Pay TV homes decreased by six million, while Free TV and Connected TV homes increased. Weekly active Connected TVs grew to 30 million in 2024 from 23 million in 2023.
- Animation and VFX: The Hollywood writers' strike and struggling international studios led to a 9% revenue decline in 2024. Reduced broadcast ad revenues also impacted the production of animated content in India.

### Future projections stated in the FICCI-EY report:

- Key trends will include a focus on growing subscription revenues, 360-degree monetisation of content intellectual property, consolidation within segments and increased exports of content and content services – making in India for the world
- All segments will focus on digital extensions or integrations, and measurement will evolve to provide an integrated view of audiences across platforms
- The online gaming segment could struggle unless illegal offshore platforms are not curbed, and Indian companies could look to build out business in foreign countries with a more conducive regulatory environment
- Artificial intelligence will play a large role in bringing efficiencies across content production, distribution and personalization, as well as operating efficiencies

**Kevin Vaz, Chairman, FICCI, Media and Entertainment Committee,** said, "The Indian media and entertainment industry is at a defining moment, driven by rapid digital adoption and evolving consumer preferences. This transformation is unlocking immense opportunities for content creators, advertisers, and technology innovators across all segments of the M&E ecosystem. With India's media and entertainment market expected to surpass Rs 3 trillion by 2027, the future is brimming with untapped potential. FICCI remains committed to fostering collaboration and

innovation to ensure that India's M&E sector continues to thrive as a global powerhouse."

**Ashish Pherwani, Partner and Media & Entertainment Leader, EY India,** said, "The digital revolution has not only transformed how content is created and consumed but has also redefined the very essence of the M&E industry. From immersive storytelling and interactive experiences to innovative business models and strategic alliances, the landscape is continually reshaping itself. As digital media overtakes traditional mediums, we are witnessing a paradigm shift, where the value delivered across information, escapism, materialism, and self-actualization becomes the new benchmark for success."

**Jyoti Vij, Director General, FICCI** "The FICCI-EY report reaffirms the resilience and dynamism of India's Media & Entertainment sector, which continues to thrive despite global economic headwinds. The impressive 8.1% rise in advertising revenues and the exponential growth of digital media underscore India's leadership in content creation and consumption. As the industry undergoes rapid transformation, FICCI remains steadfast in driving policy reforms, fostering strategic collaborations, and shaping a future-ready ecosystem that not only fuels sustainable growth but also strengthens India's global influence in the M&E landscape."

**Source:** Made in Media, Article Mar 2025

### OUR BUSINESS

Our Company was incorporated in Chennai as "VELS Film International Limited" on 25th October, 2019 under the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Chennai, Tamil Nadu. The Corporate Identity Number of our Company is L74999TN2019PLC132235.

Our Company is primarily in the business of production of films and sale of film rights. Vels Film International Limited is the result of the vision of Dr. Ishari K Ganesh to produce feature films in various languages.

Our company is a member of South Indian Film Chamber of Commerce. The company's contribution to the South Indian Film Industry is growing in fast pace particularly to the Tamil Film Industry which is the third biggest in India. Dr. Ishari K. Ganesh's late father Shri Ishari Velan was a renowned comedian in Tamil Cinema of yesteryears and that inspired him to act in several films as well. Being born to a great actor and comedian, entering the film industry was a

## VELS FILM INTERNATIONAL LIMITED

natural progression for Dr. Ishari K. Ganesh. Our promoter is involved in film industry since the movie '*Vaaku Moolam*' in the year 1991. He has acted in multiple movies and the last movie in which he acted was S. Shankar's '*2.0*' which released in 2018.

Later our promoter started working in the education sector. With a modest beginning as a humble educationist, our Promoter, Dr. Ishari K. Ganesh, started the Vals Educational Trust in the year 1992 with 36 students. In 2017, the Vels Group celebrated its 25 years of commitment to excellence in education with more than 25,000 students, 25 institutions and 5,000 staff with centers in Singapore and United Kingdom. His efforts to provide quality education to all sections of the society are renewed every year. Our promoter is an educationist, philanthropist and a business magnate.

After successfully setting up various schools, medical colleges and university in the year 2016 our promoter drifted his attention to film production in Tamil film industry in the memory of his actor father. He associated himself with Mr. Prabhu Deva, known for his choreography, and alongside him co-produced the film '*Devi*' in 2016 along with other films. Later in 2019, '*LKG*' was produced by M/s Vels Film International (sole proprietorship of our promoter). After producing few more films, we decided to corporatize our film production business and therefore formed Vels Film International Limited.

Following are the completed projects under our production banner by our company since our incorporation in 2019:-

**Mookuthi Amman, Kutty Story, Joshua, Imai Pol Kaakha, Vendhu Thanindhathu Kaadu, Singapore Saloon**

1. The released movies during 2024 -25 are
  - a. PT Sir,
  - b. Chutney Sambar,
  - c. Agathiyaa
  - d. Sumo
2. Movies yet to be relased : a. Genie
3. Projects on Floor:
  - a. Mookuthi Amman-2
  - a. D53 (with Dhanush)
  - c. Gatta Kusti -2
  - d. Dynagaram
4. Upcoming Projects :
  - a. D54 (with Dhanush)
  - b. Untitled project with Dhanush and Vetrimaran
  - c. Untitled project with Vishnu Vishaal
  - d. Untitled project with Vishnu Vishaal and Sathish
  - e. Untitled project with Jayam Ravi

## SWOT ANALYSIS

### a. Strengths:

- Achieved phenomenon growth in short timeframe.
- Highly task-oriented team.
- The growing middle class with higher disposable income.
- Multiplexes with prime locations with average ticket price & spread of OTT trend.

### b. Weakness:

- The Entertainment sector in India is highly fragmented.
- Lack of familiarity in other regional language films segment.

### c. Opportunities:

- Growing market conditions.
- Opening in other regional languages market.
- Avenues available in OTT and other digital platforms.
- Increase in no. of multiplexes.

### d. Threats:

- Competition from established production houses.
- Change in government policies.
- Piracy, violation of intellectual property rights.
- Frequent changes in technology at high cost

## INFORMATION SECURITY

We manage sensitive and confidential data for our clients. Maintaining the confidentiality, integrity and security of such data is of paramount importance to us. We have installed CCTV cameras, Biometric access, Password sensitive central storage for protection of classified data and intellectual property.

## SALES AND MARKETING

A strong and robust sales and marketing team ensures pitching for prime projects at the appropriate time. The team ensures compatibility and reliability with the clients servicing their needs and requirements efficiently. This is the reason major clients continue to associate with our Company year on year. We have appointed a full-time public relation officer to facilitate the marketing goals.

## COMPETITION

The competitive landscape within the Indian film industry is rapidly changing. The language in which we primarily produce the movies is 'Tamil'. We face competition from the regional players

## VELS FILM INTERNATIONAL LIMITED

such as Sun Pictures, AGS Entertainment, Lyca Productions, etc. Our Company also faces competition from large players in the films and content streaming segments. Some of the companies that have entered this sector in past few years are Reliance, UTV, Eros and other players. Further, on digital platforms (OTT) we face competition from these players as well as the other local and international players. We compete with these companies to enter directly into deals with talent, such as actors and directors.

### COLLABORATIONS / JOINT VENTURES

As on the date of the Annual report, our Company has not entered into any technical or other collaboration or joint ventures.

### HUMAN RESOURCE

We believe that our employees are the key to the success of our business. As on March 31<sup>st</sup>, 2025, we have the total strength of 10 full-time employees in various departments.

Our company does not enter into long term contracts with contractual based manpower. Company enters into short term (project based) contracts only with the 'key persons' involved in a film project such as Director(s), Actors, etc.

Our company pays to the manpower such as background artists, dance artists, spot boys, etc. involved in every film project on daily basis. From our past experience we believe that such manpower (excluding key persons) may vary from 60 to 120 personnel per film.

### FINANCIAL REVIEW

In FY 24-25, the Company's total income stood at Rs.3426.60 lakhs as against Rs. 1075.30 Lakhs in FY 23-24. The company registered an EBIT profit of Rs. 2318.10 lakhs during the year as compared to a loss of (Rs.1216.11) lakhs in the previous year. The company recorded a profit after tax of Rs. 1360.18 lakhs for F.Y 2024-25 and profit and a loss after tax of Rs.1345.20 Lakhs in F.Y 2023-24.

### RISK MANAGEMENT

The Risk Management framework includes Risk Management Policy and identification of risks at Company Level, Strategic Level and Operational level. The risk mitigation procedures associated with the business and prioritization of risks include scanning the business environment and having periodic risk review.

The risks associated with the Company's businesses are broadly classified in following categories:

- **Economic Risk:** Due to adverse political situations or downturn which may negatively impact the Company's organizational objectives. External events and factors beyond the control of the Company, such as politics, laws and regulations, can impact its business operations.

- **Regulatory Risk:** Due to government regulations or any other statutory violations and amendments, which may lead to litigations and loss of reputation.

- **Operational Risk:** Ability to attract and retain clients.

### INTERNAL CONTROL SYSTEMS

The Company has adequate internal controls required in the nature of its business and operations. The company can safeguard its assets and financial transactions with adequate checks and balances, while adhering to accounting policies. Systems are reviewed and improved regularly. With the Company's budgetary control system, it monitors revenue and expenditure with actual vs. approved budget. The Company has its own corporate internal audit function which monitors and assesses the adequacy and effectiveness of the Internal Controls and Systems. Deviations from standard operating procedures are periodically reviewed and compliance is ensured.

### Cautionary Statements

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments in India or globally, demand and supply conditions in the industry, changes in Government regulations, tax laws, litigations, employee relations and others.

By order of the Board of Directors,  
**For Vels Film International Limited**

Chennai  
12.06.2025

-Sd-  
**SAMPATH KUMAR SUJATHA**  
Company Secretary  
& Compliance Officer  
M.No: A32181

**ANNEXURE – II****Form No. AOC -2****FOR THE FINANCIAL YEAR 2024-25**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)  
of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third provision thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Justification for entering into such contracts or arrangements or transactions	Date of Approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188
NIL						

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements including the value, if any (Amount in Rs.)	Date of Approval by the Board	Amount paid as advances, if any
Ms. Preethaa Ganesh	Rent paid	2024-25	60,000	29 / 05 / 2024	NA
Ms. Kushmitha Ganesh	Rent Paid	2024-25	60,000	29 / 05 / 2024	NA

On behalf of the Board of Directors  
**FOR VELS FILM INTERNATIONAL LIMITED**

**- Sd -**

**Dr. Ishari K. Ganesh**  
Managing Director  
DIN : 00269445

Place: Chennai  
Date: 12.6.2025

**- Sd -**

**Dr. Arthi Ganesh**  
Director  
DIN : 00568101

**ANNEXURE - III**

**Form No. MR-3**

Secretarial Audit Report

For the Financial Year Ended 31<sup>st</sup> March 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
VELS FILM INTERNATIONAL LIMITED  
No.521/2, Anna Salai, Nandanam,  
Chennai 600035.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VELS FILM INTERNATIONAL LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): (as amended from time to time)
  - (a) \*The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) \*The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) \*The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) \*The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) \*The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;and

## VELS FILM INTERNATIONAL LIMITED

(h) \*The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018

We have also examined whether adequate systems and processes are in place to monitor and ensure compliance with general laws like labor laws, competition laws, environment laws etc.

In respect of financial laws like Tax laws, we have relied on the audit reports made available during our audit for us to have the satisfaction that the Company has complied with the provisions of such laws.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. The Listing Agreement entered into by the Company with National Stock Exchange of India Ltd (NSE) in respect of listing of equity shares of the company on NSE EMERGE Platform.

### **Note:**

\* Denotes "NOT APPLICABLE".

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

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors.

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

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

We further report that during the audit period, there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

1. Mr. Vadasiruvellur Arasu resigned as Chief Executive Officer and Key Managerial Personnel of the Company vide his resignation letter dated June 21, 2024. The Board at its meeting held on July 13, 2024 accepted his resignation.
2. The Board decided not to participate in the Rights Issue offer dated March 15, 2025 of M/s. Vels Studios and Entertainment Private Ltd, subsidiary of the Company and gave consent to dispose the offered equity shares in such manner as they deem fit. Upon allotment of equity shares to other shareholders by the subsidiary, the Company's shareholding in M/s. Vels Studios and Entertainment Private Ltd had been reduced to 23.30% and M/s. Vels Studios and Entertainment Private Ltd ceased to be a subsidiary under Companies Act, 2013.
3. The Members at its meeting held on March 24, 2025, approved the disinvestment of 45,00,000 equity shares of M/s. Vels Studios and Entertainment Private Ltd held by the company in one or more tranches at a sale price of Rs. 61.14 per share aggregating to Rs.27.51 crores. Consequent to the disinvestment, the Company's shareholding in M/s. Vels Studios and Entertainment Private Ltd got reduced to 19.01% and M/s. Vels Studios and Entertainment Private Ltd ceased to be an Associate Company under the Companies Act, 2013.

**This report has to be read along with our statement furnished in Annexure A**

Mirza Ismail Irshad Ahmed  
Partner  
Place : Chennai CP No. 24586  
19.5.2025 FCS 11458  
UDIN: F011458G000371763

**For Chitra Lalitha & Associates**  
Peer Review Certificate Number: 6325/2024

**ANNEXURE A**

To  
The Members,  
VELS FILM INTERNATIONAL LIMITED  
No.521/2, Anna Salai, Nandanam,  
Chennai 600035.

Dear Sir(s),

**Sub. : Secretarial Audit Report for the Financial Year ended 31.03.2025**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Chitra Lalitha & Associates**

Peer Review Certificate Number :

6325/2024

Mirza Ismail Irshad Ahmed

Partner

CP No. 24586

FCS 11458

UDIN:

F011458G000371763

Place : Chennai

19.5.2025

**ANNEXURE IV****Disclosures in terms of Section 197(12) read with Rule 5(1) of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The ratio of the remuneration of each director to the median remuneration of employees of the Company for the financial year is as follows:

Name	Designation	(Rs. in Lakhs)			
		Remuneration Paid FY 2024 - 2025	Remuneration Paid FY 2023 - 2024	Increase in remuneration from Previous year	Ratio of Remuneration
Dr. Ishari K Ganesh	Managing Director	24,00,000	22,00,000	Nil	5.75%
Dr. Arthi Ganesh	Director	Nil	Nil	-	-
Ms. Preethaa Ganesh	Director	Nil	Nil	-	-
Mr. Srinivasan Rajagopal	Chief Financial Officer	9,00,000	6,97,500	-	-
Mrs. Sampath Kumar Sujatha	Company Secretary	11,59,520	12,00,000	-	-

During the year under review there was no increase in remuneration to director, Chief Financial Officer, Company Secretary in the financial year.

During the year under review there was no increase in the median remuneration of the employees of your Company.

As on 31<sup>st</sup> March 2025 there were 10 employees on the roles of your Company.

Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NA

The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details: Except Dr. Ishari K Ganesh, Managing Director, no director is in receipt of remuneration except sitting fees.

Affirmation that the remuneration paid during the year ended 31<sup>st</sup> March, 2025, is as per the Remuneration Policy of the Company: Yes

Chennai  
12.06.2025

By order of the Board of Directors,  
**For Vels Film International Limited**

**-Sd-**  
**SAMPATH KUMAR SUJATHA**  
Company Secretary  
& Compliance Officer  
M.No: A32181

**ANNEXURE - V****Form AOC-1**

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

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

**Part "A": Subsidiaries**

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

Sl. No.	Particulars	Details
1.	Name of the subsidiary	VELS STUDIOS AND ENTERTAINMENT PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	04 <sup>TH</sup> October 2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	01.04.2024 to 24.03.2025
4.	Share capital	104,67,90,500
5.	Reserves & surplus	(54,75,15,430)
6.	Total assets	124,87,59,070
7.	Total Liabilities	124,87,59,070
8.	Investments	NIL
9.	Turnover	34,47,59,490
10.	Profit/(Loss) before taxation	21,62,16,610
11.	Provision for taxation	1,06,76,710
12.	Profit/(Loss) after taxation	(20,55,39,900)
13.	Proposed Dividend	NA
14.	% of shareholding	19.01%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – nil
- Names of subsidiaries which have been liquidated or sold during the year –  
Vels Studios and Entertainment Private Limited ceased to be subsidiary on 24.03.2025.

