

August 2, 2024

To,  
The Manager  
Corporate Relations Department  
**BSE Limited,**  
P.J. Towers, Dalal Street  
Mumbai- 400 001  
**Scrip Code: 511389**

The Manager  
Corporate Relations Department  
**The National Stock Exchange of India Ltd.,**  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra, East, Mumbai- 400051  
**Scrip Code: VIDEOIND**

Dear Sirs/ Madam,

**Subject:** Submission of Annual Report of the Company for FY 2019-2020.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report for the FY 2019-2020 (comprising of Notice calling 30<sup>th</sup> Annual General Meeting along with Audited Financial Statements, Directors Report, Auditor's Report etc.). The Annual Report including Notice is also uploaded on the Company's website and can be accessed at following link:-  
[https://videoconindustriesltd.com/Documents/Videocon%20Industries%20Ltd\\_2020.pdf](https://videoconindustriesltd.com/Documents/Videocon%20Industries%20Ltd_2020.pdf)

Kindly take the same on record and display the same on the website of your Stock Exchange.

Thanking You,

Yours faithfully,

**For VIDEOCON INDUSTRIES LIMITED**  
**(A Company under Corporate Insolvency Resolution**  
**Process by NCLT order dated June 6, 2018 read with order**  
**dated August 8, 2019 and September 25, 2019)**

**Sujata** Digitally signed  
by Sujata  
**Giridhar** Giridhar Parab  
Date: 2024.08.02  
**r Parab** 20:34:45 +05'30'

**SUJATA PARAB**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**MEMBERSHIP NO. A48113**

**VIDEOCON INDUSTRIES LIMITED**

**Registered Office**

14KM Stone, Aurangabad-  
Paithan Road, Village  
Chittegaon, Taluka Paithan,  
District Aurangabad – 431 105  
India

**New**

**Delhi**

**Office**

Videocon Tower, Ground Floor,  
Rani Jansi Marg, E-1 Jhandewa  
lon Extn, New Delhi – 110055  
India



**VIDEOCON**

**VIDEOCON INDUSTRIES LIMITED  
ANNUAL REPORT 2019 -20**

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p style="text-align: center;"><b>RESOLUTION PROFESSIONAL</b></p> <p style="text-align: center;"><b>Abhijit Guhathakurta</b></p> <p style="text-align: center;">(IBBI/IPA-003/IP/N000103/2017-18/11158)</p>                                                                                                                                                                                                                                                                                                                                                          | <p style="text-align: center;"><b>MANUFACTURING FACILITY</b></p> <p>14 K.M. Stone, Aurangabad – Paithan Road<br/>Village – Chittegaon, Taluka - Paithan<br/>District: Aurangabad – 431105 (Maharashtra)</p> <p>Village: Chavaj, Via Society Area,<br/>Tal. &amp; Dist. Bharuch – 392002 (Gujarat)</p> <p>Vigyan Nagar Industrial Area,<br/>Opp. RIICO Office, Shahjahanpur,<br/>Dist: Alwar – 301706 (Rajasthan)</p> |
| <p style="text-align: center;"><b>BOARD OF DIRECTORS</b></p> <p>Venugopal N Dhoot – Chairman, Managing<br/>Director and CEO</p> <p>Sanjay Kumar Palecha – Whole Time Director<br/>(Appointed w.e.f. 14<sup>th</sup> September, 2023)</p> <p>Babubhai Dolatsinh Vaghela – Whole Time Director<br/>(Appointed w.e.f. 14<sup>th</sup> September, 2023)</p> <p>Amol Ashok Mandlik – Whole Time Director<br/>(Appointed w.e.f. 31<sup>st</sup> October, 2023)</p> <p>Kalidas Vishnu Jadhav – Whole Time Director<br/>(Appointed w.e.f. 31<sup>st</sup> October, 2023)</p> | <p style="text-align: center;"><b>BANKERS</b></p> <p>Bank of Baroda</p> <p>Bank of Maharashtra</p> <p>Bank of India</p> <p>Canara Bank</p> <p>Central Bank of India</p> <p>ICICI Bank Limited</p> <p>IDBI Bank Limited</p> <p>Indian Bank</p> <p>Indian Overseas Bank</p> <p>Punjab National Bank</p> <p>State Bank of India</p> <p>The Federal Bank Limited</p> <p>UCO Bank</p> <p>Union Bank of India</p>          |
| <p style="text-align: center;"><b>COMPANY SECRETARY</b></p> <p>Sujata Giridhar Parab<br/>(Appointed w.e.f. 8<sup>th</sup> January, 2024)</p>                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p style="text-align: center;"><b>AUDITORS</b></p> <p style="text-align: center;">M/s. KVA &amp; Co.<br/>Chartered Accountants<br/>C-570, First Floor,<br/>Saraswati Vihar, Pitampura,<br/>Delhi - 110034</p>                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p style="text-align: center;"><b>REGISTERED OFFICE</b></p> <p>14 K.M. Stone, Aurangabad – Paithan Road<br/>Village – Chittegaon, Taluka - Paithan<br/>District: Aurangabad – 431105 (Maharashtra)</p>                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                      |

# Contents

Notice

Directors Report

Independent Audit Report (Standalone)

Balance Sheet (Standalone)

Statement of Profit & Loss (Standalone)

Statement of Cash Flows (Standalone)

Notes forming part of the Standalone Financial Statement

Attendance Slip

Proxy Form

Route Map

## NOTICE TO MEMBERS

### Introduction:

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai ("NCLT" / "**Adjudicating Authority**") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**" / "**the Code**") against Videocon Industries Limited ("**Corporate Debtor**" / "**the Company**"), the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process ("**CIRP**") of the Corporate Debtor *vide* an order dated June 6, 2018 ("**CIRP Commencement**") and appointed Mr. Anuj Jain as the insolvency resolution professional.

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, *vide* its order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies (collectively referred to as the "**Corporate Debtors**", "**Videocon Group Entities**"); and (ii) appointing Mr. Mahender Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the consolidated committee of creditors of the Corporate Debtors ("**CoC**") was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the resolution professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Khandelwal. Mr. Abhijit Guhathakurta's appointment as the resolution professional of the Videocon Group Entities ("**Resolution Professional**", "**RP**") was approved by the Adjudicating Authority *vide* its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority.

On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor were suspended and stood vested in the Resolution Professional.

Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "**Resolution Plan**"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the

### VIDEOCON INDUSTRIES LIMITED

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Jansi Marg, E-1 Jhandewa Ion Extn, New  
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#### Correspondence Address

171 Mittal Court, 17<sup>th</sup> Floor, 'B- Wing', Plot-  
224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

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Code for its approval on December 15, 2020. Further, NCLT vide order dated June 08, 2021 (**"Approval Order"**), approved the resolution plan submitted by Twin Star Technologies Limited (**"Approved Plan"**).

In terms of the Approved Plan, a steering committee had been constituted (**"Steering Committee"**). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the interim manager of the Corporate Debtors (**"Interim Manager"**), for undertaking the management and control of the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the **"NCLAT"**), the Hon'ble NCLAT, vide its order dated July 19, 2021 in the said Appeals (the **"Stay Order"**), inter-alia stayed the operation of the Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT vide its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the CoC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, **"NCLAT Final Order"**). Subsequently, pursuant to the NCLAT Final Order, the CoC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court (**"SC Appeals"**). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and CoC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code till the next date of hearing. As a result, the power of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.

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Email ID: [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com)

[www.videoconindustriesltd.com](http://www.videoconindustriesltd.com)

CIN: L99999MH1986PLC103624

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**Constraints in calling the 30<sup>th</sup> Annual General Meeting (AGM) of the Company for the financial year ended on 31<sup>st</sup> March 2020, within the time frame:**

In terms of the provisions of Section 96 of the Companies Act, 2013 and MCA circular dated 8th September, 2020, the Company was required to hold 30th AGM, for the financial year ended 31st March 2020, on or before 31st December 2020. Further, in terms of the provisions of the Companies Act, the Audited financial statements (standalone and consolidated) are required to be adopted at the annual general meeting. However, the Company was not able to hold annual general meeting as the Company was unable to prepare the standalone and consolidated financial statements, as required to be prepared in terms of Section 129 (3) of the Companies Act as there was lack of cooperation to the Resolution Professional from the Promoters and the erstwhile management of the Company. The requisite financial statements of the Subsidiaries, Joint Ventures and Associates were also not made available to the Company for preparing consolidated financial statements. In this regard, the Resolution Professional has already filed applications before the Adjudicating Authority for suitable directions under section 19 of the Code against the promoter/ erstwhile management to seek requisite cooperation and data (which has not yet been provided to RP or the Company).

Due to the aforementioned practical challenges, the Company faced significant difficulty in organizing the AGM. Consequently, the AGM could not be convened. However, given that substantial time has already passed in convening of this AGM, which is also impacting various other compliances applicable to the Company, the Resolution Professional has taken the initiative to call and convene the AGM.

The members of the Company are requested to note that the business proposed to be transacted in this Annual General Meeting is critical to maintain the going concern status of the Company and to ensure compliance with applicable laws. Irrespective of the voting result of the business as proposed to be transacted in this Annual General Meeting, the Resolution Professional shall be bound to comply with the applicable provisions of the Code in respect of his obligations to manage the Company as a going concern and to further comply with decisions of the CoC in that regard. To this end, the members of the Company are requested to fully cooperate with the Resolution Professional.

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## NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of VIDEOCON INDUSTRIES LIMITED (Company under Corporate Insolvency Resolution Process) will be held on Monday, 26<sup>th</sup> day of August, 2024 at 09:00 a.m. at the Registered Office of the Company at 14 KM Stone, Aurangabad Aurangabad Pathan Road, Village Chittegaon Taluka Paithan Dist. Aurangabad -431 105 (Maharashtra) at (AGM) to transact the following business:

### SPECIAL BUSINESS

1. To ratify appointment and remuneration of statutory auditors of the Company appointed on account of casual vacancy caused due to the resignation of the erstwhile Statutory Auditors of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and all other rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded for ratification of appointment of M/s. KVA & Company, Chartered Accountants, (Firm Registration No. 017771C) (as approved by the Committee of Creditors (“CoC”), at its meeting held on 8<sup>th</sup> June, 2022) as the Statutory Auditors of the Company for a period of 5 (five) years from the financial year April 01, 2019 to March 31, 2024, in place of M/s. S. Z. Deshmukh & Co., Chartered Accountants, Firm Regn. No. 102380W), who had resigned as Statutory Auditors of the Company vide resignation letter dated March 10, 2021.

**RESOLVED FURTHER THAT** approval of the members be and is hereby also accorded for the ratification of the remuneration of INR. 34,80,000/- (Rupees Thirty Four Lacs Eighty Thousand Only) (excluding Out of Pocket Expenses and Taxes), per financial year, as approved by the CoC, payable to M/s. KVA & Company, Chartered Accountants, (Firm Registration No. 017771C), as the Statutory Auditors of the Company.

**RESOLVED FURTHER THAT** the Resolution Professional and/or Company Secretary of the Company be and are hereby severally authorised to file forms/returns, deeds and documents, as may be applicable, with the Registrar of Companies and other statutory

### VIDEOCON INDUSTRIES LIMITED

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Mumbai, -400021



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authorities and to do all such acts, deeds and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

2. To appoint of Mr. Babubhai Dolatsingh Vaghela (DIN: 10301042) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, under the Act and such other applicable clauses if any, under the Articles of Association of the Company and based on the recommendation of the Resolution Professional of the Company, Mr. Babubhai Dolatsingh Vaghela (DIN: 10301042), who was appointed as a Whole-time Director of the Company with effect from 14<sup>th</sup> September, 2023 and holds office up to the date of this Annual General Meeting and who qualifies for being appointed as a Whole time Director, be and is hereby appointed as a Whole time Director of the Company.

**RESOLVED FURTHER THAT** the Resolution Professional and/or Company Secretary of the Company be and are hereby severally authorised to file forms/returns, deeds and documents, as may be applicable, with the Registrar of Companies and other statutory authorities and to do all such acts, deeds and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

3. To appoint of Mr. Sanjay Kumar Palecha (DIN: 10301038) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, under the Act and such other applicable clauses if any, under the Articles of Association of the Company and based on the recommendation of the Resolution Professional of the Company, Mr. Sanjay Kumar Palecha (DIN: 10301038), who was appointed as a Whole-time Director of the Company with effect from 14<sup>th</sup> September, 2023 and holds office up to the date of this Annual General Meeting and who qualifies for

**VIDEOCON INDUSTRIES LIMITED**

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Mumbai, -400021



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being appointed as a Whole time Director, be and is hereby appointed as a Whole time Director of the Company.