**Part "B": Associates and Joint Ventures**

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

**ANNEXURE - VI**

**CFO CERTIFICATION**

To,  
The Members,  
Vels Film International Limited

A. We have reviewed financial statements and the cash flow statement of Vels Film International Limited for the year ended 31<sup>st</sup> March 2025 and that to the best of their knowledge and belief:

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of company's internal control systems pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls.

D. We have indicated to the auditors and the Audit committee: i. There are no significant changes in internal control over financial reporting during the year; ii. There are no Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. There are no instances of significant fraud of which we have become aware.

Place: Chennai  
Date: 30.05.2025

or and on Behalf  
of the Board of Directors of  
**VELS FILM INTERNATIONAL LIMITED**

**-Sd-**  
**Srinivasan Rajagopal**  
Chief Financial Officer

## Independent Auditor's Report

To the Members of M/s. Vels Film International Limited  
Report on the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of **M/s. Vels Film International Limited ("the Company")** which comprise the Balance Sheet as March 31, 2025, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of affairs of the Company as at March 31, 2025, its Profit and its Cash Flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those

Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Audit Procedures
<p><b>Revenue Recognition:</b> (Refer Note 20 to the Standalone Financial Statements)</p> <p>The Company recognizes income from license fees, when control of the underlying products has been transferred along with satisfaction of performance obligation.</p>	<p>Our audit procedures to assess the appropriateness of revenue recognized included the following:</p> <ul style="list-style-type: none"> <li>Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process.</li> <li>Examination of significant contracts entered into, during the year.</li> </ul>
<p><b>Investment in Subsidiary: Loss of Control</b> (Refer Note 12 to the Standalone Financial Statements)</p> <p>During the year, the Company converted Rs. 23.99 crores of CCPS in M/s Vels Studios and Entertainment Private Limited into equity shares and sold part of the resulting equity for Rs. 27.51 crores (costing Rs. 4.50 crores).</p> <p>It also did not participate in the rights issue, leading to a reduction in shareholding and loss of control. As a result, Vels Studios ceased to be a subsidiary and, with voting rights falling below 20%, also does not qualify as an associate under AS 23.</p>	<p>The following audit procedures were performed to assess the requirement of impairment provision:</p> <ul style="list-style-type: none"> <li>Reviewed documents relating to CCPS conversion and sale of Equity shares</li> <li>Verified loss of control assessment and accounting as per AS 21 and AS 13.</li> <li>Evaluated related disclosures in the financial statements.</li> </ul>

<p><b>Valuation of Work-in-Progress</b> (Refer Note 15 to the Standalone Financial Statements) The balance of work-in-progress represented by movies under production, stands at Rs 105.80 crores on 31<sup>st</sup> March 2025. This was identified as a Key Audit Matter as it forms a significant portion of the financial statements.</p>	<p><b>The following audit procedures were performed:</b></p> <ul style="list-style-type: none"> <li>• Evaluating the Design of Internal Controls relating to recording of costs incurred with respect to the movies under production.</li> <li>• Analytical procedures for increase in cost of inventories in comparison with the previous years.</li> <li>• Verification of contractual payments incurred for films under production with the agreements entered with third parties.</li> <li>• Verification of recognition of expenses to the Profit and Loss Account in case of movies sold and the corresponding income recognition.</li> <li>• Consistency of accounting policy followed over the years for valuation of work in progress.</li> </ul>
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**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

**Responsibility of Management and those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Statements**

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

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

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

## VELS FILM INTERNATIONAL LIMITED

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards

specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the Report on adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(iii) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

## VELS FILM INTERNATIONAL LIMITED

- v) The Company had not declared or paid dividend during the year as stated in rule 11 clause (f) of Companies (Audit and Auditors) Rules, 2014
- vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the year by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act.

**For S R B R & Associates LLP**  
Chartered Accountants  
FRN: 004997S/S200051

Date: 7th May 2025  
Place: Chennai  
UDIN: 25029814BNFUH17937

**R. Sundararajan**  
Partner  
M. No. 029814

### **"Annexure A" to the Independent Auditors' Report on the Standalone Financial Statements of Vels Film International Limited for the year ended 31st March 2025**

As Referred in 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2025:

- (i) (a) (A) the company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) the Company does not hold any intangible assets, hence reporting under this clause is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner. In accordance with this programme, certain Property, plant and equipment were verified during the period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) the Company does not hold any immovable properties, hence reporting under this clause is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment during the period.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The inventory has been physically verified by the management during the period. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management

were appropriate. No discrepancies were noticed on verification.

(b) The company was not sanctioned any working capital loans during the period, from banks or financial institutions, hence reporting under this clause is not applicable.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the period except loan to its subsidiary.

(a) The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other entity during the period.

(A) The aggregate amount during the period, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiary:

**Financial Year 2023 - 24** Loans  
(in thousands)

Aggregate amount granted during the period	
- Subsidiary	
M/s Vels Entertainment and Studios Private Limited	18,350.00

Balance outstanding as at balance sheet date in respect of above

- Subsidiary	
M/s Vels Entertainment and Studios Private Limited	5,28,035.59

(B) No loans or advances or guarantees or securities to parties other than subsidiaries, joint ventures, and associates were provided during the period.

## VELS FILM INTERNATIONAL LIMITED

- (b) The terms and conditions of the grant of the loans are not prejudicial to the company's interest, as these loans were provided to its subsidiary whose objects and line of business are similar to that of the Company.
- (c) In respect of loans to subsidiary, the payment of interest is regular as per the terms of the agreement. As regards repayment of principal, the agreement does not specify a schedule of repayment and hence the question of commenting on regularity in repayment of principal does not arise.
- (d) There are no amounts overdue with regard to interest payment. As stated above, as the agreement does not specify a schedule of repayment, the question of amounts overdue does not arise.
- (e) In respect of loans and advances, no loans/ advances have been renewed or extended or no fresh loans were granted to settle the overdue of existing loans given to the subsidiary.
- (f) The company has granted loans without specifying any terms and conditions or period of repayment only to its subsidiary amounting to Rs 18,350.00 thousand (PY-2023-24). This constitutes 100% of the total loans. However, interest is charged on the said loan.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made except the following.

Financial Year 2024 - 25		Loans (in thousands)
Aggregate amount granted during the period		
M/s Vels Studios and Entertainment Private Limited		14,700.00
Balance outstanding as at balance sheet date in respect of above		
M/s Vels Entertainment and Studios Private Limited		1,14,200.89

(v) the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it and/ or services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues

including Incometax, Goods and Services tax, cess and other statutory dues have been regularly deposited during the period by the Company with the appropriate authorities though there has been slight delay in few cases. Provident Fund, Employees State Insurance, Service Tax, Value Added Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise are not applicable to the Company.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Goods and Services tax, cess and other statutory dues were in arrears as at 31st March 2025, for a period of more than six months from the date they became payable. Provident Fund, Employees State Insurance, Service Tax, Value Added Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise are not applicable to the Company.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, reporting under clause 3(viii) is not applicable.

(ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the period for the purposes for which it was obtained.

- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds were raised on short-term basis during the year. Hence, reporting under this clause is not applicable.

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken funds from any entities and persons on account of or to meet the obligations of its subsidiaries, associates, or joint venture.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) According to the information and explanations given to us, the Company has not raised any money by

## VELS FILM INTERNATIONAL LIMITED

- way of initial public offer or further public offer (including debt instruments during the year). Hence, reporting under clause (x)(a) is not applicable.
- (b) the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the period. Hence, reporting under this sub - clause is not applicable.
- (xi) (a) According to the explanations and information given to us, no fraud by the company or fraud on the company has been noticed or reported during the period.
- (b) no report was required to be filed under sub-section (12) of section 143 of the Companies Act by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistleblower complaints received by the company during the period.
- (xii) The company is not a Nidhi Company as defined under Section 406 of the Act. Hence reporting under sub – clauses (a) to (c) of this clause is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the period the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (i) (a) the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), hence reporting under this sub-clause is not applicable.
- (b) the company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934, hence reporting under this sub-clause is not applicable.
- (c) the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under this sub-clause is not applicable.
- (d) the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under this sub-clause is not applicable.
- (xvii) the company has not incurred cash losses during the audit period and in the immediately preceding financial year it has incurred a cash loss of Rs.16.89 crores
- (xviii) There has not been any resignation of the statutory auditors during the period and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) the company does not have any unspent amount as per the provisions of Section 135 of the Companies Act 2013, hence reporting under sub-clause (a) and (b) of this clause is not applicable.

**For S R B R & Associates LLP**  
Chartered Accountants  
FRN: 004997S/S200051

Date: 7th May 2025  
Place: Chennai  
UDIN: UDIN: 25029814BNFUH17937

**-Sd-**  
**R. Sundararajan**  
Partner  
M. No. 029814

**"Annexure B" to the Independent Auditor's Report on the Standalone Financial Statements  
of Vels Film International Limited for the year ended 31st March 2025**

As referred in clause (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Vels Film International Limited of even date.

**Report on the Internal Financial Controls Over Financial Reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls Over Financial Reporting of Vels Film International Limited as at March 31, 2025, in conjunction with our audit of the financial statements of the Company for the period ended on that date.

**Management's responsibility for Internal Financial Controls**

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company's Internal Financial Control system over financial reporting.

**Meaning of Internal Financial Controls over financial reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S R B R & Associates LLP**

Date: 7th May 2025

Place: Chennai

UDIN: 25029814BNFUH17937

Chartered Accountants

FRN: 0049975/S200051

-Sd-

**R. Sundararajan**

Partner

M. No. 029814

**VELS FILM INTERNATIONAL LIMITED**

**VELS FILM INTERNATIONAL LIMITED**

Corporate Identity Number (CIN) U74999TN2019PLC132235  
Registered Office : No.521/2, Anna Salai, Nandanam, Chennai 600035

**STANDALONE BALANCE SHEET AS AT 31st March, 2025** (Rupees in Thousands)

Particulars	Note No.	As at 31 March, 2025	As at 31 March 2024
<b>I. Equity and Liabilities</b>			
(1) Shareholders' funds			
(a) Share capital	4	1,29,080.00	1,29,080.00
(b) Reserves and surplus	5	4,76,723.44	3,40,704.79
(2) Non-current liabilities			
(a) Long-term borrowings	6	4,74,149.20	4,04,445.61
(b) Other Long term liabilities	7	40,000.00	40,000.00
(3) Current liabilities			
(a) Short-term borrowings	8	93,592.26	3,17,790.07
(b) Trade payables	9		
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		39,654.84	1,06,226.08
(c) Other current liabilities	10	7,59,928.85	5,83,645.45
<b>TOTAL</b>		<b>20,13,128.59</b>	<b>19,21,892.01</b>
<b>II. Assets</b>			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets	11		
(i) Property, Plant and Equipment		2,078.45	2,602.19
(b) Non-current investments	12	1,98,959.00	2,43,959.00
(c) Deferred tax assets (net)		514.85	35,876.59
(d) Long-term loans and advances	13	1,14,201.17	5,30,535.59
(e) Other non-current assets	14	41,795.00	43,618.92
(2) Current assets			
(a) Inventories	15	10,40,537.64	6,76,140.76
(b) Trade receivables	16	1,45,978.44	65,702.67
(c) Cash and bank balances	17	2,37,062.15	56,361.41
(d) Short-term loans and advances	18	27,153.40	6,189.72
(e) Other current assets	19	2,04,848.49	2,60,905.15
<b>TOTAL</b>		<b>20,13,128.59</b>	<b>19,21,892.01</b>

As per our report of even date attached

**For S R B R & Associates LLP**

Chartered Accountants

FRN: 004997S/S200051

**For and on behalf of the Board of Directors**

-Sd-  
**R. Sundararajan**  
Partner  
M.No. 029814

-Sd-  
**Ishari Ganesh Kadhivelan**  
Managing Director  
DIN : 00269445

-Sd-  
**Arthi**  
Director  
DIN : 00568101

-Sd-  
**Sampath Kumar Sujatha**  
Company Secretary  
A32181

-Sd-  
**Srinivasan Rajagopal**  
Chief Financial Officer

Place : Chennai  
Date : 7<sup>th</sup> May 2025

**VELS FILM INTERNATIONAL LIMITED**

Corporate Identity Number (CIN) U74999TN2019PLC132235  
Registered Office : No.521/2, Anna Salai, Nandanam, Chennai 600035

**STANDALONE PROFIT & LOSS FOR THE YEAR ENDED AS AT 31st March, 2025**

(Rupees in Thousands)

Particulars	Note No.	As at 31 March, 2025	As at 31 March 2024
I. Revenue from operations	20	3,42,660.72	1,07,530.24
II. Other income	21	2,55,011.51	34,325.14
III. Total Income (I+II)		<b>5,97,672.23</b>	<b>1,41,855.38</b>
IV. Expenses			
Direct Costs	22	6,98,957.05	4,75,613.37
Changes in inventories of work-in-progress	23	(3,64,396.88)	(2,54,883.23)
Employee benefit expenses	24	7,263.67	9,442.66
Finance costs	25	54,116.44	48,732.29
Depreciation and amortization expense	11	1,022.61	1,362.98
Other expenses	26	23,015.06	31,931.54
Total Expenses		<b>4,19,977.95</b>	<b>3,12,199.60</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		1,77,694.28	(1,70,344.23)
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		1,77,694.28	(1,70,344.23)
IX. Profit before tax (VII- VIII)		1,77,694.28	(1,70,344.23)
X. Tax expense:			
(a) Current Tax Expense for the year		5,100.00	-
(b) Deferred Tax		(35,361.75)	35,823.83
(c) Excess/ Short provision of tax relating to earlier years		(1,213.88)	-
XI. Profit (Loss) for the period from continuing operations (IX-X)		1,36,018.65	(1,34,520.40)
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI + XIV)		1,36,018.65	(1,34,520.40)
XVI. Earnings per equity share:			
(1) Basic		10.54	(10.42)
(2) Diluted		10.54	(10.42)

Refer accompanying notes to the Consolidated Financial Statements 1 to 3

As per our report of even date attached

**For S R B R & Associates LLP**

Chartered Accountants

FRN: 004997S/S200051

**For and on behalf of the Board of Directors**

**-Sd-**  
**R. Sundararajan**  
Partner  
M.No. 029814

**-Sd-**  
**Ishari Ganesh Kadhivelan**  
Managing Director  
DIN : 00269445

**-Sd-**  
**Arthi**  
Director  
DIN : 00568101

**-Sd-**  
**Sampath Kumar Sujatha**  
Company Secretary  
A32181

**-Sd-**  
**Srinivasan Rajagopal**  
Chief Financial Officer

Place : Chennai  
Date : 7<sup>th</sup> May 2025

**VELS FILM INTERNATIONAL LIMITED**

Corporate Identity Number (CIN) U74999TN2019PLC132235

Registered Office : No.521/2, Anna Salai, Nandanam, Chennai 600035

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025**

(Rupees in Thousands)