**RESOLVED FURTHER THAT** the Resolution Professional and/or Company Secretary of the Company be and are hereby severally authorised to file forms/returns, deeds and documents, as may be applicable, with the Registrar of Companies and other statutory authorities and to do all such acts, deeds and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

4. To appoint of Mr. Amol Ashok Mandlik (DIN: 10367846) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, under the Act and such other applicable clauses if any, under the Articles of Association of the Company and based on the recommendation of the Resolution Professional of the Company, Mr. Amol Ashok Mandlik (DIN: 10367846), who was appointed as a Whole-time Director of the Company with effect from 31<sup>st</sup> October, 2023 and holds office up to the date of this Annual General Meeting and who qualifies for being appointed as a Whole time Director, be and is hereby appointed as a Whole time Director of the Company.

**RESOLVED FURTHER THAT** the Resolution Professional and/or Company Secretary of the Company be and are hereby severally authorised to file forms/returns, deeds and documents, as may be applicable, with the Registrar of Companies and other statutory authorities and to do all such acts, deeds and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

5. To appoint of Mr. Kalidas Vishnu Jadhav (DIN: 10367847) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and

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other applicable rules, if any, under the Act and such other applicable clauses if any, under the Articles of Association of the Company and based on the recommendation of the Resolution Professional of the Company, Mr. Kalidas Vishnu Jadhav (DIN: 10367847), who was appointed as a Whole-time Director of the Company with effect from 31<sup>st</sup> October, 2023 and holds office up to the date of this Annual General Meeting and who qualifies for being appointed as a Whole time Director, be and is hereby appointed as a Whole time Director of the Company.

**RESOLVED FURTHER THAT** the Resolution Professional and/or Company Secretary of the Company be and are hereby severally authorised to file forms/returns, deeds and documents, as may be applicable, with the Registrar of Companies and other statutory authorities and to do all such acts, deeds and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

6. To consider and ratify the remuneration of Cost Auditors for the financial year 2019 – 20 and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time and further to the approval granted by the Resolution Professional on 30<sup>th</sup> January, 2024 and approval of the Committee of Creditors (“CoC”), at its meeting held on 29<sup>th</sup> July, 2024 the Company hereby ratifies the remuneration of M/s. JSN & Co., Cost Accountants (Firm Registration No 455) Delhi, appointed as the Cost Auditor of the Company of Rs.1,20,000/- Rupees One Lakh Twenty Thousand Only) excluding applicable goods and services tax and reimbursement of other out of pocket expenses payable at actual, for conducting the audit of the cost records made and maintained by the Company pertaining to various products covered under cost audit from the financial year commencing on April 1, 2019 and ending on March 31, 2020.

**RESOLVED FURTHER THAT** the Resolution Professional and/or Company Secretary of the Company be and are hereby severally authorised to file forms/returns, deeds and documents, as may be applicable, with the Registrar of Companies and other statutory authorities and to do all such acts, deeds and take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

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**ORDINARY BUSINESS**

7. To receive, consider and adopt the standalone Audited Statement of Profit and Loss for the Financial Year ended 31 March, 2020 and the Balance Sheet as at that date together with the Cash Flow Statement and notes and annexures thereto, and the Reports of the Directors and Auditors thereon.

For VIDEOCON INDUSTRIES LIMITED  
(A Company under Corporate Insolvency  
Resolution Process by NCLT order dated  
June 6, 2018 read with orders dated August 8, 2019 and September 25, 2019)

SUJATA PARAB  
COMPANY SECRETARY & COMPLIANCE OFFICER  
MEMBERSHIP NO. A 48113

Place: Mumbai  
Date: 31<sup>st</sup> July, 2024

CIN: L99999MH1986PLC103624

Registered Office:  
14 K.M. Stone, Aurangabad Paithan Road  
Village Chittagaon Taluka Pathan  
Dist Aurangabad 431 106

**NOTES**

1. IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING"/ "ANNUAL GENERAL MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD,

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## VIDEOCON

HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% (TEN PERCENT) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT A MEMBER HOLDING MORE THAN 10% (TEN PERCENT), OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.

2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, a statement setting out the material facts concerning special business to be transacted at the Meeting is annexed and forms part of this Notice.
3. The Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 read with Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/ 2020/79 dated May 12, 2020 (collectively referred to as "SEBI Circulars") has allowed relaxation from requirement of sending the hard copy of annual report and sending proxy forms as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, Copies of the Notice of 30<sup>th</sup> Annual General Meeting together with the Annual Report are being sent by Electronic mode to all the Members whose email addresses are registered with the Company/ Depository Participant(s) who are the beneficial owners of the shares as per the particulars of beneficial owners furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). Upon request, printed copy of Annual Report will be supplied to those shareholders who has requested for the same.
4. The Company's Registrar & Share Transfer Agents are M/s. MCS Share Transfer Agent Limited having their office at 3B3, 3rd Floor, B-Wing, Gudecha Onclave Premises Co-op. Society Ltd. Saki Vihar Road, Saki Naka, Kherani Road, Andheri (E), Mumbai – 400072 Tel: 022-28516021 / 6022 / 46049717.
5. Corporate Members intending to send their authorized representative(s) to attend the Meeting in terms of Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.

### VIDEOCON INDUSTRIES LIMITED

#### Registered Office

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Village Chittegaon, Taluka Paithan, District  
Aurangabad – 431 105 India

#### New Delhi Office

Videocon Tower, Eleventh Floor, Rani  
Jansi Marg, E-1 Jhandewa Ion Extn, New  
Delhi – 110055 India

#### Correspondence Address

171 Mittal Court, 17<sup>th</sup> Floor, 'B- Wing', Plot-  
224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

6. For convenience of the Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by attendance slip, which is annexed herewith. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue. The Company shall reserve all its rights to restrict non-members of the Company from attending the meeting.
7. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the Meeting. The business set out in this Notice is also being conducted through remote e-voting. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to offer the remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. Please note that the Voting through Electronic Mode is optional. For this purpose the Company has entered into an arrangement with NSDL for facilitating e-voting to enable the shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the venue of the Annual General Meeting and have not cast their votes by availing the remote e-voting facility. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
8. In case of joint holders attending the Meeting, and who have not exercised their right to vote by remote e-voting facility, only such joint holder who is higher in the order of names shall be entitled to vote.
9. *Please note that pre-CIRP secretarial records have not been made available to the Resolution Professional for which an application under Section 19 of the IBC has been filed by the Resolution Professional (which remains sub-judice before Hon'ble Adjudicating Authority). Further, certain officials of the Videocon Group Entities and employees have resigned and demitted the offices, due to which the Resolution Professional is facing severe information asymmetry. In this context, the Company has been constrained to rely on the last Annual Return (form MGT-7) filed by the Company with Ministry of Corporate Affairs and the*

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*shareholding details as made available by the erstwhile officials/Benpos statement as provided by NSDL & CDSL.*

10. Accordingly, the notices are being sent to members (as mentioned in these documents) on the communication addresses as per the available records of the Company. In case this notice is inadvertently sent to a recipient who is no longer a shareholder of the Company, the notice is not intended for such recipient and such recipient is to disregard the contents of this notice, not rely upon the same in any manner and to return the notice to the Company.
11. It is being hereby clarified that in the absence of complete information and on account of non-cooperation from erstwhile management of the Company, the Company has relied on the available records on as is basis and is not in a position to verify the accuracy of the list of shareholders as well as factual information of any updation in the communication address of such shareholders. The Resolution Professional and Company fully disclaim to the maximum extent possible any liability arising in respect of such reliance placed by the Company on the available records, and matters connected therewith.
12. *Considering the fact that there are Directors at the Board's constitution appointed w.e.f. September 14, 2023 and October 31, 2023, the retirement by rotation would not be considered in this AGM and this will be considered at the 33<sup>rd</sup> AGM to be convened for the Financial Year 2023-24.*
13. The remote e-voting facility shall be opened from Friday, 23<sup>rd</sup> August, 2024 at 9.00 a.m. to Sunday, 25<sup>th</sup> August, 2024 upto 5.00 p.m., both days inclusive. Detailed instructions of Voting through Electronic Mode, forms part of this Notice. The remote e-voting facility shall not be allowed beyond 5.00 p.m. on Sunday, 25<sup>th</sup> August, 2024. During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is casted by the member, he shall not be allowed to change it subsequently or cast the vote again.
14. The Notice of the Meeting is being placed on the website of the Company viz., [www.videoconindustriesltd.com](http://www.videoconindustriesltd.com) and on the website of CDSL viz., [www.evotingindia.com](http://www.evotingindia.com)
15. Mr. Hemanshu Kapadia, Practicing Company Secretary; failing him Mr. Manthan Desai, Practicing Company Secretary; failing him Mr. Marmik Patel, Practicing Company Secretary have been appointed as a Scrutinizer for conducting the voting by Ballot at the Meeting and

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remote e-voting process in a fair and transparent manner. Additionally, their willingness to be appointed for the said purpose has been received by the Company. It is hereby informed that in case of any event arising due to which it is unable for them to act as the scrutinizer, the Resolution Professional shall appoint any other person as the scrutinizer.

The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes cast by Ballot at the Meeting, thereafter unblock the votes cast through remote e-voting in the manner provided in the Companies (Management and Administration) Rules, 2014 and make, not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer's Report of remote e-voting and voting by Ballot at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.videoconindustriesltd.com](http://www.videoconindustriesltd.com) and on the website of NSDL at [www.NSDL.co.in](http://www.NSDL.co.in), immediately after the results are declared by the Chairman or a person authorised by him in writing. The results shall also be submitted to Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

16. The resolutions placed for e-voting shall be deemed to be passed on the date of the Annual General Meeting of Members scheduled to be held on Monday, 26<sup>th</sup> August, 2024.
17. The Company has fixed Monday, 19<sup>th</sup> August, 2024 as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.

The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Monday, 19<sup>th</sup> August, 2024, the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot.

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Mumbai, -400021

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18. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date i.e. 19<sup>th</sup> August, 2024 may obtain the User ID and Password by sending an email request to [secretarial@videoconmail.com](mailto:secretarial@videoconmail.com). Members may also call on +91 22 96198 94307 or send a request to The Company Secretary, by writing to her at Videocon Industries Limited at 171-C, 17th Floor, C Wing, Mittal Court, Nariman Point, Mumbai - 400 021.
19. The Register of Members and Share Transfer Books shall remain closed from Tuesday, 20<sup>th</sup> August, 2024 to Monday, 26<sup>th</sup> August, 2024 (both days inclusive) for taking record of the Members of the Company for the purpose of AGM.
20. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. In the absence of any of the required documents in a folio, on or after October 01, 2023, the folio shall be frozen by the RTA. Intimation letters along with Business Reply Envelopes for furnishing the required details are being sent by the Company.
21. The Members may note that the SEBI has mandated the submission of PAN by every participant in securities market. The necessary Form ISR-1 is available on the website of the Company at [www.videoconindustriesltd.com](http://www.videoconindustriesltd.com) and on the website of the RTA at [www.mcsregistrars.com/downloads.php](http://www.mcsregistrars.com/downloads.php) under the tab KYC. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.
22. In terms of Section 72 of the Act read with the applicable Rules made under the Act, every holder of shares in the Company may at any time nominate, in the prescribed manner (Form No. SH-13), a person to whom his/her shares in the Company shall vest, in the event of his/her death. Accordingly, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be. The said forms can be downloaded from the Investor Services section from the Company's website.

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CIN: L99999MH1986PLC103624



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The duly filled in Nomination Form shall be sent to R & TA by the Members holding shares in physical mode. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

i. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

ii. Members who are holding Shares in identical order of names in more than one Folio, are requested to apply to the R & TA along with the relevant Share Certificates for consolidation of such Folios in one Folio.

23. In accordance with Section 125 of the Companies Act, 2013 and Rule 3 of Rules Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund ("IEPF"). Similarly, members are requested to note that all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF. In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members shall be entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
24. As per Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the securities of the listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, the members of the Company who are holding shares in physical form are requested to consider converting their physical holdings into dematerialised form. The members can contact the Company or M/s. MCS Share Transfer Agent Limited, Registrar and Transfer Agent of the Company, for such conversion.

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25. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:
  - a) any change in the residential status on return to India for permanent settlement.
  - b) particulars of the NRE account with a Bank in India, if not furnished earlier.
26. The relevant documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company on all working days between 12.00 Noon to 4.00 p.m. up to the date of the Meeting.
27. The Annual Report of the Company will be made available on the Company's website at [www.videoconindustriesltd.com](http://www.videoconindustriesltd.com).
28. As at the end of year (31<sup>st</sup> March, 2020), 13,01,893 equity shares held by 1,84,526 equity shareholders were unclaimed. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. The Company has kept all the unclaimed shares under abeyance/ stop and is in process of dematerialization/transfer of the said shares to Unclaimed Suspense Account – Shares. All those shareholders whose shares are unclaimed are required to contact the Company or M/s. MCS Share Transfer Agent Limited, Registrar and Transfer Agent of the Company with self-attested copy of PAN Card for each of the joint shareholder(s) and Address Proof. On receipt of the request letter and on verification form, the Company shall arrange to credit the shares lying in the Unclaimed Suspense Account to demat account of concern shareholder or deliver the share certificate(s) after re-materialising the same.
29. A route map to the venue of the meeting has been annexed at the end of this Annual Report.
30. In case of any queries regarding the Annual Report, Members may write to [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com) to receive an email response. Members desiring any information relating to the financial statements at the meeting are requested to write to us at least ten (10) days before the meeting to enable us to keep the information ready at the time of the meeting.