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
<b>CashFlow From Operating Activities</b>				
<b>Net Profit before Tax and Extra-ordinary Items</b>		1,77,694.28		(1,70,344.23)
<b>Adjustments for:</b>				
Depreciation	1,022.61		1,362.98	
Interest and Finance Charges	54,116.44		48,732.29	
Profit on sale of investments	(2,30,130.00)		-	
Interest Income	(24,729.03)		(34,268.34)	
		(1,99,719.97)		15,826.93
<b>Operating Profit Before Working Capital Change</b>		<b>(22,025.70)</b>		<b>(1,54,517.30)</b>
<b>Adjustments For</b>				
(Increase) / Decrease in Inventory	(3,64,396.88)		(2,54,883.23)	
(Increase) / Decrease in Trade Receivables	(80,275.77)		(27,418.61)	
(Increase) / Decrease in short term loans and advances	(20,963.68)		(5,091.08)	
(Increase) / Decrease in Non-Current Assets	1,823.92		(39,880.00)	
(Increase) / Decrease in Current Assets	68,058.34		39,586.34	
Increase / (Decrease) in Trade Payables	(66,571.24)		(8,862.59)	
Increase / (Decrease) in other Current Liabilities	1,76,283.40		4,40,281.90	
Increase / (Decrease) in short term borrowings	(2,24,197.82)		(42,499.80)	
Increase / (Decrease) in non-current liabilities	-		40,000.00	
		(5,10,239.73)		1,41,232.94
Income Tax paid/ provision		(18,315.56)		-
<b>Net Cash Used in/ from operating Activities (A)</b>		<b>(5,50,580.98)</b>		<b>(13,284.36)</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of Property, Plant and Equipment and Intangible Assets	(498.87)		(975.21)	
Receipts from the repayment of Loans and Advances	4,16,334.42		20,968.97	
Proceed from sale on Investment	2,75,130.00			
Interest received	24,729.03		34,268.34	
<b>Net Cashflow from Investing Activities (B)</b>		<b>7,15,694.58</b>		<b>54,262.10</b>
<b>Cash Flow from Financing Activities</b>				
Repayment of Borrowings	69,703.58		(10,496.68)	
Finance Charges paid	(54,116.44)		(48,732.29)	
<b>Net cashflow from Financing Activities (C)</b>		<b>15,587.14</b>		<b>(59,228.97)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>		<b>1,80,700.74</b>		<b>(18,251.22)</b>
Cash and Cash Equivalents at the Beginning of the year		56,361.41		74,612.64
Cash and Cash Equivalents at the end of the year		2,37,062.15		56,361.41
<b>Note : Cash and Cash Equivalents</b>				
Cash and cash Equivalents as above		2,37,062.15		56,361.41
Cash and Bank Balances as per Note 17		<b>2,37,062.15</b>		<b>56,361.41</b>

As per our report of even date attached

**For S R B R & Associates LLP**

Chartered Accountants

FRN: 0049975/S200051

**For and on behalf of the Board of Directors****-Sd-****R. Sundararajan**

Partner

M.No. 029814

Place : Chennai

Date : 7<sup>th</sup> May 2025**-Sd-****Ishari Ganesh Kadhivelan**

Managing Director

DIN : 00269445

**-Sd-****Arthi**

Director

DIN : 00568101

**-Sd-****Sampath Kumar Sujatha**

Company Secretary

A32181

**-Sd-****Srinivasan Rajagopal**

Chief Financial Officer

**VELS FILM INTERNATIONAL LIMITED**
**VELS FILM INTERNATIONAL LIMITED**

Notes forming part of the Standalone financial statements for the year ended 31 March 2025  
(All Amounts are in Rs. in Thousands unless otherwise stated)

**Note 4 : Share capital**

Particulars	As s at 31st March 2025	As at 31st March 2024
(a) Authorized Capital		
No. of shares (in numbers)	2,00,00,000	2,00,00,000
Authorized Equity Capital (in thousands)	2,00,000	2,00,000
(b) Issued, subscribed and fully paid-up		
No. of shares (in numbers)	1,29,08,000	1,29,08,000
Issued, subscribed and fully paid-up capital (in thousands)	1,29,080	1,29,080
(c) Par value per equity share	10	10
(d) Reconciliation of shares		
Shares at the beginning of the reporting period	1,29,08,000	1,29,08,000
Number of shares issued during the period	-	-
Shares at the end of the reporting period	1,29,08,000	1,29,08,000

(e) the rights, preferences and restrictions attaching to shares :

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the shareholding.

(f) Shares held by holding company or ultimate holding company including subsidiaries or associates of the holding company

NIL

(g) List of shareholders holding more than 5% of shares	As at 31st March 25	As at 31st March 24
<u>1. Ishari Ganesh Kadhivelan</u>		
No. of shares	94,36,000	94,36,000
% of shares held	73.10 %	73.10 %
<u>2. Udaya Sankar</u>		
No. of shares	7,83,600	7,83,600
% of shares held	6.07 %	6.07 %

(h) Shareholding of promoters:

Promoter Name	As at 31st March 25		As at 31st March 2024		
	No of shares	% of shares	No of shares	% of shares	% change during the year
Ishari Ganesh Kadhivelan	94,36,000	73.10%	94,36,000	73.10%	0.00 %
Promoter Name	31st March 2024		31st March 2023		
	No of shares	% of shares	No of shares	% of shares	% change during the year
Ishari Ganesh Kadhivelan	94,36,000	73.10%	94,36,000	73.10%	0.00 %

**VELS FILM INTERNATIONAL LIMITED**

Notes forming part of the Standalone financial statements for the year ended 31 March 2025

(All Amounts are in Rs. in Thousands unless otherwise stated)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Note 5 : Reserves and surplus</b>		
(a) Surplus/ (Debit) balance in Statement of Profit and Loss		
Opening balance	37,392.79	1,71,913.19
Add: Profit / (Loss) for the year	1,36,018.65	(1,34,520.40)
	<b>1,73,411.44</b>	<b>37,392.79</b>
Add: Securities Premium	3,03,312.00	3,03,312.00
	<b>3,03,312.00</b>	<b>3,03,312.00</b>
	<b>4,76,723.44</b>	<b>3,40,704.79</b>
<b>Note 6 : Long-term borrowings</b>		
<u>Secured Loan :</u>		
(a) Term Loans		
(i) From Banks	-	296.42
<u>Unsecured Loan :</u>		
(i) Loans and advances from related parties	4,74,149.20	4,04,149.20
	<b>4,74,149.20</b>	<b>4,04,445.61</b>
The details of long term borrowings are as under:	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
- Bank of Baroda Car Loan borrowed - Rs 20,00,000; Interest @ 7.80% per annum and repayable in 35 instalments beginning from August 2022. ; Hypothecated by the Vehicle (Refer note 3(M) for pending Regulatory Compliance)	-	296.42
- Arthi Associates Private Limited Amount borrowed - Rs 11,50,00,000; Interest @ 12% per annum and repayable on demand without any specified repayment schedule	1,86,327.79	2,05,327.79
- Kushmitha Foundations Private Limited Amount borrowed - Rs 10,60,00,000; Interest @ 12% per annum and repayable on demand without any specified repayment schedule	51,160.09	78,160.09
- VG Park beach Resorts Private Limited Amount borrowed - Rs 14,96,00,000; Interest @ 12% per annum and repayable on demand without any specified repayment schedule	2,36,661.31	1,20,661.31
<b>TOTAL</b>	<b>4,74,149.20</b>	<b>4,04,445.61</b>
<b>Note 7 : Other Long term liabilities</b>		
(a) Sublease deposit	40,000.00	40,000.00
<b>TOTAL</b>	<b>40,000.00</b>	<b>40,000.00</b>

**VELS FILM INTERNATIONAL LIMITED**

**VELS FILM INTERNATIONAL LIMITED**

Notes forming part of the Standalone financial statements for the year ended 31 March 2025

(All Amounts are in Rs. in Thousands unless otherwise stated)

**Note 8 : Short Term borrowings**

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Short term Loans and advances from related parties	93,592.26	3,17,790.07
	<b>93,592.26</b>	<b>3,17,790.07</b>
The details of short term borrowings are as under:		
- Vels film International Repayable on demand without any specified repayment schedule	880.66	48,328.47
- Dr. Ishari K Ganesh Repayable on demand without any specified repayment schedule	16,216.60	2,66,066.60
- Arthi Associates Private Limited Repayable on demand without any specified repayment schedule	76,495.00	3,395.00
<b>TOTAL</b>	<b>93,592.26</b>	<b>3,17,790.07</b>

**Note 9 : Trade payables**

(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	39,654.84	1,06,266.08
	<b>39,654.84</b>	<b>1,06,266.08</b>

Refer Note 3(G) for ageing analysis of Trade Payables and Note 3(J) for disclosure relating to Micro, Small and Medium Enterprises

**Note 10 : Other current liabilities**

(a) Statutory Remittances	3,240.08	3,003.06
(b) Project receipts	-	1,20,000.00
(c) Trade advances	1,000.00	1,000.00
(d) Expenses Payable	8,605.13	4,659.59
(e) Advance received from customer	10,991.58	10,147.01
(f) Income Received in advance	6,03,000.00	3,60,000.00
(g) Current maturities of Long Term Loan	244.12	648.34
(h) Interest on loan Payable	1,32,847.94	84,187.45
	<b>7,59,928.85</b>	<b>5,83,645.45</b>

**Note 11 : Property Plant and Equipment and Intangible Assets for current year**

Description	GROSS BLOCK			DEPRECIATION						
	As at 31st Mar 2024	Additions during the year	Deletions during the year	As at 31st Mar 25	As at 31st Mar 24	Additions during the year	Deletions during the year	As at 31st Mar 25	WDV As at 31 st Mar 2025	WDV As at 31 <sup>st</sup> Mar 2024
(a) Plant and Equipment	239.34	-	-	239.34	110.91	23.25	-	134.16	105.18	128.43
(b) Computer and Data Processing	712.01	232.81	-	944.82	419.43	262.50	-	681.93	262.89	292.58
(c) Office Equipment	425.15	9.07	-	434.22	228.58	89.66	-	318.24	115.98	196.57
(d) Furniture and Fixtures	846.36	257.00	-	1,103.36	238.28	195.21	-	433.49	669.87	608.09
(e) Vehicles	2,359.00	-	-	2,359.00	1,064.59	400.13	-	1,464.72	894.28	1,294.41
(f) Building	183.27	-	-	183.27	101.16	51.86	-	153.02	30.25	82.10
<b>TOTAL</b>	<b>4,765.14</b>	<b>498.87</b>	<b>-</b>	<b>5,264.01</b>	<b>2,162.94</b>	<b>1,022.61</b>	<b>-</b>	<b>3,185.56</b>	<b>2,078.45</b>	<b>2,602.19</b>

**VELS FILM INTERNATIONAL LIMITED**

Notes forming part of the Standalone financial statements for the year ended 31 March 2025

(All Amounts are in Rs. in Thousands unless otherwise stated)

**Note 11 : Property Plant and Equipment and Intangible Assets for previous year**

Description	GROSS BLOCK				DEPRECIATION					
	As at 31st Mar 2023	Additions during the year	Deletions during the year	As at 31st Mar 24	As at 31st Mar 23	Additions during the year	Deletions during the year	As at 31st Mar 24	WDV As at 31 st Mar 2024	WDV As at 31 <sup>st</sup> Mar 2023
(a) Plant and Equipment	239.34	-	-	239.34	82.42	28.49	-	110.91	128.43	156.92
(b) Computer and Data Processing	258.53	453.49	-	712.01	109.68	309.75	-	419.43	292.58	148.87
(c) Office Equipment	376.84	48.31	-	425.15	80.71	147.87	-	228.58	196.57	296.13
(d) Furniture and Fixtures	556.22	290.14	-	846.36	46.78	191.50	-	238.28	608.09	509.44
(e) Vehicles	2,359.00	-	-	2,359.00	480.38	584.21	-	1,064.59	1,294.41	1,878.62
(f) Building	-	183.27	-	183.27	0.00	101.16	-	101.16	82.10	-
<b>TOTAL</b>	<b>3,789.93</b>	<b>975.21</b>	<b>-</b>	<b>4,765.14</b>	<b>799.97</b>	<b>1,362.98</b>	<b>-</b>	<b>2,162.94</b>	<b>2,602.19</b>	<b>2,989.98</b>

**Note 12 : Non-current investments**

(a) Investments in Equity shares	1,98,959.00	4,059.00
(b) Investments in preference shares	-	2,39,900.00
	<b>1,98,959.00</b>	<b>2,43,959.00</b>

Refer Note 3(B) for details of investments made

**Note 13 : Long-term loans and advances**Unsecured, considered good

Loans and advances to related parties

(a) Other loans and advances	1,14,201.17	5,30,535.59
	<b>1,14,201.17</b>	<b>5,30,535.59</b>

Loans provided to the subsidiary M/s Vels Studios and Entertainment Private Limited at an interest rate of 6% per annum, where terms of repayment of interest and principal is not specified.

**Note 14 : Other non-current assets**

(a) Lease Deposit	41,550.00	40,000.00
(b) Advances paid	245.00	3,618.92
	<b>41,795.00</b>	<b>43,618.92</b>

**Note 15 : Inventories**

(a) Work-in-progress	10,40,537.64	6,76,140.76
- Films under production		
	<b>10,40,537.64</b>	<b>6,76,140.76</b>

**Note 16 : Trade receivables**Unsecured, considered good

Trade Receivables	1,45,978.44	65,702.67
	<b>1,45,978.44</b>	<b>65,702.67</b>

Refer Note No 3(H) for ageing analysis of Trade Receivables.

**Note 17 : Cash and bank balances**

(a) Balances with banks	2,36,297.69	55,863.49
(b) Cash on hand	764.46	497.92
	<b>2,37,062.15</b>	<b>56,361.41</b>

**VELS FILM INTERNATIONAL LIMITED**
**VELS FILM INTERNATIONAL LIMITED**

Notes forming part of the Standalone financial statements for the year ended 31 March 2025

(All Amounts are in Rs. in Thousands unless otherwise stated)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Note 18 : Short-term loans and advances</b>		
<u>Unsecured, considered good</u>		
(a) Other short tem loans and advances	446.50	322.98
(b) Advance to suppliers	26,706.90	5,866.74
	<b>27,153.40</b>	<b>6,189.72</b>
<b>Note 19 : Other current assets</b>		
(a) Prepaid Taxes (net of provisions)	59,104.76	47,103.08
(c) Income Accured but bill not booked	1,00,000.00	1,00,000.00
(d) Others	3,783.27	1,12,054.27
(e) Balance with revenue authorities	24,460.46	1,747.80
(f) Project Advance	17,500.00	-
	<b>2,04,848.49</b>	<b>2,60,905.15</b>
<b>Note 20 : Revenue from operations</b>		
(a) Sale of services	3,42,660.72	1,07,530.24
	<b>3,42,660.72</b>	<b>1,07,530.24</b>
<b>Note 21 : Other income</b>		
Interest income	24,729.03	34,268.34
Forex Gain	19.92	11.58
Sponsorship Income	-	7.33
Others	132.56	37.89
Profit on sale of Investment	2,30,130.00	-
	<b>2,55,011.51</b>	<b>34,325.14</b>
<b>Note 22 : Direct Costs</b>		
Direct Cost		
Artists related Expenses	3,52,955.27	93,097.80
Bata Expenses	18,616.48	37,089.36
Equipment Hire & Related Exp	9,790.56	25,077.12
Shooting Exp	16,812.42	18,622.61
Technician Payment	88,028.59	49,694.56
Boarding and lodging	7,395.51	7,672.02
Post Production Works	35,866.59	4,184.20
Promotion and Print Publicity	506.71	272.29
Art Dept	11,921.25	55,147.03
Catering expenses	3,212.44	6,607.84
Location Expenses	486.78	3,458.25
Stunt /Fighters payment	168.73	-
Costume Purchase	2,471.25	-
Music director Expenses	2,834.90	200.00
Production Dept	58,690.28	202.11
Advertisement	19,749.23	-
Others	66,599.36	1,72,392.89
Office Related Expenses	2,848.08	24.13
Salary	2.62	-
Insurance	-	1,871.16
	<b>6,98,957.05</b>	<b>4,75,613.37</b>

**VELS FILM INTERNATIONAL LIMITED**
**VELS FILM INTERNATIONAL LIMITED**

Notes forming part of the Standalone financial statements for the year ended 31 March 2025

(All Amounts are in Rs. in Thousands unless otherwise stated)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Note 23 : Changes in inventories of work-in-progress</b>		
Closing balance of: work-in-progress	10,40,537.64	6,76,140.76
Opening balance of: work-in-progress	6,76,140.76	4,21,257.53
	<b>(3,64,396.88)</b>	<b>(2,54,883.23)</b>
<b>Note 24 : Employee benefit expenses</b>		
Salaries and wages	7,262.07	9,309.30
Staff welfare expenses	1.60	133.36
	<b>7,263.67</b>	<b>9,442.66</b>
<b>Note 25 : Finance costs</b>		
Interest expense	54,116.44	48,732.29
	<b>54,116.44</b>	<b>48,732.29</b>
<b>Note 26 : Other expenses</b>		
Payments to the auditors as:		
(i) auditor	550.00	350.00
(ii) for taxation matters	150.00	100.00
(iii) for other services	-	105.00
Project Expenses	6,939.39	13,389.19
Professional charges	6,074.73	8,233.57
Office Expenses	3,110.11	1,819.41
Expenditure incurred onCSR activities	-	1,563.00
Donation	-	1,500.00
Rent	800.00	1,140.00
Refreshment expenses	1,329.46	936.55
Repairs and Maintenance	329.56	741.83
Distribution Expenses	108.60	558.00
Business promotion	1,800.80	330.42
Power and fuel	163.36	244.95
Rates and taxes, excluding, taxes on income	1,264.44	59.15
Bank Charges	33.07	50.30
Miscellaneous expenses	361.54	810.15
	<b>23,015.06</b>	<b>31,931.54</b>

## VELS FILM INTERNATIONAL LIMITED

521/2, Anna Salai, Nandanam, Chennai - 600 035

CIN: U74999TN2019PLC132235

Notes forming part of the financial statements

**1. Corporate Information**

Vels Film International Limited, ("the Company") was incorporated on 25th October 2019 as a closely held Public Limited Company under the Provisions of Companies Act, 2013.