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## REMOTE E-VOTING INSTRUCTIONS

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 23<sup>rd</sup> August, 2024 at 09:00 a.m. and ends on 25<sup>th</sup> August, 2024 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19<sup>th</sup> August, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless

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authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders                                                                 | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | <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 to Easi / Easiest are requested to visit cdsI website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</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 &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 cdsI 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> </ol> |

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## VIDEOCON

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|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                      | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b> | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period &amp; voting during the meeting.</p> <p>2) If the user is 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></p> <p>3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period &amp; voting during the meeting</p> |

### VIDEOCON INDUSTRIES LIMITED

#### Registered Office

14KM Stone, Aurangabad-Paithan Road,  
Village Chittegaon, Taluka Paithan, District  
Aurangabad – 431 105 India

#### New Delhi Office

Videocon Tower, Eleventh Floor, Rani  
Jansi Marg, E-1 Jhandawa Ion Extn, New  
Delhi – 110055 India

#### Correspondence Address

171 Mittal Court, 17<sup>th</sup> Floor, ‘B- Wing’, Plot-  
224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

Email ID: [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com)

[www.videoconindustriesltd.com](http://www.videoconindustriesltd.com)

CIN: L99999MH1986PLC103624



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|                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period & 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. CDSL and NSDL**

| Login type                                                                | Helpdesk details                                                                                                                                                                                                           |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | 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 22 55 33 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000                  |

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

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Mumbai, -400021

Email ID: [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com)

[www.videoconindustriesltd.com](http://www.videoconindustriesltd.com)

CIN: L99999MH1986PLC103624

2) Click on “Shareholders” module.

3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

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

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224, Jamanalal Bajaj Marg, Nariman Point,  
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- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the

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CIN: L99999MH1986PLC103624



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duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800225533.

### For VIDEOCON INDUSTRIES LIMITED

(A Company under Corporate Insolvency Resolution  
Process by NCLT Order dated 6<sup>th</sup> June, 2018 read with  
Orders dated 8<sup>th</sup> August, 2019 and 25<sup>th</sup> September, 2019)

**SUJATA PARAB**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**MEMBERSHIP NO.: A48113**

**Place:** Mumbai

**Date:** 31<sup>st</sup> July, 2024

CIN: L99999MH1986PLC103624

Registered Office:  
14 K.M. Stone, Aurangabad Paithan Road  
Village Chittagaon Taluka Pathan  
Dist Aurangabad 431 106

### VIDEOCON INDUSTRIES LIMITED

#### Registered Office

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Email ID: [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com)

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CIN: L99999MH1986PLC103624

**A statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013****Item No. 1**

The erstwhile Statutory Auditors of the Company, M/s. S. Z. Deshmukh & Co., Chartered Accountants, had tendered their resignation dated October 8, 2021 with effect from financial year commencing from April 1, 2019, in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, resulting into a casual vacancy in the office of Statutory Auditors of the Company.

In terms of Section 28 of the Insolvency and Bankruptcy Code, 2016 (“IBC” / “the Code”), any change in the terms of appointment of Statutory Auditor requires approval of the Committee of Creditors (“COC”). The COC at its meeting held on 8<sup>th</sup> June, 2022, approved appointment of M/s. KVA & Company, Chartered Accountants, (Firm Registration No. 017771C), as the Statutory Auditors of the Company, for the term of 5 (Five) years i.e. for the financial year 2019-20 to 2023-24.

M/s. KVA & Company, Chartered Accountants, had consented to act as Statutory Auditors and had also confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014.

There is no financial interest of the Resolution Professional, in the said resolution.

The Resolution Professional accordingly recommends the Ordinary Resolution as set out at Item No. 1 of the accompanying notice for approval/ratification of the Members of the Company.

**Item No. 2**

Mr. Babubhai Dolatsingh Vaghela (DIN: 10301042) was appointed as a Whole-time Director on the Board of the Company effective from 14<sup>th</sup> September, 2023. He, being an Additional Director as per the provisions of Section 161 of the Companies Act, 2013 (“the Act”) holds office up to the date of the ensuing 30<sup>th</sup> Annual General Meeting of the Company and is eligible to be appointed as a Whole time Director of the Company.

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**Correspondence Address**

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224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

The Resolution Professional recommends the appointment of Mr. Babubhai Dolatsingh Vaghela (DIN: 10301042) as a Whole-time Director of the Company.

Details of Mr. Babubhai Dolatsingh Vaghela are provided in the “Annexure I” to this Notice, pursuant to the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Mr. Babubhai Dolatsingh Vaghela is interested in the resolution set out at Item No. 2 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / their relatives are, in any way, concerned or interested, in the resolution.

The Resolution Professional recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the Members.

### **Item No. 3**

Mr. Sanjay Kumar Palecha (DIN: 10301038) was appointed as a Whole-time Director on the Board of the Company effective from 14<sup>th</sup> September, 2023. He, being an Additional Director as per the provisions of Section 161 of the Companies Act, 2013 (“the Act”) holds office up to the date of the ensuing 30<sup>th</sup> Annual General Meeting of the Company and is eligible to be appointed as a Whole time Director of the Company.

The Resolution Professional recommends the appointment of Mr. Sanjay Kumar Palecha (DIN: 10301038) as a Whole-time Director of the Company.

Details of Mr. Sanjay Kumar Palecha are provided in the “Annexure I” to this Notice, pursuant to the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Mr. Sanjay Kumar Palecha is interested in the resolution set out at Item No. 3 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / their relatives are, in any way, concerned or interested, in the resolution.

### **VIDEOCON INDUSTRIES LIMITED**

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Mumbai, -400021

The Resolution Professional recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

#### **Item No. 4**

Mr. Amol Ashok Mandlik (DIN: 10367846) was appointed as a Whole-time Director on the Board of the Company effective from 31<sup>st</sup> October, 2023. He, being an Additional Director as per the provisions of Section 161 of the Companies Act, 2013 ("the Act") holds office up to the date of the ensuing 30<sup>th</sup> Annual General Meeting of the Company and is eligible to be appointed as a Whole time Director of the Company.

The Resolution Professional recommends the appointment of Mr. Amol Ashok Mandlik (DIN: 10367846) as a Whole-time Director of the Company.

Details of Mr. Amol Ashok Mandlik are provided in the "Annexure I" to this Notice, pursuant to the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Mr. Amol Ashok Mandlik is interested in the resolution set out at Item No. 4 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / their relatives are, in any way, concerned or interested, in the resolution.

The Resolution Professional recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

#### **Item No. 5**

Mr. Kalidas Vishnu Jadhav (DIN: 10367847) was appointed as a Whole-time Director on the Board of the Company effective from 31<sup>st</sup> October, 2023. He, being an Additional Director as per the provisions of Section 161 of the Companies Act, 2013 ("the Act") holds office up to the date of the ensuing 30<sup>th</sup> Annual General Meeting of the Company and is eligible to be appointed as a Whole time Director of the Company.

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224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

The Resolution Professional recommends the appointment of Mr. Kalidas Vishnu Jadhav (DIN: 10367847) as a Whole-time Director of the Company.

Details of Mr. Kalidas Vishnu Jadhav are provided in the “Annexure I” to this Notice, pursuant to the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Mr. Kalidas Vishnu Jadhav is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / their relatives are, in any way, concerned or interested, in the resolution.

The Resolution Professional recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

#### **Item No. 6**

On 30<sup>th</sup> January, 2024, the Resolution Professional has approved the appointment of M/s. JSN & Co., Cost Accountants (Firm Registration No. 455), Delhi, as the Cost Auditors of the Company to fill up the casual vacancy caused due to resignation of M/s. B. R. Chandak & Co., Cost Auditors.

M/s. JSN & Co. shall conduct the audit of the cost accounting records of the Company for the financial year commencing from April 1, 2019 to March 31, 2020 at a remuneration of Rs.1,20,000/- (Rupees One Lakh Twenty Thousand Only) excluding applicable Goods and Services Tax, reimbursement of travelling and other out of pocket expenses at actual incurred by them in connection with the aforesaid audit of the Company.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be subsequently ratified by the shareholders of the Company at a general body meeting.

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year commencing from April 1, 2019.

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None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. The Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the members.

**For VIDEOCON INDUSTRIES LIMITED**

(A Company under Corporate Insolvency Resolution  
Process by NCLT Order dated 6<sup>th</sup> June, 2018 read with  
Orders dated 8<sup>th</sup> August, 2019 and 25<sup>th</sup> September, 2019)

**SUJATA PARAB**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**MEMBERSHIP NO.: A48113**

**Place:** Mumbai

**Date:** 31<sup>st</sup> July, 2024

CIN: L99999MH1986PLC103624

Registered Office:  
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Dist Aurangabad 431 106

**VIDEOCON INDUSTRIES LIMITED**

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## ANNEXURE I

BRIEF PROFILE OF THE DIRECTOR(S) SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA]:

| PARTICULARS                                       | PROFILE OF DIRECTOR            |                          |                         |                           |
|---------------------------------------------------|--------------------------------|--------------------------|-------------------------|---------------------------|
| Name of the Director                              | Mr. Babubhai Dolatsinh Vaghela | Mr. Sanjay Kumar Palecha | Mr. Amol Ashok Mandlik  | Mr. Kalidas Vishnu Jadhav |
| DIN                                               | 10301042                       | 10301038                 | 10367846                | 10367847                  |
| Date of Birth                                     | 12/12/1965                     | 09/03/1970               | 26/01/1978              | 14/01/1972                |
| Age (in years)                                    | 59                             | 54                       | 46                      | 52                        |
| Educational qualification                         | B. Com.                        | CMA                      | MBA                     | DEE                       |
| Date of appointment                               | 14/09/2023                     | 14/09/2023               | 31/10/2023              | 31/10/2023                |
| Category of the Director                          | Whole Time Director            | Whole Time Director      | Whole Time Director     | Whole Time Director       |
| Area of expertise / Work experience               | Finance/30 Years               | Finance/28 Years         | Human Resource/25 Years | Production/31 Years       |
| Number of Board Meetings attended during the year | NA                             | NA                       | NA                      | NA                        |

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|                                                                                        |     |     |     |     |
|----------------------------------------------------------------------------------------|-----|-----|-----|-----|
| Other Directorships held in Public Limited Companies                                   | Nil | Nil | One | Nil |
| Names of other committees where Chairman                                               | Nil | Nil | Nil | Nil |
| Names of other committees where Member                                                 | Nil | Nil | Nil | Nil |
| Name of the Companies from which concerned Director has resigned in the past 3 years.  | Nil | Nil | Nil | Nil |
| Number of shares held                                                                  | Nil | Nil | Nil | Nil |
| Relationship with other Directors, Manager and Key Managerial Personnel of the Company | NA  | NA  | NA  | NA  |

\* Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies.

\*\* Directorships includes only Public Limited Companies.

### VIDEOCON INDUSTRIES LIMITED

#### Registered Office

14KM Stone, Aurangabad-Paithan Road,  
Village Chittegaon, Taluka Paithan, District  
Aurangabad – 431 105 India

#### New Delhi Office

Videocon Tower, Eleventh Floor, Rani  
Jansi Marg, E-1 Jhandewa Ion Extn, New  
Delhi – 110055 India

#### Correspondence Address

171 Mittal Court, 17<sup>th</sup> Floor, 'B- Wing', Plot-  
224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

Email ID: [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com)

[www.videoconindustriesltd.com](http://www.videoconindustriesltd.com)

CIN: L99999MH1986PLC103624

## DIRECTORS' REPORT

To,  
The members,  
**Videocon Industries Limited**

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai ("**NCLT**" / "**Adjudicating Authority**") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**" / "**the Code**") against Videocon Industries Limited ("**Corporate Debtor**") / "**the Company**", the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process ("**CIRP**") of the Corporate Debtor *vide* an order dated June 6, 2018 and appointed Mr. Anuj Jain as the insolvency resolution professional ("**CIRP Commencement**").