The Company listed its shares on 22<sup>nd</sup> March 2023 on the SME Platform of the National Stock Exchange.

The Company is in the business of production, distribution and/ or exhibition of films and motion pictures.

**2. Significant Accounting Policies****A) Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**B) Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**C) Inventories**

The inventories are valued at cost or NRV whichever is lower. The company holds work in progress of movie projects which are in the process of production. All the expenses incurred

directly in connection to the specified movie is added to the cost of the inventory of the corresponding movie till such date of sale or release.

**D) Cost and Expenses**

Film costs include all direct costs incurred in the physical production of a film, such as the costs of story; compensation of cast, directors, producers, and extras; costs of set construction, operations, and wardrobe; costs of sound synchronization; costs of rental facilities on location; and postproduction costs (music, special effects, and editing).

Production overhead consists of the costs of the individuals and departments that have a significant (or exclusive) responsibility for the production of the film. These costs do not include administrative and general expenses.

**E) Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**F) Cash Flow Statement**

'The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals. The cash flows from operating, investing and financing activities of the Company are segregated.

**G) Revenue Recognition**

Revenue from sale or licensing of film is recognized when:

- Persuasive evidence of a sale or licensing agreement with a customer exists and
- Film is certified by authorities for release in case of own exhibition of films produced and
- The film is complete and has been delivered or is available for immediate and unconditional delivery (in accordance with the terms of the arrangement) and

## VELS FILM INTERNATIONAL LIMITED

d) The customer can begin its exploitation, exhibition, or sale and

e) The fee is fixed or determinable and

f) Collection of the fee is reasonably assured.

All other revenue, including but not limited to, the following, is recognised on the basis of sale or licensing agreements.

### **Nature of Income**

(i) Revenue from Theatrical rights (Domestic & Overseas)

(ii) Revenue from Dubbing Rights (Domestic & Overseas)

(iii) Revenue from Satellite Rights (Domestic & Overseas)

(iv) Revenue from Music Rights (Domestic & Overseas)

(v) Revenue from Sale of Transfer of Rights (Domestic & Overseas)

(vi) Revenue from Sale of Digital Rights (Domestic & Overseas)

### **Other income:**

Interest on loans given is recognised as per the terms of agreement and accounted on time proportionate basis in the books of accounts. All other income is recognised based on the terms of contract with third parties and corresponding billings made.

Subsidies received from the Government are recognised in the profit & loss account where there are no conditions attached to the subsidy.

Income from Social Media platforms received are recognised in the profit & loss account on receipt basis.

### **H) Property, Plant and Equipment**

Property, plant and equipment are stated at cost comprising of purchase price, including non-refundable taxes and duties and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any.

Depreciation is provided for property, plant, and equipment on written down value basis to expense the cost less residual value over their estimated useful lives. The estimated useful lives and residual values are reviewed at the end of each reporting period. Useful life of assets are as prescribed under Schedule II of the Companies Act, 2013.

### **I) Foreign currency transactions and translations**

#### **Initial recognition and treatment of exchange differences**

Transactions in foreign currencies entered by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. They are re-translated at the exchange rate prevailing at the Balance sheet date. The unrealised gains or losses are recognised as income or expense in the Statement of Profit and Loss on restatement at the end of reporting period.

### **J) Investments**

The cost of an investment includes acquisition charges such as brokerage, fees, and duties.

Any receivables from these investments are recognised as income in the Statement of Profit and Loss.

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognised in the profit and loss statement.

### **K) Employee Benefits**

The provisions of gratuity, provident fund and employee state insurance do not apply to the Company; hence no provision is made.

The company does not have the policy of compensating absences and encashment of leave.

### **L) Borrowing cost:**

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised to the asset.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset is determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings.

In case of other borrowing costs, the interest is recognised as expenses as per terms of the borrowing, as and when they become payable and on time proportionate basis.

### **M) Segment reporting**

#### **Business Segment:**

A business segment is a distinguishable component of an enterprise that is engaged in

## VELS FILM INTERNATIONAL LIMITED

providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

The Company is engaged in only one single activity of Production of films and sale of film rights. Hence, there are no different business segments to be reported separately.

### **Geographical Segment:**

A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The Company operates from only one geographical/ economic environment and hence there are no separate reportable segments.

### **N) Earnings per share**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during year. Diluted EPS is computed by dividing profit or loss attributable to equity shareholders by weighted average number of additional equity shares that would have been outstanding assuming conversion of all dilutive potential equity shares.

### **O) Taxes on Income**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss.

#### **Current Income Taxes**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation

and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets and liabilities are reviewed at each Balance Sheet date for their realisability.

### **P) Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

For the year ended 31<sup>st</sup> March, 2025 there are no contingencies.

## **3) Notes on Accounts**

### **A) Inventories:**

The Company holds work in progress of movie projects amounting to Rs 10,40,537.64 (PY: 6,76,140.76) at the end of the reporting period. Opening balance of work-in-progress includes the costs of the films sold during the current financial year, which have been recognised in the Statement of Profit and Loss.

### **B) Investments**

The Company has invested in Unquoted Equity shares of M/s Vels Studios and Entertainment Private Limited on various dates, the details of which are below:

**VELS FILM INTERNATIONAL LIMITED**

Type of instrument	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	No of shares	Value of Shares (in thousands)	No of Shares	Value of shares (in thousands)
Unquoted Equity Shares	1,98,95,900	1,98,959	4,05,900	4,059
Unquoted compulsorily convertible preference shares	-	-	2,39,90,000	2,39,900
<b>TOTAL</b>	<b>1,98,95,900</b>	<b>1,98,959</b>	<b>2,43,95,300</b>	<b>2,43,959</b>

- During the period, the Company did not earn any income from the investment which needs to be recognised in the Statement of Profit and Loss.
- During the current year, the Company converted Rs.2,39,900 (in lakhs) its Compulsorily Convertible Preference Shares (CCPS) in M/s Vels Studios and Entertainment Private Limited into equity shares and subsequently sold a portion of resulting equity which amounts to Rs.2,75,130 (in lakhs) costing Rs.45,000 (in lakhs) which led to a profit of Rs.2,30,130 (in lakhs).
- Additionally, the Company did not participate in the rights issue offered M/s Vels Studios and Entertainment Private Limited, leading to a further reduction in its shareholding percentage.
- Consequently, the Company's holding fell below the threshold required for classification as a subsidiary or an associate, and M/s Vels Studios and Entertainment Private Limited (Previously known as M/s Innovative Studio Private Limited) ceased to be a subsidiary with effect from 25-03-2025.
- The remaining investment has been reclassified as a long-term investment in accordance with Accounting Standard (AS) 13 – *Accounting for Investments*.
- The profit arising on sale of shares has been recognized in the Statement of Profit and Loss under "Other Income".

**C) Foreign Currency translations and transactions**
**I. Earnings in Foreign Exchange:**

Earnings from export of services by selling of theatrical, satellite and digital rights overseas:

Type of service	For the year ended 31 <sup>st</sup> March 2025 (in thousands)	For the year ended 31 <sup>st</sup> March 2024 (in thousands)
Sale of rights	-	6,000

**Expenditure in Foreign Exchange:**

Type of service	For the year ended 31 <sup>st</sup> March 2025 (in thousands)	For the year ended 31 <sup>st</sup> March 2024 (in thousands)
Import of professional charges of stunt master	12,916.83	6,234.54

**VELS FILM INTERNATIONAL LIMITED**
**D) Earnings per share**

Type of service	For the year ended 31 <sup>st</sup> March 2025 (in thousands)	For the year ended 31 <sup>st</sup> March 2024 (in thousands)
Profit for the year (in thousands)	1,36,018.65	(1,34,520.40)
Weighted average number of equity shares	1,29,08,000	1,29,08,000
Basic and Diluted EPS	10.54	(10.42)
Face value per equity share	10	10

The Company did not have any potentially dilutive securities in any of the years presented.

**E) Deferred Tax**

Type of service	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Opening Deferred tax Asset (A)	35,876.59	52.77
Tax effect of items constituting Deferred tax liability:	NIL	NIL
Tax effect of items constituting deferred tax assets:		
(i) On difference in written down value of fixed assets	1,207.92	837.56
(ii) Rule 9A (Allowance) / Disallowance	(1,41,699.57)	1,41,699.57
Closing balance of Deferred Tax Asset (B)	514.85	35,876.59
<b>Net deferred tax Asset/(Liability) provided (A)-(B)</b>	<b>(35,361.75)</b>	<b>(35,823.83)</b>

**F) Related party transactions:**

The Company's principal related party transactions are with its directors, and entities in which the Directors have controlling interest.

The details of Related Parties are as follows:

Nature of Relationship	Name of Related Parties
Key Management Personnel (KMP) / Director	<ul style="list-style-type: none"> <li>Ishari Ganesh Kadhivelan, Managing Director</li> <li>Arthi, Director</li> <li>Rajagopal Srinivasan, Chief Financial Officer</li> <li>Sampath Kumar Sujatha, Company Secretary</li> <li>Preethaa Ganesh, Director</li> </ul>
Company in which KMP / Relatives of KMP can exercise significant influence	<ul style="list-style-type: none"> <li>Kushmitha Ganesh - Relative</li> <li>Kushmitha Foundations Private Limited</li> <li>Arthi Associates Private Limited</li> <li>VGS Estates Private Limited</li> <li>VG Park Beach Resorts Private Limited</li> <li>Prabhudeva Studios Private Limited</li> <li>Vel Ganesh Foundations Private Limited</li> <li>Vels Film International (Proprietor)</li> <li>BMMT Institute of Education</li> </ul>

**VELS FILM INTERNATIONAL LIMITED**

- Vel Chennai Warriors LLP
- Vels Aviation Services IFSC Private Limited
- Vels Studios and Entertainment Private Limited
- Kindle Kids International School Pte Limited, Singapore
- Vels Education Limited, England
- Higglo Private Ltd

**TRANSACTION WITH RELATED PARTIES**

As per Accounting Standard 18, the disclosures of transactions with the related party as defined in the Accounting Standard are given below:

Particulars	As at 31 <sup>st</sup> March 2025 (Rs in thousands)	As at 31 <sup>st</sup> March 2024 (Rs in thousands)
Name of the related Party	Nature of Relationship	
<b>1. Mr. Ishari Ganesh Kadhivelan</b>	<b>Managing Director and Promoter</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Amount Received	3,23,650.00	1,83,950.00
Amount Paid	5,73,500.00	2,28,800.00
Amount Payable (for the period end)		
Closing balance	16,216.6	2,66,066.60
<b>REMUNERATION</b>		
Volume of Transactions (during the year)		
Remuneration during the year	2,400.00	2,400.00
Amount Payable (for the period end)		
Closing balance	3,302.40	1,651.20
<b>2. Vels Film International (Proprietor)</b>	<b>Entities in which KMP have significant influence</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Amount Received	-	4,500.00
Amount Paid	47,447.82	2,149.80
Amount Payable (for the period end)		
<b>Closing balance</b>	<b>880.66</b>	<b>48,328.47</b>
<b>SERVICES RECEIVED</b>		
Volume of Transactions (during the year)		
Receipts of Services	-	-
Amount Paid	-	-
Amount Payable (for the period end)		
Closing balance	-	-
<b>3. Mr. Rajagopal Srinivasan</b>	<b>Chief Financial Officer</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Salary for the year	900.00	697.50
Amount Paid	-	-
Amount Payable (for the period end)		
Closing balance	75.00	75.00

**VELS FILM INTERNATIONAL LIMITED**

<b>4. Ms. Sampath Kumar Sujatha</b>	<b>Company Secretary</b>	
<b>REMUNERATION</b>		
Volume of Transactions (during the year)		
Salary for the year	1,159.52	1,180.00
Amount Payable (for the period end)		
Closing balance	85.00	85.00
<b>5. Vels Studios and Entertainment Private Limited</b>	<b>Subsidiary</b>	
<b>LOANS GIVEN</b>		
Volume of Transactions (during the year)		
Loan given	14,700.00	29,350.00
Loan repayment received during the year	5,37,990.10	50,318.99
Amount Payable (for the period end)		
Closing balance	1,14,200.89	5,28,035.32
<b>INTEREST ON LOAN</b>		
Volume of Transactions (during the year)		
Interest Income recognized	24,408.97	32,530.61
Amount received	23,409.90	24,836.01
Amount Receivable (for the period end)		
Closing balance	3,718.27	5,010.09
<b>INVESTMENTS</b>		
Volume of Transactions (during the year)		
Amount Invested	-	-
Amount Received		
Amount Disinvested	45,000.00	-
Amount Receivable (for the period end)		
Closing balance	1,98,959.00	2,43,959.00
<b>6. Prabhudeva Studios Private Limited</b>	<b>Entities in which KMP/ relatives of KMP have significant influence</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Amount Received	-	-
Amount repaid	-	9,200.00
Amount Payable (for the period end)		
Closing balance	-	-
<b>7. Arthi Associates Private Limited</b>	<b>Entities in which KMP/ relatives of KMP have significant influence</b>	
Volume of Transactions (during the year)		
Amount Received	73,600.00	-
Amount Paid	500.00	
Amount Payable (for the period end)		
Closing balance	76,495.00	3,395.00
<b>Arthi Associates Private Limited</b>	<b>Entities in which KMP/ relatives of KMP have significant influence</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Loan Received	-	-

**VELS FILM INTERNATIONAL LIMITED**

Loan Repaid	19,000.00	-
Amount Payable (for the period end)		
Closing balance	1,86,327.79	2,05,327.79
<b>INTEREST PAYABLE</b>		
Volume of Transactions (during the year)		
Interest Expense	23,127.67	24,706.84
Interest Paid	-	-
Amount Payable (for the period end)		
Closing balance	59,997.45	3,91,82.55
<b>8. Kushmitha Foundations Private Ltd.</b>	<b>Entities in which KMP/ relatives of KMP have significant influence</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Loan Received	-	-
Loan Repaid	27,000.00	-
Amount Payable (for the period end)		
Closing balance	51,160.09	78,160.09
<b>INTERST PAYABLE</b>		
Volume of Transactions (during the year)		
Interest Expense payable	7,231.05	9,404.90
Interest Paid	-	-
Amount Payable (for the period end)		
Closing balance	24,025.85	17,517.91
<b>9. VG Park and Beach Resorts Private Ltd.</b>	<b>Entities in which KMP/ relatives of KMP have significant influence</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Loan Received	1,16,000.00	-
Loan Repaid	-	-
Amount Payable (for the period end)		
Closing balance	2,36,661.31	12,06,613.12
<b>INTERST PAYABLE</b>		
Volume of Transactions (during the year)		
Interest Expense	23,708.51	14,519.03
Interest Paid	-	-
Amount Payable (for the period end)		
Closing balance	48,824.64	27,486.99

**VELS FILM INTERNATIONAL LIMITED**

<b>10. Ms. Preetha Ganesh</b>	<b>Relative of KMP</b>	
<b>RENT EXPENSE</b>		
Volume of Transactions (during the year)		
Rent Expense	60.00	60.00
Amount Payable (for the period end)		
Closing balance	1,80.00	1,20.00
<b>11. Ms. Kushmitha Ganesh</b>	<b>Relative of KMP</b>	
<b>RENT EXPENSE</b>		
Volume of Transactions (during the year)		
Rent Expense	60.00	60.00
Amount Payable (for the period end)		
Closing balance	1,80.00	1,20.00

**(\*) Note :** During the current financial year, the Company has sold a portion of its investment in Vels Studios and Entertainment Private Limited. Additionally, the Company opted not to participate in the rights issue undertaken by Vels Studios. As a result of these actions, the Company's shareholding in Vels Studios has decreased, leading to the loss of control and, consequently, its status as a subsidiary. Furthermore, as the voting power has decreased to below 20%, it also does not meet the criteria to be classified as an associate under applicable accounting standards.