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, *vide* its order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies (collectively referred to as the "**Corporate Debtors**", "**Videocon Group Entities**"); and (ii) appointing Mr. Mahender Kumar Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the consolidated committee of creditors of the Corporate Debtors ("**CoC**") was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the resolution professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Kumar Khandelwal. Mr. Abhijit Guhathakurta's appointment as the resolution professional of the Videocon Group Entities ("**Resolution Professional**", "**RP**") was approved by the Adjudicating Authority *vide* its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority.

On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stood vested in the Resolution Professional.

Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "**Resolution Plan**"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the Code for its approval on December 15, 2020. Further, NCLT *vide* order dated June 08, 2021 ("**Approval Order**"), approved the resolution plan submitted by Twin Star Technologies Limited ("**Approved Plan**").

In terms of the Approved Plan, a steering committee had been constituted ("**Steering Committee**"). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the interim manager of the Corporate Debtors ("**Interim Manager**"), for undertaking the management and control the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "**NCLAT**"), the Hon'ble NCLAT, *vide* its order dated July 19, 2021 in the said Appeals (the "**Stay Order**"), inter-alia stayed the operation of the Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT *vide* its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the CoC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, "**NCLAT Final Order**"). Subsequently, pursuant to the NCLAT Final Order, the CoC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("SC Appeals"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and COC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the powers of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.

At the time of commencement of CIRP, there were three (3) Directors on the board of the Company, (i) Mr. Venugopal Nandlal Dhoot, (ii) Mr. Subhash Shamsunder Dayama and (iii) Mrs. Sarita Sanjay Surve, collectively referred to as the '**Erstwhile Directors**'. Post commencement of CIRP, the members at the general meeting held on December 17, 2018 had dissented the resolution for the appointment of Mr. Venugopal N Dhoot as director of the Company on account of majority of the Promoters, Promoters' Group and person acting in concert dissenting to the said resolution i.e., voting against the resolution. However, the committee of creditors of the Company has not approved the resultant change in the management of the Company as required in terms of the Section 28 of the Code, in light of the ongoing CIRP of the Company. Thus, Mr. Venugopal Dhoot continues to be designated as a Director of the Company.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act, 2013 (the "**Companies Act**"). Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. The relevant DIR-12 forms for cessation of their directorship could not be filed with Ministry of Corporate Affairs ("MCA") because of the technical difficulties on the MCA portal as the number of available directors falls below the minimum requirement of 3 directors. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

The Resolution Professional with the necessary approval of the COC, had also appointed Mr. Satish Motilal Totala as the Whole-Time Director of the Company w.e.f. October 5, 2020 for the purpose of complying with statutory requirements under the Companies Act and the Company had filed e-form DIR-12 to that effect.

It may also be noted that Mr. Satish Motilal Totala and Mr. Venugopal N Dhoot have incurred disqualification under section 164(2) of the Companies Act from October 31, 2022 due to the non-filing of financial statements and annual return of the Company for the last three financial years i.e. for the financial year 2019-20, 2020-21 and 2021-22. However, in terms of the first proviso to section 167(1)(a) of the Companies Act the said Directors do not vacate their office in the Company.

Thus, presently there are 2 (Two) Director on the suspended board of the Company namely Mr. Satish Motilal Totala and Mr. Venugopal N Dhoot .

In relation to Key Managerial Personnel, there is no Chief Financial Officer ("CFO") on the Board of the Company. Ms. Samridhi Kumari is acting as the Company Secretary ("CS"). Further, while the tenure of Mr. Venugopal Nandlal Dhoot as Managing Director and Chairman of the Company had ended on August 31, 2020, he continues to be designated as the Chief-Executive Officer of the Company in terms of his appointment on November 16, 2016.

In terms of the provisions of Section 96 of the Companies Act, the Company was required to hold AGM, for the financial year ended March 31, 2020, on or before November 30, 2020. Further, in terms of the provisions of the Companies Act, the Audited financial statements (standalone and consolidated) are required to be adopted at the annual general meeting. However, the Company was not able to hold annual general meeting as the Company was unable to prepare the standalone and consolidated financial statements, as required to be prepared in terms of Section 129(3) of the Companies Act as there was lack of cooperation to the Resolution Professional from the promoters and the erstwhile management of the Company. The requisite financial statements of the Subsidiaries, Joint Ventures and Associates were also

not made available to the Company for preparing consolidated financial statements. In this regard, the Resolution Professional has also filed an application with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the Company, for providing various data, including those that are required for preparing financial statements. The requested data is still not made available to be Resolution Professional. Thus, these financials have been prepared on the basis of available data on best effort basis.

Further, considering the uncertainty about the receipt of the financial statements of the subsidiaries, joint ventures and associates, the Company, in partial compliance and as a part of good governance practices, has decided to convene the Annual General Meeting without any further delay basis the Standalone Financial Statements.

Pursuant to Consolidation of CIRP of Videocon Group Entities, due to limited availability of resources, the accounting and secretarial compliances of Videocon Group Entities (including the Corporate Debtor) are being collectively managed by employees, officials and consultants of Videocon Group Entities (hereinafter referred to as "**Group Resources**").

The audited statement of Profit and Loss for the financial year ended on March 31, 2020 and the Balance Sheet as at date together with the Cash Flow Statement and notes and annexures thereto; and the Reports of the Directors (the "**Financial Statements**") have been prepared by the Group Resources and accordingly, basis the confirmation provided by the Group Resources of the veracity and reliability of these Financial Statements, these Financial Statements have been taken on record and signed by Mr. Abhijit Guhathakurta, the resolution professional of the Company, subject to the following disclaimers:

- i. The RP has assumed control of Corporate Debtor from with effect from September 27, 2019 and therefore was not in control of the operations or the management of the Corporate Debtor for the period prior to his assumption of office. On this account, RP does not have any visibility as to the matters that transpired prior to the date of his assumption of office as the RP of the Company and is not in a position to independently verify or ascertain the matters as stated or reported in the said Financial Statements and/ or accompanying documents in respect of matters prior to the date of his assumption.
- ii. These Financial Statements are being furnished in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of IBC. Further, pursuant to Regulation 39(7) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("**CIRP Regulations**"), RP should be protected against any actions of the Corporate Debtor prior to assumption of his office. RP disclaims any liability whatsoever on account of signing these Financial Statements.
- iii. No statement, fact, information or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors.
- iv. These Financial Statements have been prepared solely on the basis of confirmations, representations and statements made by the Group Resources. The RP has assumed that all information and data as provided by Group Resources in the Financial Statements are in conformity with applicable laws with respect to the preparation of the Financial Statements and is true and correct. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the Financial Statements. In any case, considering that the said Financial Statements relate to certain matters prior to RP's incumbency, RP is not in a position to either independently verify such matters as stated herein nor to make any representation or warranty in relation to these aspects.
- v. The Group Resources and the RP (including his team) have relied on the opening Balance Sheet and the balances reflected in available accounts / ledgers/ trial balance as on March 31, 2019, without going into the merits of such balances outstanding towards such accounts / ledgers. Since these matters pertain to period prior to assumption of his office, the RP is constrained to rely on these materials on as is basis, without being able to independently verify or ascertain matters in relation to the same. No adjustments have been made to such accounts / balances except for giving effect to the transactions entered subsequently from April 1, 2019.
- vi. These Financial Statements have been prepared and are being finalized solely for the purposes of compliance of the Company in terms of applicable law. Considering that currently the pre-CIRP

director is not cooperating with the RP, the RP is signing these Financial Statements merely for this limited purpose of achieving compliance status of the Company in terms of applicable law.

- vii. The matters as contained in these Financial Statements (including the opening balances) continue to be subject to the look-back period as prescribed under IBC for avoidance transactions. In this regard, RP in compliance of his duties under the IBC had reported certain transactions to be declared as void and set aside by the Hon'ble Adjudicating Authority in exercise of its powers under Chapter III and Chapter IV of the IBC. Adjustments, if any, for such transaction(s) may be made upon further directions from NCLT and/or upon any order being passed by NCLT. Mere affixation of signatures by RP on these Financial Statements should not be construed as conflicting or diluting in any manner such proceedings which are lodged by the RP against the concerned persons for matters discovered as within the ambit of avoidance transactions under Section 43, 45, 50 & 66 of the IBC.
- viii. There are ongoing investigations against Videocon Group Entities by different government agencies, including Serious Fraud Investigation Office ("SFIO") and Directorate of Enforcement ("ED"). Merely by affixation of signatures by RP on these Financial Statements, RP cannot be said to have any cognizance or knowledge of matters contained herein which pertain to period prior to assumption of his office. RP is signing these financials, fully relying in good faith upon these financials as prepared by Group Resources. Accordingly, merely by affixation of signatures by RP on these financials in good faith, no proceedings can be initiated, nor RP be implicated in ongoing proceedings for matters contained herein which entirely relate to period prior to his incumbency.
- ix. The Resolution Professional has filed an applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the Company, for providing various data, including those that are required for preparing Financial Statements and data requested by various investigating agencies. The requested data is still not made available to be Resolution Professional except for certain minutes of Meeting of Board of Directors, Committees and Members, which were received through the office of Serious Fraud Investigation Office. Accordingly, without prejudice to matters contained hereinabove, RP could not in any event have independently verified all the information contained in the Financial Statements.

The 30<sup>th</sup> Annual Report of the Company together with the audited statements of accounts for the year ended March 31, 2020 is presented hereinbelow:

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## PERFORMANCE REVIEW

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The financial performance of the Company, for the financial year ended on March 31, 2020 is summarized below:

| (Rs. in Million)              |                                        |                                        |
|-------------------------------|----------------------------------------|----------------------------------------|
| Particulars                   | Financial Year Ended<br>March 31, 2020 | Financial Year Ended<br>March 31, 2019 |
| Revenue from Operations       | 7336.17                                | 9065.97                                |
| Other Income                  | 628.24                                 | 1560.16                                |
| Total Income                  | 7964.41                                | 10626.13                               |
| Total Expenses                | 55,104.32                              | 65,606.77                              |
| Profit /(Loss) Before Tax     | (47,139.91)                            | (67,607.55)                            |
| Tax Expenses (Deferred Tax)   | -                                      | (1506.54)                              |
| Profit /(Loss) for the Period | (47,139.91)                            | (67,607.55)                            |

During the year, on account of the Company being into CIRP and various constraints and complexities, the operations were impacted. Further, the Covid-19 pandemic also had impacted the business and operations of the Company.

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## INDIAN ACCOUNTING STANDARDS

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The MCA, vide its notification in the Official Gazette dated February 16, 2015 has issued Companies (Indian Accounting Standards) Rules, 2015. Accordingly, in compliance with the said Rules, the Financial Statements of the Company for the Financial Year 2019-20 have been prepared as per Indian Accounting

Standards, subject to the necessary clarifications explained elsewhere in this report and in Notes to the Accounts.

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## CHANGE IN THE NATURE OF BUSINESS

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There was no change in the nature of business of the Company during the year under review.

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## CORPORATE GOVERNANCE

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The Company has complied with the corporate governance requirements under the Companies Act, , and as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR)**”) to the extent practically possible and feasible in view of various constraints and complexities on account of the Company being into CIRP. A separate section on Corporate Governance under SEBI (LODR) along with a certificate from the Company Secretary in whole time practice confirming the compliance is marked as ‘**Annexure- 1**’ and forms part of this Directors Report.

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## DIVIDEND

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As the Company is admitted under CIRP, no dividend is recommended for the financial period ended March 31, 2020.

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## TRANSFER TO RESERVES

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As the Company is admitted under CIRP, the Company do not propose to transfer any amount to the General Reserves.

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## TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act and as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“**IEPF Rules**”), the Company was required to transfer the unclaimed dividend pertaining to the financial year 2010-11 of Rs. 6,06,789.50/. However, due to certain challenges faced in accessing data pertaining to the said financial year, the Company couldn’t transfer the unclaimed dividend to the Investor Education and Protection Fund (“**IEPF**”). The Company is in the process of transferring the said amount to IEPF.

The Company has kept all the unclaimed shares under abeyance and is in the process of marking stop transfer instruction and consequently dematerialization/ transfer of the said shares to Unclaimed Suspense Account – Shares. As at the end of year (31<sup>st</sup> March, 2020), 13, 01,893 equity shares held by 1,84,526 equity shareholders were unclaimed. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

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## ISSUES/ALLOTMENT

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During the year under review, the Company has not issued/ allotted any Equity Shares.

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## DEPOSITS

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

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## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURED AFTER THE BALANCE SHEET DATE AND AS AT THE DATE OF SIGNING THIS REPORT

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Apart from the developments in the ongoing CIRP of the Company, which has been explained before in this report, there were no other material changes and commitments affecting the financial position of the Company which occurred after the balance sheet date and as at the date of signing of this report.

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## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS 186**

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The Company has not extended any new Loans, Guarantees or Investments in terms of Section 186 during the financial year. Accordingly, the disclosures pursuant to Section 134(3)(g) read with Section 186 of the Companies Act and Schedule V of the SEBI (LODR), are not applicable.