However, Vels Studios and Entertainment Private Limited continues to be classified as a related party under Accounting Standard (AS) 18, by virtue of the significant influence exercised by key management personnel (KMP) or their relatives over the entity.

**G) Trade Payables ageing:**

This ageing is with reference to Note 9 of the Standalone Balance Sheet as at 31<sup>st</sup> March 2025

(in thousands)

**Ageing of Trade Payables for the year ended 31<sup>st</sup> March 2025**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) Micro, Small and Medium Enterprises	-	-	-	-	-
(ii) Others	12,742.14	6,285.46	704.22	19,922.52	39,654.84
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-
(iii) Disputed dues – Others	-	-	-	-	-

**Ageing of Trade Payables for the year ended 31<sup>st</sup> March 2024**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) Micro, Small and Medium Enterprises	-	-	-	-	-
(ii) Others	27,787.97	14,963.98	63,474.13	-	1,06,226.08
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-
(iii) Disputed dues – Others	-	-	-	-	-

**VELS FILM INTERNATIONAL LIMITED****H) Trade Receivables ageing:**

This ageing is with reference to Note: 16 of the Standalone Balance Sheet as at **31<sup>st</sup> March 2025**

**Ageing of Trade Receivables for the year ended 31<sup>st</sup> March 2025**

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,09,755.39	360.00	161.81	1,716.12	33,985.12	1,45,978.44
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**Ageing of Trade Receivables for the year ended 31<sup>st</sup> March 2024**

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	29,998.607	1,716.119	33,727.86	260.07	-	65,702.67
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**A) Contingent Liabilities:**

1. Vels Film International Limited is a co-applicant for a loan obtained by M/s. Vels Studios and Entertainment Private Limited. The details of the contingent liability are as follows:

The Subsidiary has obtained a secured loan of Rs. 15,00,00,000 from Hinduja Leyland Finance Limited. The Loan is repayable within a period of 120 months on a monthly installments basis from the month of January 2022, chargeable with a floating interest rate of 11.50% p.a (till Jan -23 - 11.00%) and is secured by plot No.24 & 26, KIADB Industrial Area, Bidadi-562109 of subsidiary.

2. The Company filed a petition seeking relief of Rs.4.50 crores with interest at 24% per annum from a film artist in connection with a project in progress along with damages of Rs.10 crores for not performing his part of obligation before the Hon'ble sole Arbitrator on 18<sup>th</sup> August 2023. The respondent filed a counter claim to dismiss the claim and to direct the company to pay a claim of Rs.8.5 crores towards compensatory damages.

**VELS FILM INTERNATIONAL LIMITED**

The company (claimant) withdrew the petition as per the order 8<sup>th</sup> April 2024 of the Hon'ble Tribunal. The respondent has also correspondingly withdrew the counter- petition. Hence, the case is dismissed on the date of approval of financial statement.

**J) Disclosure for Corporate Social Responsibility:**

As per the Companies Act, 2013, the Company is required to spend at least 2% of the average net profits of the three immediately preceding financial years on CSR.

The head wise amounts spent during the year are as follows:

(in thousands)

Corporate Social Responsibility	For the year ended 31 <sup>st</sup> March 2025	For the year ended 31 <sup>st</sup> March 2024
(a) amount required to be spent	Not Applicable	1,549.72
(b) amount of expenditure incurred,	Not Applicable	1,563.00
(c) shortfall at the end of the year,	Not Applicable	0.00
(d) total of previous years shortfall,	Not Applicable	0.00
(e) reason for shortfall,	Not Applicable	NA
(f) nature of CSR activities,	Not Applicable	Education and Skill Development
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Not Applicable	Not Applicable
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not Applicable	Not Applicable

**K) Others:**

Dues to small enterprises and micro enterprises have been determined to the extent such parties have been identified based on information collected by the Company.

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
(a) principal amount & the interest due thereon unpaid at end of	Nil	Nil
(b) (i) payments made to supplier beyond appointed date	Nil	Nil
(ii) interest u/s16 of MSME Act paid to suppliers	Nil	Nil
(c) amount of interest payable for delay (for which payments were made in the year but beyond the appointed date)	Nil	Nil
(d) amount of interest accrued and remaining unpaid	Nil	Nil
(e) amount of further interest remaining payable in subsequent years until payment is made	Nil	Nil

**L) Additional Regulatory Information:**

The clauses (i) to (xiv) under Additional Regulatory Information are not applicable to the Company. Hence, only those clauses applicable {(iii) – Loans and Advances, (x) – Registration of Charges and (xii) – Ratios} are disclosed.

**VELS FILM INTERNATIONAL LIMITED**

a) Loans and Advances that are repayable on demand and given without specifying any terms of repayment.

Type of Borrower	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total and Advances in the Loans nature of loans
Related Party		
Directors		
M/s Vels Studios and Entertainment Private Limited	Rs 4,08,400 thousand	100%

b) The hypothecation of the Vehicle purchased with loan financed by Bank of Baroda of Rs 20 lakhs has been registered with the Transport Authority as per the Motor Vehicles Act. In view of the hypothecation endorsement of the Registration Certificate and the non-insistence of the bank, a charge on the Vehicle has not been created under the Companies Act, 2013.

M) Previous year figures have been regrouped and amended wherever necessary.

As per our report of even date attached  
**For S R B R & Associates LLP**  
Chartered Accountants  
FRN: 004997S/S200051

**For and on behalf of the Board of Directors**

**-Sd-**  
**R. Sundararajan**  
Partner  
M.No. 029814

**-Sd-**  
**Ishari Ganesh Kadhivelan**  
Managing Director  
DIN : 00269445

**-Sd-**  
**Arthi**  
Director  
DIN : 00568101

**-Sd-**  
**Sampath Kumar Sujatha**  
Company Secretary  
A32181

**-Sd-**  
**Rajagopal Srinivasan**  
Chief Financial Officer

Place : Chennai  
Date : 07.05.2025

## Independent Auditor's Report

To the Members of M/s. Vels Film International Limited  
Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **M/s. Vels Film International Limited** (referred to as "**the Holding Company**") and its subsidiary (Holding Company and its subsidiary referred to as "**the Group**") which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2025, of its Consolidated Profit and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 1 of the Consolidated Financial Statements on the inclusion of the results of operations of the subsidiary are included in the consolidated financial statements from 1st April 2024 to 24th March 2025, date on which the parent-subsidiary relationship ceases to exist in accordance with Accounting Standard 21 "Consolidated Financial Statements"

The financial statements of the subsidiary are unaudited and certified by the Management for the period ended 24<sup>th</sup> March 2025, whose financial statements reflect total assets of Rs 12,48,759.07 thousand ( PY ended 31<sup>st</sup> March 2024 – Rs. 12,74,937.96 thousand) as at 24<sup>th</sup> March, 2025, total revenues of Rs 3,46,254.54 thousand for the period ended 24<sup>th</sup> March 2025 (PY ended 31<sup>st</sup> March 2024 - Rs. 2,88,224.96 thousand) and net cash flows amounting to Rs 168.57 thousand for the period ended on that date (PY ended 31<sup>st</sup> March 2024 - Rs. 4,400.62 thousand), as considered in the consolidated financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

## VELS FILM INTERNATIONAL LIMITED

Key Audit Matters	Audit Procedures
<p><b>Revenue Recognition:</b> (Refer Note 20 to the Consolidated Financial Statements)</p> <p>The Company recognizes income from license fees, when control of the underlying products have been transferred along with satisfaction of performance obligation. Valuation of Work-in-Progress (Refer Note 14 to the Consolidated Financial Statements)</p> <p>The balance of work-in-progress represented b movies under production, stands at Rs 104.50 crores on 31st March 2025. This was identified as a Key Audit Matter as it forms a significant portion of the financial statements.</p>	<p>Our audit procedures to assess the appropriateness of revenue recognized included the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process.</li> <li>• Examination of significant contracts entered into, during the year.</li> </ul> <p>The following audit procedures were performed:</p> <ul style="list-style-type: none"> <li>• Evaluating the Design of Internal Controls relating to recording of costs incurred with respect to the movies under production.</li> <li>• Analytical procedures for increase in cost of inventories in comparison with the previous years.</li> <li>• Verification of contractual payments incurred for films under production with the agreements entered with third parties.</li> <li>• Verification of recognition of expenses to the Profit and Loss Account in case of movies sold and the corresponding income recognition.</li> <li>• Consistency of accounting policy followed over the years for valuation of work in progress.</li> </ul>
<p><b>Loss of Control in Subsidiary</b> (Refer Note 1 to the Consolidated Financial Statements)</p> <p>The holding company during the current financial year sold a portion of its investment in its subsidiary. Additionally the holding company also opted out from participation in the right issue, leading to loss of control and consequently its status as subsidiary or associate.</p>	<p>The following audit procedures were performed:-</p> <ul style="list-style-type: none"> <li>• Obtaining and reviewing the transaction documents relating to the sale of shares and the rights issue.</li> <li>• Evaluating management's assessment of loss of control and the basis for concluding that the entity no longer qualifies as a subsidiary or associate.</li> <li>• Verifying the date of loss control and ensuring appropriate deconsolidation accounting was applied.</li> <li>• Evaluating the adequacy of disclosures made in the financial statements in accordance with the applicable accounting standards.</li> </ul>

### Information other than the consolidated financial statements and auditors' report thereon

The Holding Company's board of directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other

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

### Responsibility of Management and those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of

## VELS FILM INTERNATIONAL LIMITED

these consolidated financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors are also responsible for overseeing the group's financial reporting process.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also

responsible for expressing our opinion on whether the group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we report that there are no qualifications/ adverse remarks in the report of the Holding Company and the financial statements of the subsidiary are unaudited.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards

## VELS FILM INTERNATIONAL LIMITED

specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the Report on adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in Note no 2(i) to the financial statements.
  - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Group.
  - iv) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding

Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v) The Group had not declared or paid dividend during the year as stated in rule 11 clause (f) of Companies (Audit and Auditors) Rules, 2014
- vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Further, the audit trail has been preserved by the company as per the statutory requirements for record retention.
- h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid during the year by the Holding Company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act.

**For S R B R & Associates LLP**  
Chartered Accountants  
FRN: 004997S/S200051

Date: 7th May 2025  
Place: Chennai  
UDIN: 25029814BNFUHS3814

**-Sd-**  
**R. Sundararajan**  
Partner  
M. No. 029814

### **"Annexure A" to the Independent Auditor's Report on the Consolidated Financial Statements of Vels Film International Limited for the year ended 31<sup>st</sup> March 2025**

As referred in clause (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Vels Film International Limited of even date.

Report on the Internal Financial Controls Over Financial Reporting under clause (i) of sub

– section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls Over Financial Reporting of with reference to Consolidated

financial statements of Vels Film International Limited as at March 31, 2025.

Management's responsibility for Internal Financial Controls

The board of directors of the Group is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to Consolidated financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance

## VELS FILM INTERNATIONAL LIMITED

Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Consolidated financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to Consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to Consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Control system over financial reporting with reference to Consolidated financial statements.

Meaning of Internal Financial Controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those

policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion and according to the information and explanations given to us and in conjunction with our audit of the consolidated financial statements of Vels Film International Limited, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting with reference to Consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company and its subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S R B R & Associates LLP**  
Chartered Accountants  
FRN: 004997S/S200051

Date: 7th May 2025  
Place: Chennai  
UDIN: 25029814BNFUHS3814

**-Sd-**  
**R. Sundararajan**  
Partner  
M. No. 029814

**VELS FILM INTERNATIONAL LIMITED**

Corporate Identity Number (CIN) U74999TN2019PLC132235

Registered Office : No.521/2, Anna Salai, Nandanam, Chennai 600035

**CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED AS AT 31st March, 2025**

(Rupees in Thousands)

Particulars	Note No.	As at 31 March, 2025	As at 31 March 2024
<b>I. Equity and Liabilities</b>			
(1) Shareholders' funds			
(a) Share capital	4	1,29,080.00	1,29,080.00
(b) Reserves and surplus	5	4,76,723.42	46,345.31
(c) Money received against share warrants		-	
(2) Minority Interest	6	-	(76,312.51)
(3) Non-current liabilities			
(a) Long-term borrowings	7	4,74,149.20	5,23,738.07
(b) Other Long term liabilities	8	40,000.00	40,000.00
(4) Current liabilities			
(a) Short-term borrowings	9	93,592.26	9,40,183.47
(b) Trade payables	10		
(A) total outstanding dues of micro enterprises and small enterprises		-	495.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		39,654.84	1,33,199.78
(c) Other current liabilities	11	7,59,928.85	6,55,979.17
<b>TOTAL</b>		<b>20,13,128.56</b>	<b>23,92,708.29</b>
<b>II. Assets</b>			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets	12	2,078.45	11,60,943.14
(b) Non-current investments		1,98,959.00	-
(b) Long term loans and advances		1,14,203.96	2,500.27
(c) Deferred tax assets (net)		514.85	35,876.59
(d) Other non-current assets	13	41,795.00	49,626.57
(2) Current assets			
(a) Inventories	14	10,40,537.64	6,85,887.27
(b) Trade receivables	15	1,45,978.44	73,517.71
(c) Cash and bank balances	16	2,37,062.15	62,775.28
(d) Short-term loans and advances	17	27,153.40	8,931.95
(e) Other current assets	18	2,04,845.66	3,12,649.51
<b>TOTAL</b>		<b>20,13,128.56</b>	<b>23,92,708.29</b>

\* Refer Note 1 for loss of control in subsidiary

Refer accompanying notes to the Consolidated Financial Statements 1 to 3

As per our report of even date attached

**For S R B R & Associates LLP**

Chartered Accountants

FRN: 004997S/S200051

**For and on behalf of the Board of Directors**

**-Sd-**  
**R. Sundararajan**  
 Partner  
 M.No. 029814

**-Sd-**  
**Ishari Ganesh Kadirvelan**  
 Managing Director  
 DIN : 00269445

**-Sd-**  
**Arthi**  
 Director  
 DIN : 00568101

**-Sd-**  
**Sampath Kumar Sujatha**  
 Company Secretary  
 A32181

**-Sd-**  
**Srinivasan Rajagopal**  
 Chief Financial Officer

Place : Chennai  
 Date : 7<sup>th</sup> May 2025

**VELS FILM INTERNATIONAL LIMITED**

**VELS FILM INTERNATIONAL LIMITED**

Corporate Identity Number (CIN) U74999TN2019PLC132235

Registered Office : No.521/2, Anna Salai, Nandanam, Chennai 600035

**CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED AS AT 31st March, 2025**

(Rupees in Thousands)