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## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS AS PER SECTION 188(1)**

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Pursuant to the provisions of Section 28 of the Code, the Company can enter into related party transactions during CIRP period only after the approval of the CoC. During the year under consideration, the RP had after his assumption of office taken requisite approvals from the CoC, wherever required, for entering into related party transactions as required under the Code.

Further, since Videocon Group Entities are under a group insolvency, for enhancement of value of the Videocon Group Entities as a whole, it was agreed in the 3<sup>rd</sup> consolidated CoC by all CoC members that the funds of Videocon Industries Limited (VIL) should be used for meeting shortfall in the fixed costs of the other 12 companies under consolidated CIRP as well as for meeting operational gap for productive business activities. The members of CoC had unanimously authorized the RP to utilize funds of VIL on a need-based basis for meeting the shortfall in fixed costs of other 12 group companies and also for meeting any operational requirements for carrying out business / manufacturing activities in these companies with an overall objective to maintain going concern nature, ensure continued business operations and in order to maximize value of the assets of Videocon Group Entities. However, this should not be treated as the additional lending in terms of the provisions of the Companies Act.

There are no other related party transactions made by the Company which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders.

The disclosure, in terms of Section 134(3)(h) of the Companies Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable.

The Policy on Related Party Transactions, as formulated prior to CIRP Commencement by the erstwhile management, is uploaded on the website of the Company at the following URL-[Policy on Related Party Transactions](#)

However, since the Company is undergoing consolidated CIRP with 12 other Videocon group entities, the said policy may not be relevant and applicable to the Company as on date, especially in relation to the transactions *inter se* other group entities undergoing consolidated CIRP.

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## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

---

There is no change in the subsidiaries, joint ventures and associates during the year. As on March 31, 2020, your Company has following subsidiaries, joint ventures and associates namely:

### **A. Subsidiaries (including step down subsidiaries):**

1. Electroworld Digital Solutions Limited (Formerly: Videocon International Electronics Limited),
2. Jumbo Techno Services Private Limited,
3. Pipavav Energy Private Limited,
4. Prosperous Energy Private Limited,
5. Senior Consulting Private Limited,
6. Videocon Australia WA-388-P Limited,
7. Videocon Brasil Petroleo Ltda.,
8. Videocon Easypay Private Limited (Formerly: Datacom Telecommunications Private Limited),
9. Videocon Electronics (Shenzhen) Limited,
10. Videocon Energy Brazil Limited,
11. Videocon Energy Limited,

12. Videocon Global Limited,
13. Videocon Hydrocarbon Holdings Limited,
14. Videocon Indonesia Nunukan Inc.,
15. Videocon JPDA 06-103 Limited,
16. Videocon Mauritius Energy Limited,
17. VOVL Limited (Formerly: Videocon Oil Ventures Limited) and
18. Videocon Telecommunications Limited.

B. Joint Ventures:

1. Videocon Infinity Infrastructures Private Limited
2. IBV Brasil Petroleo Limitada

C. Associates:

1. Radium Appliances Private Limited
2. VISPL LLP

The Company has pledged 100% equity shares of VOVL Limited with the SBICAP Trustee Company Limited ('Trustee') for the benefit of lenders of the LOC/SBLC Facility by way of a first charge and for the benefit of lenders of Rupee Term Loan facility by way of second ranking pledge. In early 2018, consequent to event of default, these shares were invoked by the Trustee and are held in trust for the benefit of the lenders. Pending appropriation consequent to invocation, VOVL Limited is continued to be shown as 'Subsidiary' of the Company.

In terms of the requirements of Section 129(3), the Company is required to prepare a consolidated financial statement of the Company and all its subsidiary, associates and joint ventures. Further, the Company is also required to attach along with its Financial statement, a separate statement containing the salient features of the Financial Statement of its subsidiary company or subsidiaries and associate companies or companies in AOC-1. However, in absence of the requisite financial statements of the Subsidiaries, Joint Ventures and Associates, the Company is unable to prepare the Consolidated Financial Statement as on March 31, 2020 and separate statement containing the salient features of the financial statement of its subsidiary company or subsidiaries and associate companies or companies in AOC-1. In this regard, it may be noted that the Resolution Professional has filed an application with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the Company, for providing various data, including those that are required for preparing consolidated financial statements of the Company. The requested data is still not made available to be Resolution Professional.

The Policy for determining material subsidiary companies, as formulated prior to CIRP Commencement by the erstwhile management, can be accessed on the Company's website at the link <https://www.videoconindustriesltd.com/Documents/Policy%20on%20material%20subsidiary.pdf>.

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## COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

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The policy on directors' appointment and remuneration, as formulated prior to CIRP Commencement by the erstwhile management sets out the criteria for directors' appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of directors. However, since the Company is into CIRP, the said policy may not be relevant and applicable to the Company as on date. Other details under this section form part of the Corporate Governance Report.

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## EMPLOYEES REMUNERATION

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Information required pursuant to Section 197(12) of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure- 2' and forms part of this Directors Report.

A statement containing, inter alia, the names of top ten employees in terms of remuneration drawn and every employee employed throughout the financial year and was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees and, employees employed for any part of the year and in receipt of remuneration at a rate which, in the aggregate, was not less than eight lakh

and fifty thousand rupees per month, pursuant to Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as ‘Annexure- 2A’ and forms part of this Directors Report.

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## CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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### A. Conservation of Energy:

The Company continues to utilize the existing available infrastructure to conserve energy. Considering the Company is into CIRP, no fresh investment was made on technology for energy conservation. Since no fresh investments were made towards technology, no new benefits were derived.

### B. Technology Absorption:

The Company has not imported any technology since commencement of CIRP. Further, the Company has not incurred any expenditure (capital or recurring) on R&D and accordingly, the percentage of expenditure to the total turnover is Nil

### C. Foreign Exchange Earning and Outgo:

(Rupees In Millions)

| Foreign Exchange Earnings And Outgo | FY 2020 | FY 2019 |
|-------------------------------------|---------|---------|
| a. Foreign exchange earnings        | Nil     | 84.03   |
| b. CIF Value of imports             | Nil     | 65.27   |
| c. Expenditure in foreign currency  | Nil     | 157.06  |

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## RISK MANAGEMENT POLICY OF THE COMPANY

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Since the Company is currently into CIRP, the RP continues to take business decisions, in consultation with the CoC and the Group Resources, wherever required, to mitigate risks if any.

The Company also has in place a Risk Management Committee / Risk Management Policy, as was formulated prior to CIRP Commencement. However, since the Company is into CIRP, the said policy may not be relevant and applicable to the Company as on date. Other details related to this section form part of the Corporate Governance Report.

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## CORPORATE SOCIAL RESPONSIBILITY POLICY

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As the net profits for the three immediately preceding financial years were negative, the Company was not required to make any CSR expenditure during Financial Year 2019-2020.

Other details related to this section form part of the Corporate Governance Report.

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## HEALTH & SAFETY

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The Company has taken adequate measures towards health & safety of the employees. In line with the SEBI's directives, the Company has also made necessary disclosure with the stock exchange(s) on impact of the Covid-19 pandemic inter-alia including health and safety measures and the said disclosure is accessible on the website of the Company.

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## ENVIRONMENTAL PROTECTION

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The Company continued the practices formulated prior to the commencement of CIRP for the environment protection, wherever possible.

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## **INFORMATION TECHNOLOGY**

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The Company continues to optimally utilize the available Information Technology infrastructure, to the extent practical and possible.

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## **DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

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During the year under review, there were no complaints filed / pending with the Company with respect to sexual harassment.

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## **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

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As on the date of this report, there are no Independent Directors available with the Company. Further, in terms of the requirements of the Code, all eligible directors of the Company are invited to the meetings of the CoC to enable them be aware of all the significant events/changes in relation to the Company.

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## **DETAILS OF DIRECTORS/KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE PERIOD**

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### **Directors**

At the time of commencement of CIRP, there were three (3) Directors on the board of the Company, (i) Mr. Venugopal Nandlal Dhoot, (ii) Mr. Subhash Shamsunder Dayama and (iii) Mrs. Sarita Sanjay Surve, collectively referred to as the '**Erstwhile Directors**'. These 3 directors, also continued to be directors as on April 1, 2019, basis the filings made with the stock exchanges for quarter ended March 31, 2020. The number of companies in which they hold the memberships/ chairmanships of Board Committees, as stipulated under SEBI (LODR) Regulations, 2015 is provided in the Corporate Governance Section of this Annual Report.

### **Events after the Balance Sheet Date**

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. The relevant DIR-12 forms for cessation of their directorship could not be filed with MCA because of the technical difficulties on the MCA portal as the number of available directors falls below the minimum requirement of 3 directors. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

The Resolution Professional with the necessary approval of the COC, had also appointed Satish Motilal Totala as the Whole-Time Director of the Company w.e.f. October 5, 2020 for the purpose of complying with statutory requirements under the Companies Act, and the Company had filed e-form DIR-12 to that effect.

It may also be noted that, Mr. Satish Motilal Totala and Mr. Venugopal N Dhoot have incurred disqualification under section 164(2) of the Companies Act from October 30, 2022 due to the non-filing of financial statements and annual return of the Company for the last three financial years i.e. for the financial year 2019-20, 2020-21 and 2021-22. However, in terms of the first proviso to section 167(1)(a) of the Companies Act, they do not vacate their office in the Company.

Thus, presently there are only 2 (Two) Directors on the board of the Company namely Mr. Satish Motilal Totala and Mr. Venugopal Dhoot.

Mr. Satish Motilal Totala was first appointed as a Whole-Time Director of the Company for a period of 2 (Two) years & Occupier of the Factory of the Company (in terms of the provisions of the Factories Act, 1948) situated at 14 K.M. Stone, Aurangabad-Paithan Road, Village Chittegaon, Tal.: Paithan, Dist.: Aurangabad – 431 105, with effect from October 05, 2020 in pursuance to the approval of the Committee of Creditors of the Company at its meeting held on September 2, 2020. As the Company is still undergoing the CIRP, the Company had decided to extend the tenure of his appointment as a whole-time director of the Company for a further period of one (1) year with effect from October 5, 2022, on the same terms and conditions. This extension continues to be subject to ongoing CIRP of the Company and its outcome. Further, in light of the proviso under Section 167(1) of the Companies Act Mr. Satish Totala shall continue to be the director of the Company only for the present term i.e. for a period of 1 (one) year with effect from October 5, 2022 and shall not be eligible for re-appointment thereafter.

A brief profile of Mr. Satish Motilal Totala, Director seeking confirmation/appointment, as stipulated under Secretarial Standard 2 issued by the Institute of Company Secretaries of India shall form part of the notice convening the annual general meeting to be circulated separately.

#### **Details of Key Managerial Personnel:**

At the start of the financial year, there was no CFO or CS available with the Company. During the year under review but prior to the assumption of office of the Resolution Professional, Ms. Samridhi Kumari was appointed as the Company Secretary and Compliance Officer (“CS”) of the Company w.e.f. April 1, 2019 and Mr. Rajneesh Gupta was appointed as the Chief Financial Officer (the “CFO”) of the Company on 02<sup>nd</sup> April, 2019. However, Mr. Rajneesh Gupta had thereafter tendered his resignation from the post of CFO w.e.f. December 31, 2019.

#### **Changes after the balance sheet date:**

While the tenure of Mr. Venugopal Nandlal Dhoot as Managing Director and Chairman of the Company had ended on August 31, 2020 he continues to be designated as the Chief-Executive Officer of the Company in terms of his appointment dated November 11, 2016.

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#### **DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

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For the year under consideration, the Company had not received declaration from Independent Director of the Company under Section 149 of the Companies Act and the provisions of SEBI (LODR) stating that they meet the criteria of independence as provided therein. Further, since the Company has been referred to NCLT under the Code as amended from time to time, evaluation of performance of Directors, Board or the Committees could not be carried out and no separate meeting of Independent Directors was held during the year.

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#### **NUMBER OF MEETINGS OF THE BOARD HELD DURING THE PERIOD**

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During the financial period under review, 2 (Two) Meeting of the Directors was held as per the directions of Resolution Professional. Further details in respect of the said meeting are provided in the Corporate Governance Report.

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#### **COMMITTEES OF THE BOARD**

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The following committees were constituted prior to CIRP Commencement, by the erstwhile management, pursuant to the provisions of the Companies Act and provisions of the SEBI (LODR):

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders’ Relationship Committee (Administrative and Shareholders / Investors Grievance Committee)
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Finance and General Affairs Committee
7. Re-organisation Committee

The composition, scope and powers of the aforementioned committees together with details of meetings held during the period under review, forms part of Corporate Governance Report.