Particulars	Note No.	As at 31 March, 2025	As at 31 March 2024
I. Revenue from operations	19	6,87,420.21	3,95,383.83
II. Other income	20	2,32,097.59	2,165.90
III. Total Income (I+II)		<b>9,19,517.80</b>	<b>3,97,549.73</b>
<b>IV. Expenses</b>			
Cost of materials consumed	21	51,002.39	50,664.37
Purchases of stock in trade	22	12,587.76	14,852.55
Direct Costs	23	6,98,957.05	4,75,613.36
Changes in inventories and work-in-progress	24	(3,62,666.12)	(2,60,868.51)
Employee benefit expenses	25	1,20,708.36	87,425.08
Finance costs	26	98,408.45	68,558.55
Depreciation and amortization expense		1,69,544.73	1,31,644.94
Other expenses	27	1,69,497.51	1,76,409.43
Total Expenses		<b>9,58,040.12</b>	<b>7,44,299.77</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		(38,522.32)	(3,46,750.04)
VI. Exceptional items			1,18,651.63
VII. Profit before extraordinary items and tax (V - VI)		(38,522.32)	(4,65,401.67)
VIII. Extraordinary items		4,61,278.68	-
IX. Profit before tax (VII- VIII)		4,22,756.35	(4,65,401.67)
X. Tax expense:			
(a) Current Tax Expense for the year		5,100.00	
(b) Deferred Tax		(35,361.75)	35823.83
(c) Excess/ Short provision of tax relating to earlier years		(1,213.88)	
XI. Profit (Loss) for the period from continuing operations (IX-X)		3,81,080.72	(4,29,577.84)
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-
XV. Profit (Loss) for the period before Minority Interest (XI + XIV)		3,81,080.72	(4,29,577.84)
Minority's share of interest		(49,297.39)	(65,306.67)
XVI. Profit/ (Loss) for the period after Minority Interest		43,03,78,110.96	(3,64,271.18)
XVI. Earnings per equity share:			
(1) Basic		33.34	(28.22)
(2) Diluted		33.34	(28.22)

Refer accompanying notes to the Consolidated Financial Statements 1 to 3

As per our report of even date attached

**For S R B R & Associates LLP**

Chartered Accountants

FRN: 004997S/S200051

**For and on behalf of the Board of Directors**

<b>-Sd-</b> <b>R. Sundararajan</b> Partner M.No. 029814 Place : Chennai Date : 7 <sup>th</sup> May 2025	<b>-Sd-</b> <b>Ishari Ganesh Kadhivelan</b> Managing Director DIN : 00269445	<b>-Sd-</b> <b>Arthi</b> Director DIN : 00568101	<b>-Sd-</b> <b>Sampath Kumar Sujatha</b> Company Secretary A32181	<b>-Sd-</b> <b>Srinivasan Rajagopal</b> Chief Financial Officer
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**VELS FILM INTERNATIONAL LIMITED**

Corporate Identity Number (CIN) U74999TN2019PLC132235

Registered Office : No.521/2, Anna Salai, Nandanam, Chennai 600035

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025**

(Rupees in Thousands)

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
<b>CashFlow From Operating Activities</b>				
<b>Net Profit before Tax and Extra-ordinary Items</b>		(38,522.32)		(4,65,401.67)
Adjustments for:				
Depreciation	1,69,544.73		1,31,644.94	
Interest and Finance Charges	98,408.45		68,558.55	
		2,67,953.18		2,00,203.49
<b>Operating Profit Before Working Capital Change</b>		2,29,430.85		(2,65,198.18)
Adjustments For				
(Increase) / Decrease in Inventory	(3,54,650.37)		(1,46,000.53)	
(Increase) / Decrease in Trade Receivables	(72,460.73)		(47,810.96)	
(Increase) / Decrease in short term loans and advances	(18,221.45)		(8,558.08)	
(Increase) / Decrease in Non-Current Assets	7,831.57		(4,573.52)	
(Increase) / Decrease in Current Assets	1,07,803.85		1,14,330.96	
Increase / (Decrease) in Trade Payables	(94,039.94)		10,881.45	
Increase / (Decrease) in Other Current Liabilities	1,03,949.68		5,20,251.15	
Increase / (Decrease) in short term provisions	-		-	
Increase / (Decrease) in Other Non Current Liabilities	(49,588.88)		40,000.00	
		(3,69,376.27)		4,78,520.46
Tax paid/ provision				-
Cash Used in / from operating activities before extraordinary item	(1,39,945.42)			
Extraordinary item	4,61,278.68			
<b>Net Cash Used in/ from operating Activities before extraordinary item (A)</b>		<b>3,21,333.26</b>		<b>2,13,322.28</b>
Cash Flow From Investing Activities				
Derecognition of assets on deconsolidation	9,83,006.07			
Purchase of Property, Plant and Equipment and Intangible Assets			(5,31,866.69)	
Loan provided to Third Parties	(1,11,703.68)		(2,500.27)	
Investment in securities	(1,98,959.00)		-	
<b>Net Cashflow from Investing Activities (B)</b>		<b>6,72,343.38</b>		<b>(534366.96)</b>
Cash Flow from Financing Activities				
Proceeds from issue of shares				
Proceeds from borrowings		-	3,75,752.63	
Repayment of Loan	(8,46,591.22)			
Minority Interest	1,25,609.90			
Financing Charges paid	(98,408.45)		(68,558.55)	
<b>Net cashflow from Financing Activities (C)</b>		<b>(8,19,389.77)</b>		<b>3,07,194.08</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)		1,74,286.87		(13,850.60)
Cash and Cash Equivalents at the Beginning of the year		62,775.28		76,625.88
Cash and Cash Equivalents at the end of the year		<b>2,37,062.16</b>		<b>62,775.28</b>
Note : Cash and Cash Equivalents				
Cash and cash Equivalents as above		2,37,062.16		62,775.28
Cash and Bank Balances as per Note 16		2,37,062.15		62,775.28

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in AS 3.

Refer accompanying notes to the Consolidated Financial Statements 1 to 3

As per our report of even date attached

**For S R B R & Associates LLP**

Chartered Accountants

FRN: 004997S/S200051

**For and on behalf of the Board of Directors****-Sd-**  
**R. Sundararajan**Partner  
M.No. 029814Place : Chennai  
Date : 7<sup>th</sup> May 2025**-Sd-**  
**Ishari Ganesh Kadhivelan**Managing Director  
DIN : 00269445**-Sd-**  
**Arthi**Director  
DIN : 00568101**-Sd-**  
**Sampath Kumar Sujatha**Company Secretary  
A32181**-Sd-**  
**Srinivasan Rajagopal**

Chief Financial Officer

**VELS FILM INTERNATIONAL LIMITED****Notes forming part of the consolidated financial statements for the year ended 31 March 2025***(All Amounts are in Rs. in Thousands unless otherwise stated)***Note 4 : Share capital**

Particulars	As s at 31st March 2025	As at 31st March 2024
(a) Authorized Capital		
No. of shares (in numbers)	2,00,00,000	2,00,00,000
Authorized Equity Capital (in thousands)	2,00,000	2,00,000
(b) Issued, subscribed and fully paid-up		
No. of shares (in numbers)	1,29,08,000	95,00,000
Issued, subscribed and fully paid-up capital (in thousands)	1,29,080	95,000
(c) Par value per equity share	10	10
(d) Reconciliation of shares		
Shares at the beginning of the reporting period	1,29,08,000	1,29,08,000
Number of shares issued during the period	-	-
Shares at the end of the reporting period	1,29,08,000	1,29,08,000

(e) the rights, preferences and restrictions attaching to shares :

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the shareholding.

(f) Shares held by holding company or ultimate holding company including subsidiaries or associates of the holding company

NIL

(g) List of shareholders holding more than 5% of shares

**31st March 2025****31st March 2024**1. Ishari Ganesh Kadhivelan

No. of shares 94,36,000 94,36,000

% of shares held 73.10 % 73.10 %

2. Udaya Sankar

No. of shares 7,83,600 7,83,600

% of shares held 6.07 % 6.07 %

(h) Shareholding of promoters:	31st March 2025		31st March 2024		
Promoter Name	No of shares	% of shares	No of shares	% of shares	% change during the year
Ishari Ganesh Kadhivelan	94,36,000	73.10%	94,36,000	73.10%	-26.20 %
	31st March 2024		31st March 2023		
Promoter Name	No of shares	% of shares	No of shares	% of shares	% change during the year
Ishari Ganesh Kadhivelan	94,36,000	99.30 %	94,36,000	99.30 %	-

**VELS FILM INTERNATIONAL LIMITED****Notes forming part of the consolidated financial statements for the year ended 31 March 2025***(All Amounts are in Rs. in Thousands unless otherwise stated)*

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Note 5 : Reserves and surplus</b>		
(a) Securities Premium	3,03,312.00	3,03,312.00
(b) Surplus/ (Debit) balance in Statement of Profit and Loss		
Opening balance	(2,56,966.69)	1,07,304.49
Add: Profit / (Loss) for the year	1,36,018.65	(1,34,302.25)
Add: Post-acquisition reserves of subsidiary	2,94,359.46	(2,29,968.93)
	<b>4,76,723.42</b>	<b>46,345.31</b>
<b>Note 6 : Minority Interest</b>		
Paid up value	8,47,831.50	-
Share of pre-acquisition profits and reserves		-
Share of post-acquisition profits and reserves		
- Opening Balance	(76,312.51)	(11,005.85)
- Current year share	(49,297.39)	-
Less : Dercognition on loss of control	<b>(7,22,221.60)</b>	
	-	<b>(76,312.51)</b>
<b>Note 7 : Long-term borrowings</b>		
<u>Unsecured Loan :</u>		
(a) Term Loans		
(i) From Banks		1,19,588.88
(ii) Loans and advances from related parties	4,74,149.20	4,04,149.20
	<b>4,74,149.20</b>	<b>5,23,738.07</b>
The details of long term borrowings are as under:	<b>Closing balance as at 31st March 2025</b>	<b>Closing balance as at 31st March 2024</b>
- Bank of Baroda Car Loan borrowed - Rs 20,00,000; Interest @ 7.80% per annum and repayable in 35 instalments beginning from August 2022. ; Hypothecated by the Vehicle (Refer note 3(M) for pending Regulatory Compliance)	-	944.76
- Arthi Associates Private Limited Amount borrowed - Rs 11,50,00,000; Interest @ 12% per annum and repayable on demand without any specified repayment schedule	1,86,327.79	2,05,327.79
- Kushmitha Foundations Private Limited Amount borrowed - Rs 10,60,00,000; Interest @ 12% per annum and repayable on demand without any specified repayment schedule	51,160.09	78,160.09
- VG Park beach Resorts Private Limited Amount borrowed - Rs 14,96,00,000; Interest @ 12% per annum and repayable on demand without any specified repayment schedule	2,36,661.31	1,20,661.31

**VELS FILM INTERNATIONAL LIMITED**

**VELS FILM INTERNATIONAL LIMITED**

**Notes forming part of the consolidated financial statements for the year ended 31 March 2025**

(All Amounts are in Rs. in Lakhs unless otherwise stated)

- Prabhudeva Studios Private Limited Amount borrowed Rs 95,70,000; No interest charged, repayable on demand without any specified repayment schedule	-	-
- Hinduja Leyland Finance Limited Amount borrowed Rs 15,00,00,000; Interest@ 11.60%, repayable in 120 monthly instalments from January 2022; secured by plot No.24 & 26, KIADB Industrial Area, Bidadi-562109	-	1,18,644.12
<b>TOTAL</b>	<b>4,74,149.20</b>	<b>5,23,738.07</b>
<b>Note 8 : Other Long term liabilities</b>		
(a) Sublease deposit	40,000.00	40,000.00
<b>TOTAL</b>	<b>40,000.00</b>	<b>40,000.00</b>
<b>Note 9 : Short Term borrowings</b>		
<u>Unsecured</u>		
(a) Short term Loans and advances from related parties	93,592.26	9,29,786.04
(b) Current maturities of Long term borrowings	-	10,397.43
	<b>93,592.26</b>	<b>9,40,183.47</b>
The details of short term borrowings are as under:	<b>Closing balance as at 31st March 2025</b>	<b>Closing balance as at 31st March 2024</b>
- Vels film International Repayable on demand without any specified repayment schedule	880.66	48328.47
- Dr. Ishari K Ganesh Repayable on demand without any specified repayment schedule	16216.60	705190.60
- Arthi Associates Private Limited Repayable on demand without any specified repayment schedule	76495.00	3395.00
- Mrs. Arthi Repayable on demand without any specified repayment schedule		824.00
- VGS Estates Private Limited Repayable on demand without any specified repayment schedule		147047.97
- Gopi Pallini Prakash Repayable on demand without any specified repayment schedule		25000.00
<b>TOTAL</b>	<b>93,592.26</b>	<b>9,29,786.04</b>

**VELS FILM INTERNATIONAL LIMITED**
**VELS FILM INTERNATIONAL LIMITED**
**Notes forming part of the consolidated financial statements for the year ended 31 March 2025**
*(All Amounts are in Rs. in Thousands unless otherwise stated)*

<b>Note 10 : Trade payables</b>		
(a) total outstanding dues of micro enterprises and small enterprises	0.00	495.00
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	39,654.84	1,33,199.78
<b>TOTAL</b>	<b>39,654.84</b>	<b>1,33,199.78</b>

Refer Note 3(F) for ageing analysis of Trade Payables and Note 3(L) for disclosure relating to Micro, Small and Medium Enterprises

<b>Note 11 : Other current liabilities</b>		
(a) Statutory Remittances	3,240.08	4,728.85
(b) Project Receipts	0.00	1,20,000.00
(c) Trade advances	1,000.00	1,000.00
(d) Rental Advance	0.00	72.00
(e) Capex Creditors	0.00	6,516.94
(f) Expenses Payable	1,41,453.07	1,53,328.19
(g) Advance received from customer	6,13,991.58	3,70,333.19
(h) Current maturities of Long Term Loan	244.12	-
<b>TOTAL</b>	<b>7,59,928.85</b>	<b>6,55,979.17</b>

**Note 12 : Property, Plant and Equipment and Intangible Assets for current year**
**(i) Property, Plant and Equipment**

Description	GROSS BLOCK			DEPRECIATION						
	As at 31st March 2024	Additions during the	Deletions during Yr	As at 31st March the Yr 2025	As at 31st March 2024	Additions during the Year	Derecognition due to Deconsolidation	As at 31st March 2025	WDV as at 31st March 2025	WDV as at 31st March 2024
<b>(i) Property, Plant and Equipment</b>										
(a) Plant and Equipment	2,42,708.49	6,450.33	2,48,919.48	239.34	60,305.46	46,583.64	1,06,754.94	134.16	105.18	1,82,403.03
(b) Computer and Data Processing	4,66,209.70	488.69	4,65,753.57	944.82	3,20,096.33	1,540.01	3,20,954.41	681.93	262.89	1,46,113.36
(c) Office Equipment	1,86,556.50	1,989.25	1,88,111.53	434.22	2,78,062.67	6,401.69	2,84,146.12	318.24	115.98	-91,506.17
(d) Land	90,517.06	-	90,517.06	-	-	-	-	-	-	90,517.06
(e) Building	12,34,594.57	11,741.57	12,46,152.87	183.27	5,06,489.00	51,365.58	5,57,701.56	153.02	30.25	7,28,105.57
(f) Furniture & fittings	4,51,966.00	8,957.26	4,59,819.90	1,103.36	2,45,363.01	28,387.11	2,73,316.63	433.49	669.87	2,06,602.99
(g) Vehicles	9,021.80	-	6,662.80	2,359.00	5,87,371.96	1,624.22	5,87,531.46	1,464.72	894.28	-5,78,350.16
(h) Live stock	422.49	-	422.49	-	-	-	-	-	-	422.49
(i) Electrical Installations and Equipment	1,24,345.17	2,700.27	1,27,045.44	-	-	31,176.16	31,176.16	-	-	1,24,345.17
(f) Plantation	4,964.04	-	4,964.04	-	-	1,633.98	1,633.98	-	-	4,964.04
	<b>28,11,305.82</b>	<b>32,327.37</b>	<b>28,38,369.18</b>	<b>5,264.01</b>	<b>19,97,688.43</b>	<b>1,68,712.39</b>	<b>21,63,215.26</b>	<b>3,185.56</b>	<b>2,078.45</b>	<b>8,13,617.39</b>
<b>(ii) Intangible Assets</b>										
(a) others	1,125.49	-	1,125.49	-	797.86	68.86	866.71	-	-	327.63
(b) Goodwill	7,868.57	1,128.00	8,996.57	-	667.65	832.32	1,499.97	-	-	7,200.92
	<b>8,994.06</b>	<b>1,128.00</b>	<b>10,122.06</b>	<b>-</b>	<b>1,465.51</b>	<b>901.18</b>	<b>2,366.69</b>	<b>-</b>	<b>-</b>	<b>7,528.55</b>

**VELS FILM INTERNATIONAL LIMITED****Notes forming part of the consolidated financial statements for the year ended 31 March 2025***(All Amounts are in Rs. in Thousands unless otherwise stated)***Note 12 : Property, Plant and Equipment and Intangible Assets for current year**

Description	GROSS BLOCK			DEPRECIATION						
	As at 31st March 2023	Additions during the Yr	Deletions during the Yr 2025	As at 31st March 2024	As at 31st March Year 2023	Additions during the Deconsolidation	Deletions during the yr	As at 31st March 2024	WDV as at 31st March 2024	WDV as at 31st March 2023
Land	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-
<b>(i) Property, Plant and Equipment</b>										
(a) Plant and Equipment	239.34	2,42,469.15	-	2,42,708.49	82.42	60,223.04	-	60,305.46	1,82,403.03	156.92
(b) Computer and Data Processing	9,745.89	4,56,463.81	-	4,66,209.70	8,653.39	3,11,442.94	-	3,20,096.33	1,46,113.36	1,092.49
(c) Office Equipment	1,28,452.05	58,104.45	-	1,86,556.50	1,24,761.07	1,53,301.60	-	2,78,062.67	(91,506.17)	3,690.98
(d) Land	90,517.06	-	-	90,517.06	-	-	-	-	90,517.06	90,517.06
(e) Building	5,27,420.55	7,07,174.02	-	12,34,594.57	3,62,723.69	1,43,765.31	-	5,06,489.00	7,28,105.57	1,64,696.86
(f) Furniture & fittings	39,810.19	4,12,155.81	-	4,51,966.00	30,785.84	2,14,577.16	-	2,45,363.01	2,06,602.99	9,024.35
(g) Vehicles	6,726.32	2,295.48	-	9,021.80	1,771.18	5,85,600.79	-	5,87,371.96	(5,78,350.16)	4,955.15
(h) Live stock	422.49	-	-	422.49	-	-	-	-	422.49	422.49
(i) Electrical Installations and Equipment	-	1,24,345.17	-	1,24,345.17	-	-	-	-	1,24,345.17	2,74,556.29
(f) Plantation	-	4,964.04	-	4,964.04	-	-	-	-	4,964.04	-
	<b>8,03,333.89</b>	<b>18,78,662.72</b>	<b>-</b>	<b>26,81,996.61</b>	<b>5,28,777.59</b>	<b>14,68,910.84</b>	<b>-</b>	<b>19,97,688.43</b>	<b>6,84,308.18</b>	<b>2,74,556.29</b>
<b>(ii) Intangible Assets</b>										
	-	-	-	-	-	-	-	-	-	-
(a) others	898.30	227.20	-	1,125.49	734.48	63.38	-	797.86	327.63	163.82
(b) Goodwill	6,052.42	1,816.14	-	7,868.57	-	667.65	-	667.65	7,200.92	6,052.42
	6,950.72	2,043.34	-	8,994.06	734.48	731.03	-	1,465.51	7,528.55	6,216.24
<b>TOTAL</b>	<b>8,98,546.40</b>	<b>18,78,889.92</b>	<b>-</b>	<b>27,79,252.46</b>	<b>5,29,512.07</b>	<b>14,68,974.22</b>	<b>-</b>	<b>19,98,486.29</b>	<b>7,80,098.52</b>	<b>3,69,034.32</b>

a) Towards reconstruction of Innovative Studios Private Limited post acquisition of the change in shareholders.

b) Interest on borrowings of Rs. 1,34,77,846 (PY: Rs.80,36,007/-) has been capitalised during the year w.r.t to the loans taken from Hinduja Leyland Finance Limited.

c) The interest debited w.r.t loans obtained by Vels Studios and Entertainment Private Limited from Vels Film International Limited has been removed from the Capital Work-in progress for the purpose of consolidation. Correspondingly, the Consolidated Income is also removed.

d) The Goodwill under Intangible Assets is the difference between the cost of acquisition (purchase consideration) of control in the subsidiary by the Holding Company and the pre-acquisition reserves.

Refer Note 3(H) for Ageing analysis of Capital Work-in-progress

**Note 13 : Other non-current assets**

(a) Lease Deposit	41,550.00	40,000.00
(b) Advances Paid	245.00	3,618.92
(c) Advance to capital creditors	-	6,007.65
<b>TOTAL</b>	<b>41,795.00</b>	<b>49,626.57</b>

**Note 14 : Inventories**

(a) Work-in-progress	10,40,537.64	6,76,140.75
(b) Retail shops Land & Building	-	7,321.33
(c) Bar Stock	-	2,425.19
Less: Provision towards impairment of Bar Stock	-	-
<b>TOTAL</b>	<b>10,40,537.64</b>	<b>6,85,887.27</b>

VELS FILM INTERNATIONAL LIMITED

VELS FILM INTERNATIONAL LIMITED

Notes forming part of the consolidated financial statements for the year ended 31 March 2025

(All Amounts are in Rs. in Thousands unless otherwise stated)

<b>Note 15 : Trade receivables</b>		
Unsecured, considered good	-	-
Trade Receivables	1,45,978.44	73,517.71
<b>TOTAL</b>	<b>1,45,978.44</b>	<b>73,517.71</b>
Refer Note No 3(G) for ageing analysis of Trade Receivables.		
<b>Note 16 : Cash and bank balances</b>		
(a) Balances with banks	2,36,297.69	61,450.02
(b) Cash on hand	764.46	1,268.07
(c) Deposits with Banks	-	57.19
<b>TOTAL</b>	<b>2,37,062.15</b>	<b>62,775.28</b>
<b>Note 17 : Short-term loans and advances</b>		
(a) Other short tem loans and advances	446.50	569.44
(b)Advance to suppliers	26,706.90	8,362.51
<b>TOTAL</b>	<b>27,153.40</b>	<b>8,931.95</b>
<b>Note 18 : Other current assets</b>		
(a) Balance with Revenue Authorities	24,460.46	44,084.35
(b) Advances Paid	-	-
(c) Security Deposits	-	7,816.82
(c) Income Accured but bill not booked	1,00,000.00	1,00,000.00
(c) Other Current asset	65.00	1,13,645.26
(f) Prepaid Taxes	59,104.76	47,103.08
(f) Project Advance	17,500.00	-
<b>TOTAL</b>	<b>2,01,130.21</b>	<b>3,12,649.51</b>
<b>Note 19 : Revenue from operations</b>		
(a) Sale of products	89,530.85	72,162.48
(a) Sale of services	5,97,889.36	3,23,221.35
<b>TOTAL</b>	<b>6,87,420.21</b>	<b>3,95,383.83</b>
<b>Note 20 : Other income</b>		
(a) Interest Income	916.96	1,741.45
(b) Balances written off	-	30.01
(c) Foerx Gain or Loss	19.92	11.58
(d) Youtube Income	132.56	7.33
(e) Micelleneous Income	2,30,374.91	83.39
(f) Rental Income	653.24	292.14
<b>TOTAL</b>	<b>2,32,097.59</b>	<b>2,165.90</b>
<b>Note 21 : Cost of materials consumed</b>		
Inventories at the beginning of the year	3,761.23	-
Purchase	49,150.79	54,425.60
Inventories at the end of the year	1,909.63	3,761.23
<b>TOTAL</b>	<b>51,002.39</b>	<b>50,664.37</b>

**VELS FILM INTERNATIONAL LIMITED****Notes forming part of the consolidated financial statements for the year ended 31 March 2025***(All Amounts are in Rs. in Thousands unless otherwise stated)*

<b>Note 22 : Purchases of stock-in-trade</b>		
Purchases of stock-in-trade	12,587.76	14,852.55
<b>TOTAL</b>	<b>12,587.76</b>	<b>14,852.55</b>
<b>Note 23 : Direct Costs</b>		
Artists related Expenses	3,52,955.27	93,097.80
Bata Expenses	18,616.48	37,089.36
Equipment Hire & Related Exp	9,790.56	25,077.12
Shooting Exp	16,812.42	18,622.61
Technician Payment	88,028.59	49,694.56
Boarding and lodging	7,395.51	7,672.02
Post Production Works	35,866.59	4,184.20
Promotion and Print Publicity	506.71	272.29
Art Dept	11,921.25	55,147.03
Catering expenses	3,212.44	6,607.84
Location Expenses	486.78	3,458.25
Stunt /Fighters payment	168.73	0.00
Costume Purchase	2,471.25	0.00
Music director Expenses	2,834.90	200.00
production Dept	58,690.28	202.11
Advertisement	19,749.23	0.00
Others	66,599.36	1,72,392.89
Office Related Expenses	2,848.08	24.13
Salary	2.62	0.00
Insurance	0.00	1,871.16
<b>TOTAL</b>	<b>6,98,957.05</b>	<b>4,75,613.37</b>
<b>Note 24 : Changes in inventories and work-in-progress</b>		
Closing balance of:		
work-in-progress	10,40,537.64	6,76,140.75
finished goods	4,254.53	5,985.29
Opening balance of:		
work-in-progress	6,76,140.76	4,21,257.53
finished goods	5,985.29	1,18,629.21
Less : inventory capitalised/Expensed	-	1,18,629.21
<b>TOTAL</b>	<b>(3,62,666.12)</b>	<b>(2,60,868.51)</b>
<b>Note 25 : Employee benefit expenses</b>		
salaries and wages	13,543.86	16,698.30
staff welfare expenses	1,03,008.94	7,407.75
Subcontract expenses	4,155.56	63,319.03
<b>TOTAL</b>	<b>1,20,708.36</b>	<b>87,425.08</b>
<b>Note 26 : Finance costs</b>		
Interest expense	95,393.61	68,335.23
Others	3,014.84	223.32
<b>TOTAL</b>	<b>98,408.45</b>	<b>68,558.55</b>

**VELS FILM INTERNATIONAL LIMITED****Notes forming part of the consolidated financial statements for the year ended 31 March 2025***(All Amounts are in Rs. in Thousands unless otherwise stated)***Note 27 : Other expenses**

Payments to the auditors as:

(i) auditor	550.00	700.00
(ii) for taxation matters	150.00	200.00
(iv) for management services	6,939.39	-
(iii) for other services	6,074.73	205.00
(vi) for reimbursement of expenses	3,110.11	-
Expenditure incurred on CSR activities	-	1,563.00
Power and fuel	20,900.38	16,502.78
Rent	800.00	1,140.00
Repairs to buildings	-	17,213.61
Repairs to machinery	36,440.08	6,633.51
Rates and taxes, excluding, taxes on income	22,455.58	15,013.89
Bank Charges	87.07	145.56
Distribution Expenses	108.60	558.00
Refreshment expenses	1,329.46	936.55
Professional charges	15,821.54	25,302.26
Donation	-	1,500.00
Office Expenses	32,238.93	1,819.41
Business promotion	1,800.80	29,531.16
IPO Expenses	-	790.38
Insurance	1,591.86	13,389.19
Provision towards doubtful debts and advances	-	10,713.25
Travelling and Conveyance	1,995.58	2,028.28
Transportation charges	230.93	440.10
Subcontracting charges	4,264.37	18,184.07
Printing & Stationary	-	3,793.73
Marketing expenses	478.16	-
Communication Expenses	1,936.93	-
Revenue sharing fees	5,077.18	4,283.93
Miscellaneous expenses	5,115.83	3,821.75
<b>TOTAL</b>	<b>1,69,497.51</b>	<b>1,76,409.43</b>

**VELS FILM INTERNATIONAL LIMITED LIMITED**

521/2, Anna Salai, Nandanam, Chennai - 600 035

CIN: U74999TN2019PLC132235

Notes forming part of the consolidated financial statements.

**1. Corporate Information**

Vels Film International Limited, ("the Holding Company") was incorporated on 25th October 2019 as a closely held Public Limited Company under the Provisions of Companies Act, 2013.

The Company listed its shares on 22<sup>nd</sup> March 2023 on the SME Platform of the National Stock Exchange.

The Company is in the business of production, distribution or exhibition of films and motion pictures.

Vels Film International Limited held 77.20% of M/s Vels Studios and Entertainment Private Limited, (VSEPL or the "Subsidiary"), which was incorporated on September 16, 2003. The subsidiary company is in the business of amusement park and Film city.

During the current financial year, the Company has sold a portion of its investment in Vels Studios and Entertainment Private Limited. As a result, the Company's shareholding in Vels Studios has decreased, leading to the loss of control and, consequently, its status as a subsidiary. Furthermore, as the voting power has decreased to below 20%, it also does not meet the criteria to be classified as an associate under applicable accounting standards.

Vels Film International along with its subsidiary M/s Vels Studios and Entertainment Private Limited is the "Group" for consolidation purpose.

The results of operations of the subsidiary are included in the consolidated financial statements from 1<sup>st</sup> April 2024 to 24<sup>th</sup> March 2025, date on which the parent-subsidiary relationship ceases to exist in accordance with Accounting Standard 21 "Consolidated Financial Statements". The difference between the proceeds from disposal of investment in subsidiary and carrying amount of its assets and liabilities as of disposal date is recognised in the consolidated statement of profit and loss under Extraordinary items. This is the last year of presenting the consolidated financial statements and the Parent shall henceforth present only Standalone Financial Statements, given that it does not hold any other investments in subsidiaries or associates.

**1. Significant Accounting Policies**

**A) Basis of preparation of Financial Statements**

The consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 (as amended) and the relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared on accrual basis under the historical cost convention.

**B) Use of estimates**

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**C) Inventories**

The company holds work in progress of movie projects which are in the process of production. All the expenses incurred directly in connection to the specified movie is added to the cost of the inventory of the corresponding movie till such date of sale or release.

Inventories of Vels Studios and Entertainment Private Limited comprising of retail shop are valued at the lower of cost or net realizable value. Cost of inventories comprises of all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**D) Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly

## VELS FILM INTERNATIONAL LIMITED

liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### E) Cash Flow Statement

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals. The cash flows from operating, investing, and financing activities of the Company are segregated.

### F) Revenue Recognition

- Revenue from sale or licensing of film is recognized when:

- a) Persuasive evidence of a sale or licensing agreement with a customer exists and

- b) Film is certified by authorities for release in case of own exhibition of films produced and

- c) The film is complete and has been delivered or is available for immediate and unconditional delivery (in accordance with the terms of the arrangement) and

- d) The customer can begin its exploitation, exhibition, or sale and

- e) The fee is fixed or determinable and

- f) Collection of the fee is reasonably assured.

- All other revenue relating to film production, including but not limited to, the following, is recognised on the basis of sale or licensing agreements.

### Nature of Income

- (i) Revenue from Theatrical rights (Domestic & Overseas)

- (ii) Revenue from Dubbing Rights (Domestic & Overseas)

- (iii) Revenue from Satellite Rights (Domestic & Overseas)

- (iv) Revenue from Music Rights (Domestic & Overseas)

- (v) Revenue from Sale of Transfer of Rights (Domestic & Overseas)

- (vi) Revenue from Sale of Digital Rights (Domestic & Overseas)

### Other income:

All other income is recognised based on the terms of contract with third parties and corresponding billings made. Subsidies received from the Government are recognised in the profit

& loss account where there are no conditions attached to the subsidy.

- Entry charges are recognized at the time when entry tickets are issued to visitors for entry into the park.

- Revenue from food court, Collection from conference halls, Fashion café and parties and events are recognised on accrual basis.

- Share of revenue from is recognized as per the terms of the agreement with the respective parties.

- Revenue from sale of services is recognised at the time of rendering of services and there is no significant uncertainty in the ultimate collection of the revenue.

### G) Costs and Expenses

Film costs include all direct costs incurred in the physical production of a film, such as the costs of story; compensation of cast, directors, producers, and extras; costs of set construction, operations, and wardrobe; costs of sound synchronization; costs of rental facilities on location; and postproduction costs (music, special effects, and editing).