It may be noted that since the Company is into CIRP, the powers of board of directors (and its committees) stand suspended and are to be exercised by the insolvency professional.

The details regarding the attendance and the date of Committees Meetings are provided in the Corporate Governance Report.

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## PERFORMANCE ANNUAL EVALUATION

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Consequent to commencement of CIRP, the formal annual performance evaluation was not carried out.

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## WHISTLE BLOWER POLICY / VIGIL MECHANISM

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The Company has in place a Whistle Blower Policy, as formulated prior to CIRP Commencement by the erstwhile management. During the year under review, the Company has not received any complaints under the Vigil mechanism. The Whistle Blower Policy of the Company has been displayed on the Company's website at the link: <http://www.videoconindustriesltd.com/Documents/Whistle%20Blower%20policy.pdf>

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## LISTING

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The equity shares of the Company are listed on the BSE Limited (Formerly: The Bombay Stock Exchange Limited) and the National Stock Exchange of India Limited (NSE). The Foreign Currency Convertible Bonds (FCCBs) issued by the Company are listed on the Singapore Exchange Securities Trading Limited.

The Company was delisted from the Bourse de Luxembourg i.e. Luxembourg Stock Exchange with effect from May 1, 2019 due to non-compliance with the Rules and Regulations of the Luxembourg Stock Exchange.

In June 2021, pursuant to the NCLT Approval Order, and in terms of the Approved Plan, the Company had applied for de-listing of equity shares from both the aforesaid stock exchanges. However, these delisting applications remain pending before the stock exchanges, pending the outcome of the SC Appeals.

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the SEBI (LODR) is marked as '**Annexure- 3**' and forms part of this Directors Report.

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## CASH FLOW STATEMENT

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The Cash Flow Statement for the year ended March 31, 2020, in conformity with the provisions of the Companies Act and SEBI (LODR) is annexed hereto.

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## AUDITORS AND THEIR REPORTS

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### 1. STATUTORY AUDITORS:

The erstwhile statutory auditors of the Company, M/s. S. Z. Deshmukh & Co., Chartered Accountants, Mumbai had tendered their resignation dated October 8, 2021 (received by the Resolution Professional on October 11, 2021) w.e.f. financial year commencing from April 1, 2019.

In terms of section 17 of the Code, any change in the terms of appointment of the statutory auditor requires approval of the Committee of Creditors. Accordingly, basis the written consent and certificate submitted by M/s KVA and Co., Chartered Accountants (Firm Registration No. 017771C), in terms of the provisions of section 139 (1) of the Companies Act read with Rule 4 the Companies (Audit and Auditors) Rules, 2014, the CoC, at its meeting held on June 8, 2022 (with e-voting concluded on June 17, 2022), had approved appointment of M/s KVA and Co. as the Statutory Auditors of the Company for the term period of five (5) years from the financial year April 1, 2019 to March 31, 2024.

In terms of the provisions of Section 139 of the Companies Act and the Rules made thereunder, M/s KVA & Company, Chartered Accountant (Firm Reg. No: 017771C) shall hold office upto the conclusion of the ensuing Annual General Meeting of the Company and shall be appointed as Auditor for a further period of 4 (Four) Years from the conclusion of this AGM till the AGM of the Company to be held for financial year ended on March 31, 2024.

In terms of the requirements of Regulation 36(5) of SEBI (LODR) the following disclosure is made:

- (a) The CoC at its meeting held on June 08, 2022 approved appointment of M/s KVA & Company, Chartered Accountant (Firm Reg. No: 017771C) as the Statutory Auditors of the Company for a period of 5 (Five) years to conduct Audit of the Financial Statements of the Company for the financial year commencing from April 1, 2019 till the financial year ending on March 31, 2024 at an annual fee of INR 34.8 lakhs (excl. OPE and taxes). The fees paid/payable to the Statutory Auditors is in line with the market trend and commensurate with the activities of the Company.
- (b) The basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed is as under:

| Sr. No. | Particulars                                                                   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Name of the Auditor                                                           | M/s KVA & Company, Chartered Accountant (Firm Reg. No: 017771C)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2.      | Reason for change, viz. appointment, resignation, removal, death or otherwise | Appointment as the Statutory Auditors to fill the vacancy caused by resignation of M/s S. Z. Deshmukh & Co., Chartered Accountants.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 3.      | Date of Appointment and Terms of Appointment                                  | Appointed as the Statutory Auditors of the Company on June 17, 2022 for a period of 5 (five) years to hold office as such and conduct Audit of the Company for the financial year commencing from April 1, 2019 till the financial year ending on March 31, 2024                                                                                                                                                                                                                                                                                                                                                  |
| 4.      | Brief Profile                                                                 | <p>M/s KVA &amp; Company, Chartered Accountants is registered with the Institute of Chartered Accountants of India (the "ICAI") vide Firm Registration No. 017771C. The Firm has 21 associates at different locations of India and has offices in Delhi, Gurgaon, Lucknow. The registered office of the Firm is located at "180-B, Near S Hospital, Arya Nagar, Sitapur, Uttar Pradesh – 262001."</p> <p>The Firm provides services in the areas of Audit and Assurance, Accounting, Taxation (Direct and Indirect), Management Consultancy, Custom Import/Export, Business Activity &amp; Corporate Law etc.</p> |

## 2. STATUTORY AUDIT REPORT:

M/s KVA & Company, Chartered Accountant (Firm Reg. No: 017771C), the Statutory Auditors of the Company have submitted Auditors Report, which has qualifications, disclaimers and observations on the financial statements, compliance with other Legal & Regulatory Requirements and adequacy and effectiveness of Internal Financial Controls, for the financial year ended on March 31, 2020.

### Auditors Qualification:

The qualifications, disclaimers and observations raised by the Statutory Auditors in their report for the period ended on March 31, 2020 is set out and marked as 'Annexure 4'.

In response to the qualifications / observations raised by the Statutory Auditor, the Resolution Professional re-iterates that-he has relied on the confirmations provided by the Group Resources who have prepared the

Financial Statements of the Company basis the available data. Further, as explained in the notes to accounts of the Financial Statements:

- a) the Group Resources and the RP (including his team) have relied on the opening Balance Sheet and the balances reflected in available accounts / ledgers/ trial balance as on March 31, 2019, without going into the merits of such balances outstanding. No adjustments have been made to such accounts / balances except for giving effect to the transactions entered subsequently from April 1, 2019.
- b) since the Company is under CIRP and various Prospective Resolution Applicants (“**PRAs**”) were conducting their independent due-diligence for submitting a resolution plan, it was material to ensure that any change in books of the Corporate Debtor on account of revaluation of assets, impairment assessment, ascertainment of Fair Market Value of assets etc. does not provide any indicative pricing on the assets of the Corporate Debtor to the PRAs. Thus, in the interest of value maximization under CIRP for all stakeholders, certain assets like property plant and equipment, unquoted investments, loan & advances, inventories etc. have been recorded at their carrying values after relevant adjustments for actual transactions undertaken during the financial year. Also, no additional provision has been made on outstanding receivables.
- c) an independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. In this regard, RP in compliance of his duties under the IBC has filed an application with NCLT to declare such transactions as void and be set aside. Adjustments, if any, for such transaction(s) may be made upon further directions from NCLT and/or upon any order being passed by NCLT.
- d) there are ongoing investigations against Videocon Group Entities by different government agencies. The Resolution Professional has been fully supportive and cooperative in the investigation being carried out by the statutory investigative agencies, including SFIO and ED.
- e) the Resolution Professional has filed an applications with Hon’ble NCLT under **section 19** of the Code seeking co-operation from promoters and erstwhile management of the Company, for providing various data, including those that are required for preparing Financial Statements and data requested by various investigating agencies. The requested data is still not made available to the Resolution Professional. Thus, in the absence of required relevant data, the Financials Statements have been prepared on the basis of available data on best effort basis.
- f) In light of the aforesaid reasons, confirmations and reconciliation of balances of certain trade receivables, trade and other payables and loans and advances could also not be obtained.
- g) Post assumption of office of the Resolution Professional, all payments are being approved only by the Resolution Professional (with requisite approval from the CoC, wherever required as per applicable provisions of the Code). The Company has established effective controls for monitoring CIRP period transactions undertaken post assumption of office of the Resolution Professional.
- h) Considering the Company is being run as a going concern under CIRP, the financial statements have been prepared on going concern basis.

Thus, owing to various financial and operational constraints including but not limited to non-cooperation from Erstwhile Directors/ management and promoters of the Company, non-availability of detailed books of accounts and various supporting documents and records for pre-CIRP period, resignation of past employees / consultants from accounts function, the preparation of Financial Statements of the Company has faced several limitations. The RP had taken necessary steps under the Code to seek the requisite data and had further filed application under Section 19 of the Code seeking requisite cooperation and data from promoters and erstwhile management of the Company, and the requisite data has still not been made available, and the proceedings before the Hon’ble NCLT against the erstwhile management of the Company for seeking the necessary information and cooperation remains sub-judice.

### **3. COST AUDITOR AND COST AUDIT REPORT:**

In accordance with the provisions of Section 148 of the Companies Act read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and amendments made thereto from time to time, and based on the recommendations of the officials of the Company and with the approval of the Resolution Professional, B. Sen & Co. Cost Accountants (Membership No. 6324), Aurangabad, were appointed as the Cost Auditors of the Company, to conduct audit of Cost Accounting Records maintained by the Company for the financial year ending March 31, 2020 in respect of the products covered as below:

1. Electricals or Electronic Machinery
2. Other Machinery and Mechanical Appliances
3. Petroleum Products

Later on, B. Sen & Co. had resigned as the Cost Auditor of the Company for the financial year ended March 31, 2020.

Accordingly, the Company was required to make afresh appointment of the cost auditor to fill the casual vacancy as occurred under provisions of Section 148. Therefore, based on the recommendations of the officials of the Company and with the approval of the Resolution Professional, the Company had appointed B.R. Chandak & Co., Cost Accountant as the Cost Auditor to conduct the cost audit of the Company for the financial year ended on March 31, 2020.

The remuneration payable to the Cost Auditor for financial year ending March 31, 2020 has also been ratified by the members of the Company at the annual general meeting held on December 30, 2019 by way of an Ordinary Resolution for ratification of the remuneration amounting to Rs. 75,000/- (Rupees Seventy Five Thousand Only) plus applicable tax and out of pocket expenses.

Additionally, it may also be noted that the Cost Auditor has issued his reports for financial year ending March 31, 2018 and March 31, 2019. This relates to period much prior to the date of appointment of the Resolution Professional, including period prior to CIRP Commencement. Consequent to admission of the Company under CIRP, certain officials of the Company have resigned and demitted office. Further, there has been lack of cooperation from the promoters and the erstwhile management of the Company in sharing all requisite information with the Resolution Professional. In this regard, the Resolution Professional has filed applications under Section 19 of the Code before the Hon'ble NCLT, seeking cooperation from the promoters and the erstwhile management of the Company. However, despite numerous follow-ups, the Resolution Professional has not received requisite data from the promoters of Videocon Group Entities. Thus, in the absence of authenticated data for period prior to CIRP Commencement, the Resolution Professional was not in a position to verify or collate information relating to this cost audit of prior periods and hence the Company couldn't file the cost audit report for the financial year ended on March 31, 2018 and March 31, 2019.

However, considering the fact that the Company had been issued Show Cause Notice ('SCN') for non-compliance under section 148(6) of the Companies Act for the financial year 2018-19, which pertained to period prior to the appointment of the Resolution Professional, the Company is, based on the confirmations given by the Cost Auditor to the Group Resources and with an intent to comply with the SCN, has submitted the requisite response along with the Cost Audit Report for the financial year 2018-19 with the Cost Audit Branch, Ministry of Corporate Affairs and had also tried filing e-form CRA-4 for Cost Audit Report under e-form GNL-2 in order to comply with the requirement of the Circular 08/2020 dated 6th March, 2020 ("General Circular"). The Company is endeavouring to resolve the technical issue and make the filings of the said Cost Audit Reports under GNL-2 at the earliest possible.

However, filing / submission of the aforesaid cost audit reports should not constitute that Resolution Professional has taken the said Cost Audit Reports on record or has confirmed the accuracy, veracity or completeness of the data or information contained in the said reports. RP is not in a position to independently verify or ascertain the accuracy, matters and information as stated or reported in the aforesaid cost audit report for FY 2018-19, and/or accompanying documents, in respect of matters prior to the date of his assumption.

### **4. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

Section 204 of the Companies Act inter-alia requires every listed company to annex to its Board's Report, a secretarial audit report given by a Company Secretary in practice, in the prescribed form.