Production overhead consists of the costs of the individuals and departments that have a significant (or exclusive) responsibility for the production of the film. These costs do not include administrative and general expenses.

### H) Property, Plant and Equipment

#### 1. Property, Plant and Equipment

Property, plant, and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any.

#### 2. Intangible Assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

#### 3. Capital Work in Progress

The cost of asset not put to use before such date are disclosed under "Capital Work in Progress".

**4. Depreciation**

Depreciation is provided for property, plant, and equipment on written down value basis to expense the cost less residual value over their estimated useful lives. Residual value being 5% of original cost of asset. The estimated useful lives and residual values are reviewed at the end of each reporting period. Useful life of assets is as prescribed under Schedule II of the Companies Act, 2013.

**I) Foreign currency transactions and translations**

Initial recognition and treatment of exchange differences

Transactions in foreign currencies entered by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. They are re-translated at the exchange rate prevailing at the Balance sheet date. The unrealised gains or losses are recognised as income or expense in the Statement of Profit and Loss on restatement at the end of reporting period.

**J) Investments**

The cost of an investment includes acquisition charges such as brokerage, fees, and duties.

Any receivables from these investments are recognised as income in the Statement of Profit and Loss.

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognised in the profit and loss statement.

**K) Employee Benefits**

The provisions of gratuity, provident fund and employee state insurance do not apply to the Group; hence no provision is made. The Group does not have the policy of compensating absences and encashment of leave.

**L) Borrowing cost:**

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised to the asset.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset is determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings.

In case of other borrowing costs, the interest is recognised as expenses as per terms of the borrowing, as and when they become payable and on time proportionate basis.

**M) Segment reporting****Business Segment:**

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

The Company is engaged in only one single activity of Production of films and sale of film rights. Hence, there are no different business segments to be reported separately.

**Geographical Segment:**

A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The Company operates from only one geographical/ economic environment and hence there are no separate reportable segments.

Since the Parent-subsidiary relation ceased to exist on 24<sup>th</sup> March 2025, no segment reporting is presented with respect to the subsidiary.

**N) Earnings per share**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during year. Diluted EPS is computed by dividing profit or loss attributable to equity shareholders by weighted average number of additional equity shares that would have been outstanding assuming conversion of all dilutive potential equity shares.

**O) Taxes on Income**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss.

**Current Income Taxes**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

## VELS FILM INTERNATIONAL LIMITED

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets and liabilities are reviewed at each Balance Sheet date for their realisability.

### P) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

## 3. Notes on Accounts

### A) Inventories:

The Group holds work in progress of movie projects amounting to Rs 10,40,537.64 (in thousands) (PY: 6,85,887.27) at the end of the reporting period. Opening balance of work-in-progress includes the costs of the films sold during the current financial year, which have been recognised in the Statement of Profit and Loss. The subsidiary company held inventories of Rs. 5,985.29(in thousands) at the end of the previous year. During the end of this financial year, no inventories of the subsidiary will be part of the Group.

### B) Foreign Currency translations and transactions

#### I. Earnings in Foreign Exchange:

Earnings from export of services by selling of theatrical, satellite and digital rights overseas:

Type of service	For the year ended 31 <sup>st</sup> March 2025 (in thousands)	For the year ended 31 <sup>st</sup> March 2024 (in thousands)
Sale of rights	-	6,000.00

#### II. Expenditure in Foreign Exchange:

Type of service	For the year ended 31 <sup>st</sup> March 2025 (in thousands)	For the year ended 31 <sup>st</sup> March 2024 (in thousands)
Import of professional charges of stunt master	12,916.83	6,234.54

#### C) Earnings per share

Type of service	For the year ended 31 <sup>st</sup> March 2025 (in thousands)	For the year ended 31 <sup>st</sup> March 2024 (in thousands)
Profit for the year (in thousands)	4,30,378.11	(3,64,271.18)
Weighted average number of equity shares (in numbers)	1,29,08,000	1,29,08,000
Basic and Diluted EPS	33.34	(28.22)
Face value per equity share	10	10

The Company did not have any potentially dilutive securities in any of the years presented.

#### D) Deferred Tax

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Opening Deferred tax Asset (A)	35,876.59	52.77
Tax effect of items constituting Deferred tax liability:	NIL	NIL
Tax effect of items constituting deferred tax assets:		
(i) On difference in written down value of fixed assets	1,207.92	837.56
(ii) Rule 9A disallowance	(1,41,699.57)	1,41,699.57
Closing balance of Deferred Tax Asset (B)	514.85	35,876.594
<b>Net deferred tax Asset/ (Liability) provided (A)-(B)</b>	<b>(35,361.75)</b>	<b>35,823.83</b>

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### E) Related party transactions:

The Company's principal related party transactions are with its directors, and entities in which the Directors have controlling interest.

The details of Related Parties are as follows:

Nature of Relationship	Name of Related Parties
Key Management Personnel (KMP) / Director	<ul style="list-style-type: none"> <li>Ishari Ganesh Kadhivelan, Managing Director</li> <li>Arthi, Director</li> <li>Rajagopal Srinivasan, Chief Financial Officer</li> <li>Sampath Kumar Sujatha, Company Secretary</li> <li>Preethaa Ganesh, Director</li> </ul>
Company in which KMP / Relatives of KMP can exercise significant influence	<ul style="list-style-type: none"> <li>Kushmitha Ganesh</li> <li>Kushmitha Foundations Private Limited</li> <li>Arthi Associates Private Limited</li> <li>VGS Estates Private Limited</li> <li>VG Park Beach Resorts Private Limited</li> <li>Prabhudeva Studios Private Limited</li> <li>GV Studio City Limited</li> <li>Vel Ganesh Foundations Private Limited</li> <li>Cybernexa Infotech Private Limited,</li> <li>MDIS - Vels Education Private Limited,</li> <li>Vels Film International (Proprietor)</li> <li>BMMT Institute of Education</li> <li>Vel Chennai Warriors LLP</li> <li>Madras Elephant Estate Private Limited</li> <li>Vels Aviation Services IFSC Private Limited</li> <li>Kindle Kids International School Pte Limited, Singapore</li> <li>Vels Education Limited, England</li> </ul>

### TRANSACTION WITH RELATED PARTIES

As per Accounting Standard 18, the disclosures of transactions with the related party as defined in the Accounting Standard are given below:

Particulars	As at 31 <sup>st</sup> March 2025 (Rs in thousands)	As at 31 <sup>st</sup> March 2024 (Rs in thousands)
Name of the related Party	Nature of Relationship	
1. Mr. Ishari Ganesh Kadhivelan	Managing Director and Promoter	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Amount Received	3,23,650.00	1,83,950.00
Amount Paid	5,73,500.00	2,28,800.00
Amount Payable (for the period end)		
Closing balance	16,216.6	2,60,666.00

**VELS FILM INTERNATIONAL LIMITED**

<b>REMUNERATION</b>		
Volume of Transactions (during the year)		
Remuneration during the year	2,400.00	2,400.00
Amount Payable (for the period end)		
Closing balance	3,302.40	1,651.20
<b>2. Vels Film International (Proprietor)</b>	<b>Entities in which KMP have significant influence.</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Amount Received	-	4,500.00
Amount Paid	47,477.82	2,149.80
Amount Payable (for the period end)		
Closing balance	880.66	48,328.47
<b>3. Mr. Rajagopal Srinivasan</b>	<b>Chief Financial Officer</b>	
<b>REMUNERATION</b>		
Volume of Transactions (during the year)		
Salary for the year	900.00	6,97.50
Amount Payable (for the period end)		
Closing balance	75.00	75.00
<b>5. Ms. Sampath Kumar Sujatha</b>	<b>Company Secretary</b>	
<b>REMUNERATION</b>		
Volume of Transactions (during the year)		
Salary for the year	1,159.52	1,180.00
Amount Payable (for the period end)		
Closing balance	85.00	100.00
<b>6. Prabhudeva Studios Private Limited</b>	<b>Entities in which KMP/ relatives of KMP have significant influence.</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Amount Received	-	-
Amount repaid	-	9,200.00
Amount Payable (for the period end)		
Closing balance	-	-
<b>7. Arthi Associates Private Limited</b>	<b>Entities in which KMP/ relatives of KMP have significant influence.</b>	
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Amount Received	73,600.00	-
Amount Paid	500.00	-
Amount Payable (for the period end)		
Closing balance	76,495.00	3,395.00
<b>LOANS BORROWED</b>		
Volume of Transactions (during the year)		
Loan Repaid	19,000.00	-
Amount Payable (for the period end)		
Closing balance	1,86,327.79	2,05,327.79

**VELS FILM INTERNATIONAL LIMITED**

<b>INTEREST PAYABLE</b>					
Volume of Transactions (during the year)					
Interest Expense		23,127.67	24,706.84		
Amount Payable (for the period end)					
Closing balance		59,997.45	3,91,82.55		
<b>8. VG Park and Beach Resorts Private Limited</b>		<b>Entities in which KMP/ relatives of KMP have significant influence.</b>			
<b>LOANS BORROWED</b>					
Volume of Transactions (during the year)					
Loan Received		1,16,000.00	-		
Amount Payable (for the period end)			-		
Closing balance		2,36,661.31	12,06,613.12		
<b>INTEREST PAYABLE</b>					
Volume of Transactions (during the year)					
Interest Expense		23,708.51	14,519.03		
Amount Payable (for the period end)					
Closing balance		48,824.64	27,486.99		
<b>9. Ms. Preetha Ganesh</b>		<b>Relative of KMP</b>			
<b>RENT EXPENSE</b>					
Volume of Transactions (during the year)					
Rent Expense		60.00	60.00		
Amount Payable (for the period end)					
Closing balance		180.00	120.00		
<b>10. Ms. Kushmitha Ganesh</b>		<b>Relative of KMP</b>			
<b>RENT EXPENSE</b>					
Volume of Transactions (during the year)					
Rent Expense		60.00	60.00		
Amount Payable (for the period end)					
Closing balance		180.00	120.00		
<b>F) Trade Payables ageing:</b>					
This ageing is with reference to Note 9 of the Standalone Balance Sheet as at <b>31<sup>st</sup> March 2025</b>					
<b>(in thousands)</b>					
<b>Ageing of Trade Payables for the year ended 31<sup>st</sup> March 2025</b>					
<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) Micro, Small and Medium Enterprises	-	-	-	-	-
(ii) Others	12,742.14	6,285.46	704.72	19,922.5	39,654.84
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-
(iii) Disputed dues – Others	-	-	-	-	-

**VELS FILM INTERNATIONAL LIMITED**

<b>Ageing of Trade Payables for the year ended 31<sup>st</sup> March 2024</b>					
<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) Micro, Small and Medium Enterprises	495.00	-	-	-	495.00
(ii) Others	54,761.67	14,963.98	63,474.13	-	1,33,199.78
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-
(iii) Disputed dues – Others	-	-	-	-	-

**G) Trade Receivables ageing:**

This ageing is with reference to Note: 16 of the Standalone Balance Sheet as at **31<sup>st</sup> March 2025**

<b>Ageing of Trade Receivables for the year ended 31<sup>st</sup> March 2025</b>						
<b>Particulars</b>	<b>Less than 6 months</b>	<b>6 months - 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) Undisputed Trade receivables - considered good	1,09,725.90	360.00	161.81	1,716.12	33,985.12	1,45,978.44
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

<b>Ageing of Trade Receivables for the year ended 31<sup>st</sup> March 2024</b>						
<b>Particulars</b>	<b>Less than 6 months</b>	<b>6 months - 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) Undisputed Trade receivables - considered good	37,813.65	1,716.12	33,727.87	260.08	-	73,517.71
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

## VELS FILM INTERNATIONAL LIMITED

### H) CWIP Ageing:

Amount in CWIP for a period of (in thousands)					
Capital Work in Progress under construction	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 <sup>st</sup> March 2023	-	-	-	-	-
31 <sup>st</sup> March 2022	14,930.00	-	-	-	14,930.00

### I) Contingent Liabilities:

Vels Film International Limited is a co-applicant for a loan obtained by Vels Studios and Entertainment Private Limited. The details of the contingent liability are as follows :

- The Subsidiary has obtained a secured loan of Rs. 15,00,00,000 from Hinduja Leyland Finance Limited. The Loan is repayable within a period of 120 months on a monthly installments basis from the month of January 2022, chargeable with a floating interest rate of 11.50% p.a (till Jan - 23 - 11.00%) and is secured by plot No.24 & 26, KIADB Industrial Area, Bidadi-562109 of subsidiary.
- Income Tax assessments of Vels Studios and Entertainment Private Limited. This disclosure is only with respect to previous year figures as it was a subsidiary for the year ended 31<sup>st</sup> March 2024:

Assessment year	Amount demanded ( in Rs. 000's)
2010-11	41,586.14
2011-12	-
2012-13	6,513.30
<b>Total Amount</b>	<b>48,099.44</b>

The dues have been settled under the order of the National Company Law Tribunal (NCLT) Bengaluru delivered on 08 Jan 2021. However, the same still appears as outstanding dues in the tax portal.

Company has filed writ petition on 19/03/2024 in the Hon'ble High court of Karnataka for quashing the demands on the same grounds.

### J) Disclosure for Corporate Social Responsibility:

As per the Companies Act, 2013, the Company is required to spend at least 2% of the average net profits of the three immediately preceding financial years on CSR.

The head wise amounts spent during the year are as follows: (in thousands)

Corporate Social Responsibility	For the year ended 31 <sup>st</sup> March 2025	For the year ended 31 <sup>st</sup> March 2024
(a) amount required to be spent	Not Applicable	1,549.72
(b) amount of expenditure incurred,	Not Applicable	1,563.00
(c) shortfall at the end of the year,	Not Applicable	0.00
(d) total of previous years shortfall,	Not Applicable	0.00
(e) reason for shortfall,	Not Applicable	NA
(f) nature of CSR activities,	Not Applicable	Education and Skill Development
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Not Applicable	Not Applicable
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not Applicable	Not Applicable

## VELS FILM INTERNATIONAL LIMITED

### K) Statement of net assets, profit or loss

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss	
	As a % of consolidated net assets	Amount (in thousands)	As a % of consolidated profit or loss (post-acquisition)	Amount (in thousands)
Parent Subsidiaries Indian:M/s Vels Studios and Entertainment Private Limited				
31 <sup>st</sup> March 2025*	-	-	-	-
31 <sup>st</sup> March 2024	77.20%	(79,230.76)	77.20%	(2,12,715.69)

\*Refer Note 1 for details.

### L) Others:

Dues to small enterprises and micro enterprises have been determined to the extent such parties have been identified based on information collected by the Company.

Particulars	For the year ended 31 <sup>st</sup> March 2025	For the year ended 31 <sup>st</sup> March 2024
(a) principal amount & the interest due thereon unpaid at end of	Nil	495.00
(b) (i) payments made to supplier beyond appointed date	Nil	Nil
(ii) interest u/s16 of MSME Act paid to suppliers	Nil	Nil
(c) amount of interest payable for delay (for which payments were made in the year but beyond the appointed date)	Nil	Nil
(d) amount of interest accrued and remaining unpaid	Nil	Nil
(e) amount of further interest remaining payable in subsequent years until payment is made	Nil	Nil

M) Previous year figures have been regrouped and amended wherever necessary.

As per our report of even date attached

**For S R B R & Associates LLP**

Chartered Accountants

FRN: 004997S/S200051

**For and on behalf of the Board of  
Directors**

-Sd-  
**R. Sundararajan**  
Partner  
M.No.029814

-Sd-  
**Arthi**  
Managing Director  
DIN : 00269445

-Sd-  
**Ishari Ganesh Kadhivelan**  
Director  
DIN : 00568101

-Sd-  
**Sampath Kumar Sujatha**  
Company Secretary  
A32181

-Sd-  
**Rajagopal Srinivasan**  
Chief Financial Officer

Place : Chennai

Date : 07.05.2025



# VELS

FILM INTERNATIONAL LTD

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[info@velsfilminternational.com](mailto:info@velsfilminternational.com)