The Resolution Professional, in compliance with Section 204 of the Act had, based on the recommendations of the secretarial team of Videocon Group Entities, appointed Mrs. Gayathri R. Girish, Company Secretary in Whole-Time Practice, Pune (Membership No. 18630, C.P. No. 9255) to carry out the Secretarial Audit for the financial period ended on March 31, 2020. The Report of the Secretarial Audit in Form MR-3 for the financial year ended March 31, 2020 is marked as '**Annexure- 5**' and forms part of this Report and consists of the observations stated by the Secretarial Auditor.

In respect of observations raised by the Secretarial Auditor, the following explanations are being placed on record:

- *The Company is not having various financial, secretarial and cost records for periods up to CIRP Commencement as the same were not handed over by the promoters / erstwhile management to the Resolution Professional. The Resolution Professional has already filed applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the Company, for providing various data, including secretarial records of the Company.*
- *Certain delays in compliances / non-compliances identified by the secretarial auditor pertain to period prior to commencement of CIRP and / or prior to his assumption of office as the Resolution Professional. Further, such past delays / non-compliances also had an impact on the compliances falling due during tenure of the Resolution Professional.*
- *Post assumption of office of the Resolution Professional, the Company has endeavored to comply with various pending secretarial compliances of the Company, to the extent feasible and possible, including those pertaining to period prior to his assumption of office.*
- *The Company couldn't transfer the unclaimed dividend to the IEPF due to certain challenges in obtaining data pertaining to FY 2010-11.*

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#### **DETAILS OF FRAUDS REPORTED BY AUDITORS (OTHER THAN REPORTABLE TO CENTRAL GOVERNMENT)**

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There is no fraud/misconduct detected at the time of statutory audit by the Auditors of the Company for the financial year ended on March 31, 2020.

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#### **INTERNAL FINANCIAL CONTROLS, INTERNAL AUDIT AND OTHER INITIATIVES**

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Post assumption of office of the Resolution Professional, all payments are being approved only by the Resolution Professional (with requisite approval from the CoC, wherever required as per applicable provisions of the Code). The Company has established effective controls for monitoring CIRP period transactions.

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#### **ANNUAL RETURN**

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The extract of Annual Return pursuant to the provisions of Section 92 and 134(3)(a) of the Companies Act is available on the website of the Company on the following link at <https://www.videoconindustriesltd.com/Others.aspx> and shall be made available to the members on request.

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#### **ORDERS PASSED BY REGULATORS/COURTS/ TRIBUNALS**

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Except for orders in connection with CIRP under the Code, no material orders were passed by Regulators/ Courts / Tribunals during the period impacting the going concern status and Company's operations in future.

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#### **DIRECTOR RESPONSIBILITY STATEMENT**

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As explained before, pursuant to Consolidation of CIRP of Videocon Group Entities, due to limited availability of resources, the accounting, and secretarial compliances of Videocon Group Entities (including the Corporate Debtor) are being collectively managed by the Group Resources.

The Financial Statements have been prepared by the Group Resources and accordingly, basis the confirmations provided by the Group Resources of the veracity and reliability of these Financial Statements, the Financial Statements have been taken on record and signed by Mr. Abhijit Guhathakurta, the resolution professional of the Company, subject to the following disclaimers:

- i. The RP has assumed control of Corporate Debtor from with effect from September 27, 2019 and therefore was not in control of the operations or the management of the Corporate Debtor for the period prior to his assumption of office. On this account, RP does not have any visibility as to the matters that transpired prior to the date of his assumption of office as the RP of the Company and is not in a position to independently verify or ascertain the matters as stated or reported in the said Financial Statements and/ or accompanying documents in respect of matters prior to the date of his assumption;
- ii. These Financial Statements are being furnished in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of IBC. Further, pursuant to Regulation 39(7) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("**CIRP Regulations**"), RP should be protected against any actions of the Corporate Debtor prior to assumption of his office. RP disclaims any liability whatsoever on account of signing these Financial Statements;
- iii. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
- iv. These Financial Statements have been prepared solely on the basis of confirmations, representations and statements made by the Group Resources. The RP has assumed that all information and data as provided by Group Resources in the Financial Statements are in conformity with applicable laws with respect to the preparation of the Financial Statements and is true and correct. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the Financial Statements. In any case, considering that the said Financial Statements relate to certain matters prior to RP's incumbency, RP is not in a position to either independently verify such matters as stated herein nor to make any representation or warranty in relation to these aspects.
- v. The Group Resources and the RP (including his team) have relied on the opening Balance Sheet and the balances of available accounts / ledgers/ trial balance as on March 31, 2019, without going into the merits of such balances outstanding. Since these matters pertain to period prior to assumption of his office, the RP is constrained to rely on these materials on as is basis, without being able to independently verify or ascertain matters in relation to the same. No adjustments have been made to such accounts / balances except for giving effect to the transactions entered subsequently from April 1, 2019.
- vi. These Financial Statements have been prepared and are being finalized solely for the purposes of compliance of the Company in terms of applicable law. Considering the pre-CIRP director is not cooperating with the RP, the RP is signing the Financial Statements (including this directors' report) merely for this limited purpose of achieving compliance status of the Company in terms of applicable law.
- vii. The matters as contained in these Financial Statements (including the opening balances) continue to be subject to the look-back period as prescribed under IBC for avoidance transactions. In this regard, RP in compliance of his duties under the IBC had reported certain transactions to be declared as void and set aside by the Hon'ble Adjudicating Authority in exercise of its powers under Chapter III and Chapter IV of the IBC. Adjustments, if any, for such transaction(s) may be made to the Financial Statements upon further directions from NCLT and/or upon any order being passed by NCLT. Mere affixation of signatures by RP on these Financial Statements should not be construed as conflicting or diluting in any manner such proceedings which are lodged by the RP against the concerned persons for matters discovered as within the ambit of avoidance transactions under Section 43, 45, 50 & 66 of the IBC.

- viii. There are ongoing investigations against Videocon Group Entities by different government agencies, including SFIO and ED. Merely by affixation of signatures by RP on these financial statements, RP cannot be said to have any cognizance or knowledge of matters contained herein that pertain to the period prior to assumption of his office. RP is signing these financials, fully relying in good faith upon these financials as prepared by Group Resources. Accordingly, merely by affixation of signatures by RP on these financials in good faith, no proceedings can be initiated, nor RP be implicated in ongoing proceedings for matters contained herein which entirely relate to period prior to his incumbency.
- ix. The Resolution Professional has filed an application with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the Company, for providing various data, including those that are required for preparing Financial Statements and data requested by various investigating agencies. The requested data is still not made available to be Resolution Professional. Accordingly, without prejudice to matters contained hereinabove, RP could not in any event have independently verified all the information contained in the Financial Statements.

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### **ACKNOWLEDGEMENT**

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The Resolution Professional take this opportunity to express its sincere appreciation and gratitude to all the stake holders.

**For VIDEOCON INDUSTRIES  
LIMITED  
(A Company under Corporate  
Insolvency Resolution Process by  
NCLT order dated June 6, 2018  
read with order dated August 8,  
2019 and September 25, 2019)**

**Place:** New Delhi  
**Date:** April 27, 2023

**ABHIJIT GUHATHAKURTA  
Resolution Professional  
Reg. No. IBBI/IPA-  
003/IP/N000103/ 2017-18/11158**

## Annexure - 1

### CORPORATE GOVERNANCE REPORT

As elaborated in the Directors' Report, the pre-CIRP Director is not co-operating with the RP and there is no CFO available with the Company as on the date of this report.

Further, pursuant to Consolidation of CIRP of Videocon Group Entities, including the Company and due to limited availability of resources and various other operational constraints involved, the entire accounting and secretarial compliances of Videocon Group Entities (including the Corporate Debtor) are being collectively managed by employees, officials and consultants of Videocon Group Entities (hereinafter referred to as "**Group Resources**").

Therefore, in compliance with Regulation 34(3) read with Section C of, Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations" or the "SEBI LODR"), the Resolution Professional is presenting the Company's Report on Corporate Governance for the Financial Year ended on March 31, 2020 in reliance with the information furnished by the Group Resources.

*Capitalised terms used herein shall have the meaning ascribed in the Notice and/or Directors' Report.*

#### I. Company's Philosophy on Code of Governance:

As stated above, your Company is presently being run as a going concern under CIRP. The Resolution Professional continues to manage the Company with the available limited resources, endeavouring to operate the business of the Company in most beneficial manner the Company's long term sustainability and growth and providing maximum returns to all stakeholders involved under the resolution process.

#### II. Board of Directors:

As per the provisions of Code and provisions of Regulation 15 (2A) and (2B) of SEBI (LODR) as amended from time to time, the provisions specified in Regulations 17, 18, 19, 20 and 21, shall not be applicable during the CIRP. However, the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional of the Company as required under the Code.

##### ➤ Composition of the Board of Directors:

At the time of commencement of CIRP, there were three (3) Directors on the board of the Company, (i) Mr. Venugopal Nandlal Dhoot, (ii) Mr. Subhash Shamsunder Dayama and (iii) Mrs. Sarita Sanjay Surve, collectively referred to as the '**Erstwhile Directors**'. Post commencement of CIRP, the members at the general meeting held on December 17, 2018 had dissented the resolution for the appointment of Mr. Venugopal N Dhoot as director of the Company on account of majority of the Promoters, Promoters' Group and person acting in concert dissenting to the said resolution i.e., voting against the resolution. However, the committee of creditors of the Company has not approved the resultant change in the management of the Company as required in terms of the Section 28 of the Code, in light of the ongoing CIRP of the Company. Thus, Mr. Venugopal Dhoot continues to be designated as a Director of the Company.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act, 2013 (the "**Companies Act**"). Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. The relevant DIR-12 forms for cessation of their directorship could not be filed with MCA because of the technical difficulties on the MCA portal as the number of available directors falls below the minimum requirement of 3 directors. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

The Resolution Professional with the necessary approval of the COC, had also appointed Mr. Satish Motilal Totala as the Whole-Time Director of the Company w.e.f. October 5, 2020 and the Company had filed e-form DIR-12 to that effect.

It may also be noted that Mr. Satish Motilal Totala and Mr. Venugopal N Dhoot have incurred disqualification under section 164(2) of the Companies Act, 2013 from October 30, 2022 due to the non-filing of financial statements and annual return of the Company for the last three financial years i.e. for the financial year 2019-20, 2020-21 and 2021-22. However, in terms of the first proviso to section 167(1)(a) of the Companies Act the said Directors do not vacate their office in the Company. Accordingly, in light of the proviso under Section 167(1)(a) of the Companies Act Mr. Satish Totala shall continue to be the director of the Company only for the present term i.e. for a period of 1 (one) year with effect from October 5, 2022 and shall not be eligible for re-appointment thereafter.

Thus, presently there are only 2 (Two) Directors on the board of the Company namely Mr. Satish Motilal Totala and Mr. Venugopal Dhoot.

The Company is under CIRP under the Code and, therefore, the powers of board of directors stand suspended and are being exercised by the Resolution Professional in accordance with Sections 17 and 23 of the Code from the aforesaid date.

➤ Meeting of the Board of Directors:

During the year under review, 2 (Two) Meeting of the Directors were called and held by the Resolution professional on November 27, 2019 and December 3, 2019, for the purpose of compliance and for discussing agendas primarily in relation to finalization/adoption of financial statements for the period FY 2018-19 (i.e. pertaining to period prior to assumption of office of the Resolution Professional).

➤ Attendance of the Board members at the Board Meetings and Annual General Meeting:

| <b>Name of the Director</b> | <b>Attendance at the Annual General Meeting held on December 30, 2019 for FY 2018-2019</b> | <b>Attendance at the Board Meeting held on November 27, 2019</b> | <b>Attendance at the Board Meeting held on December 3, 2019</b> |
|-----------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------|
| Mr. Venugopal N. Dhoot      | No                                                                                         | Yes                                                              | Yes                                                             |
| Mr. Subhash S. Dayama       | Yes                                                                                        | Yes                                                              | Yes                                                             |
| Mrs. Sarita Surve           | No                                                                                         | No                                                               | No                                                              |

The Company has not received declaration from the Independent Directors that the Independent Directors fulfil the conditions specified under Section 149(6) of the Companies Act and Clause 16(1)(b) of SEBI Regulations and are independent of the management.

➤ Number of other Boards or Board Committees in which a Director is a member or chairperson as on March 31, 2020:

| <b>Name of the Director</b> | <b>Directorship @</b> | <b>Committee Positions **</b> |               |
|-----------------------------|-----------------------|-------------------------------|---------------|
|                             |                       | <b>Chairman</b>               | <b>Member</b> |
| Mr. Venugopal N. Dhoot      | 2                     | 0                             | 1             |
| Mr. Subhash S. Dayama       | 2                     | 1                             | 1             |
| Mrs. Sarita Surve           | 3                     | 0                             | 2             |

*Note:*

*\*\* The Company has not received committee positions from the Directors, hence only the Chairmanship/ Membership of the Audit Committee and Stakeholders' Relationship Committee of the Company have been considered here.*

*@ Directorships held by the directors do not include alternate directorships, directorships in Foreign Companies, Companies incorporated under Section 8 of the Companies Act and Private Limited Companies. Further, the directorship is based on DIR-8 submitted by Mr. V.N Dhoot, Mr. Subhash S. Dayama and Mrs.Sarita Surve dated April 6, 2019.*

➤ Independent Directors Meeting:

As the Company is under CIRP no separate meeting of the Independent Directors was held during the financial year under review.

➤ Relationship between Directors inter-se:

The Company has not received any fresh disclosure post assumption of office of the Resolution Professional in relation to relationships between directors inter-se. However, it may be noted that in the Annual Report of FY 2017-18 and 2018-2019, no relationship between the Erstwhile Directors inter-se has been disclosed. As on date, there are 2 directors available with the Company, Mr. Venugopal Dhoot and Mr. Satish Motilal Totala, who are not related to the Resolution professional.

➤ Number of shares and convertible instruments held by non-executive directors:

While the Company has not received any fresh disclosure post assumption of office of the Resolution Professional in relation to shares and convertible instruments held by non-executive directors, there is no shares held by the non-executive directors, based on the shareholding patterns submitted with the stock exchanges, and as confirmed by the Group Resources.

➤ Stock Options:

The Company has not issued any Stock Options.

➤ Familiarization Program for Independent Directors:

As on the date of this report, there are no Independent Directors available with the Company. Accordingly, confirmation in terms of Schedule V(c)(2)(h) of the SEBI (LODR) is not applicable. Further, in terms of the requirements of the Insolvency and Bankruptcy Code, all eligible directors of the Company are invited to the meetings of the Committee of Creditors to enable them be aware of all the significant events/changes in relation to the Company.

### **III. Committees of the Board of Directors**

Prior to CIRP Commencement, based on the documents available on record, the erstwhile management of the Company had constituted/formulated/set up various Committees to carry out various functions, as entrusted, and give suitable recommendations to the Board on the significant matters from time to time.

Following are the details of such Committees as on March 31, 2020:

#### **Mandatory Committees:**

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Risk Management Committee
5. Corporate Social Responsibility Committee (Mandatory as per Companies Act)

#### **Non-Mandatory Committees**

1. Finance and General Affairs Committee

## 2. Re-Organization Committee

The members of the Committees were from amongst the Erstwhile Directors of the Company. Details of the Composition and meetings of the committees held during F.Y. 2019-20 are provided below.

- AUDIT COMMITTEE:**

The composition, meetings and attendances of members of the Audit Committee during F.Y. 2019-20 were as under:

During the year under review, two meetings of the committee were held on November 26, 2019 and December 2, 2019, for the purpose of compliance and for discussing agendas primarily in relation to finalization and recommendation of financial statements for the period FY 2018-19 (i.e. pertaining to period prior to assumption of his office).

| <i>Name of the Director</i> | <i>Designation</i> | <i>Category</i> | <i>No. of Meetings Attended</i> |
|-----------------------------|--------------------|-----------------|---------------------------------|
| Mr. Subhash Dayama          | Member             | Independent     | 2                               |
| Mrs. Sarita Surve           | Member             | Independent     | 2                               |

The Statutory Auditors and certain other Group Resources attended and participated in the Audit Committee Meeting, on invitation. The Company Secretary is the *de-facto* Secretary of the Committee.

As on April 1, 2019, the Audit Committee comprised of 2 (Two) Members who were Non-Executive, Independent Directors namely Mr. Subhash Dayama and Mrs. Sarita Surve as the Members of the Committee. After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Further, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

As such, the Audit Committee does not have any active member as on the date of this report.

### **Terms of reference and scope of the Audit Committee:**

As per the provisions of Regulation 15 (2A) and (2B) of the SEBI (LODR) as amended from time to time, the provisions specified in regulation related to Audit Committee, shall not be applicable during the CIRP. Hence, the terms of reference, scope, powers of the audit committee are not being reproduced in this report.

### **Whistle Blower Policy & Vigil Mechanism:**

The Section 177 of the Companies Act read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (LODR) require all the listed companies to institutionalize the vigil mechanism and Whistle Blower Policy.

The Company has a Whistle Blower Policy, as formulated and adopted by the Company prior to CIRP Commencement, to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding its accounting, auditing, internal controls or disclosure practices. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. More details are available on website <https://www.videoconindustriesltd.com/Documents/Whistle%20Blower%20policy.pdf>.

- NOMINATION AND REMUNERATION COMMITTEE:**

During the year under review, the Committee met 1 (One) time on November 27, 2019. The said Meeting was called and held as per the directions of the Resolution Professional, for the purpose of compliance.

The composition of the members of the Committee during FY 2019-20 was as follows:

| <i>Name of the Director</i> | <i>Designation</i> | <i>Category</i> | <i>No. of Meetings Attended</i> |
|-----------------------------|--------------------|-----------------|---------------------------------|
| Mr. Subhash Dayama          | Chairman           | Independent     | 1                               |
| Mrs. Sarita Surve           | Member             | Independent     | 1                               |

Company Secretary acts as the *de-facto* Secretary to the Committee.

As on April 1, 2019, the Nomination & Remuneration Committee comprised of 2 (Two) Members who were Non-Executive, Independent Directors namely Mr. Subhash Dayama as Chairman, and Mrs. Sarita Surve as the member of the Committee.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Further, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

As such, the Nomination & Remuneration Committee does not have any active member as on the date of this report.

#### Terms of reference and Scope of the Committee:

As per the provisions of Regulation 15 (2A) and (2B) of the SEBI (LODR) as amended from time to time, the provisions specified in regulation related to Nomination & Remuneration Committee, shall not be applicable during the CIRP. Hence, the terms of reference, scope, powers of the Nomination & Remuneration Committee are not being reproduced in this report.

#### Performance Evaluation Criteria for Independent Directors:

Consequent to commencement of CIRP, the formal annual performance evaluation was not carried out.

#### Remuneration Policy:

The Remuneration Policy, as formulated prior to CIRP Commencement by the erstwhile management, is available on the Company's website viz. <https://www.videoconindustriesltd.com/PolicieChar.aspx>. No Erstwhile director was paid any sitting fees or any other remuneration post assumption of office by the Resolution Professional.

After the Balance Sheet date, Mr. Satish Motilal Totala was first appointed as a Whole-Time Director of the Company for a period of 2 (Two) years & Occupier of the Factory of the Company situated at 14 K.M. Stone, Aurangabad-Paithan Road, Village Chittegaon, Tal.: Paithan, Dist.: Aurangabad – 431 105, with effect from October 05, 2020 in pursuance to the approval of the Committee of Creditors of the Company at its meeting held on September 2, 2020.

As the Company is still undergoing the CIRP, the Company had decided to extend the tenure of his appointment as a whole-time director of the Company for a further period of one (1) year with effect from October 05, 2022, on the same terms and conditions. This extension continues to be subject to ongoing CIRP of the Company and its outcome.

Prior to being appointed as a Whole Time Director, he was also an employee of the Company. Thus, he is being paid an annual remuneration of Rs. 39,58,236/- (Rupees Thirty Nine Lakhs Fifty Eight Thousand

Two Hundred and Thirty Six Only) per annum, viz same as the remuneration he was drawing as an employee of the Company prior to his appointment as a Whole time Director.

#### **Stock Options:**

The Company has not issued any Stock Options.

#### **• STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

During the year under review, the Committee met 1 (One) time on November 27, 2019. The said Meeting was called and held as per the directions of the Resolution Professional, for the purpose of compliance and for discussing agendas primarily in relation to discussing the information related to the share transfers, dematerialization, investor complaints etc., for the period FY 2018-19 (i.e. pertaining to period prior to assumption of his office).

The composition of the members of the Committee during FY 2019-20 was as follows:

| <i>Name of the Director</i> | <i>Designation</i> | <i>Category</i> | <i>No. of Meetings Attended</i> |
|-----------------------------|--------------------|-----------------|---------------------------------|
| Mr. Subhash S Dayama        | Chairman           | Independent     | 1                               |
| Mrs. Sarita Sanjay Surve    | Member             | Independent     | 0                               |
| Mr. Venugopal N. Dhoot      | Member             | Executive       | 1                               |

As on April 1, 2019, the Stakeholders' Relationship Committee consisted of 3 (Three) Members namely Mr. Subhash S Dayama as Chairman, and Mrs. Sarita Sanjay Surve and Mr. Venugopal N. Dhoot members.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

As such, Mr. Venugopal N Dhoot is the only member of the Stakeholders' Relationship Committee as on the date of this report.

#### **Compliance Officer:**

Ms. Samridhi Kumari, Company Secretary of the Company, is the Compliance Officer with effect from April 1, 2019 .

#### **Terms of reference and Scope of the Committee:**

As per the provisions of Regulation 15 (2A) and (2B) of the SEBI (LODR) as amended from time to time, the provisions specified in regulation related to Stakeholders' Relationship Committee, shall not be applicable during the CIRP. Hence, the terms of reference, scope, powers of the Stakeholders' Relationship Committee are not being reproduced in this report.

As per the annual reports of the previous years, the power of share transfer was already delegated prior to CIRP Commencement to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, who processes the transfers.

#### **Details of Share Transfer/Demat/Remat:**

Based on the details received from Registrar and Share Transfer Agent of the Company, the request for transfer, dematerialization and rematerialization from the shareholders which were received and approved during the year are as under:

**Share Transfer Details:**

The number of Shares transferred during the year under review:

| Sr. No. | Particulars                        | Equity |
|---------|------------------------------------|--------|
| a)      | Number of Transfers                | 6      |
| b)      | Average No. of Transfers per Month | 39.42  |
| c)      | Number of Shares Transferred       | 473    |

**Demat/Remat of Shares:**

| Sr. No. | Particulars                                   | Equity |
|---------|-----------------------------------------------|--------|
| a)      | Number of Demat Requests approved             | 42     |
| b)      | Number of Sub-committee Meetings held         | Nil    |
| c)      | Number of Shares Dematerialized               | 10,444 |
| d)      | Percentage of Shares Dematerialized           | 0.01   |
| e)      | Number of Rematerialization Requests approved | 5      |
| f)      | Number of Shares Rematerialized               | 44     |

Based on the details received from Registrar and Share Transfer Agent of the Company, during the year under review, the Company had received 14 complaints all of which were redressed to the satisfaction of the shareholders.

- RISK MANAGEMENT COMMITTEE:**

During the year under review, no meeting of the Risk Management Committee was held.

The composition of the members of the Committee during FY 2019-20 was as follows:

| Name of Director       | Designation | Category           |
|------------------------|-------------|--------------------|
| Mr. Subhash S Dayama   | Chairman    | Independent        |
| Mrs. Sarita S Surve    | Member      | Independent        |
| Mr. Venugopal N. Dhoot | Member      | Promoter-Executive |

As on April 1, 2019, the Risk Management Committee consisted of 3 (Three) Members namely Mr. Subhash S Dayama as Chairman and Mrs. Sarita S Surve and Mr. Venugopal N. Dhoot as members.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

As such, Mr. V N Dhoot is the only active member of the Risk Management Committee as on the date of this report.

**Terms of Reference:**

As per the provisions of Code and provisions of Regulation 15 (2A) and (2B) of SEBI (LODR) as amended from time to time, the provisions specified in Regulations 21 (Risk Management Committee), shall not be

applicable during the CIRP. Hence, the terms of reference, scope, powers of the Risk Management Committee are not being reproduced in this report.

- CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):**

During the year under review, no meeting of the Corporate Social Responsibility Committee was held.

The composition of the members of the Committee during FY 2019-20 was as follows:

| Name of Director         | Designation | Category            |
|--------------------------|-------------|---------------------|
| Mr. Venugopal N. Dhoot   | Chairman    | Promoter-Executivet |
| Mr. Subhash S Dayama     | Member      | Independent         |
| Mrs. Sarita Sanjay Surve | Member      | Independent         |

As on April 1, 2019, the CSR Committee consists of 3 (Three) Members namely Mr. Venugopal N. Dhoot as Chairman, and Mr. Subhash S Dayama and Mrs. Sarita Sanjay Surve as Members.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

As such, Mr. V N Dhoot is the only active member of the Risk Management Committee as on the date of this report.

**Terms of Reference of the Committee:**

As the net profits for the three immediately preceding financial years were negative, the Company was not required to make any CSR expenditure during Financial Year 2019-2020. Further, considering the Company is into CIRP with losses in preceding years and unpaid debts, the terms of reference of the CSR committee has lost its practical relevance and accordingly the same is not being reproduced here.

- FINANCE AND GENERAL AFFAIRS COMMITTEE:**

The Company, prior to CIRP Commencement, had formed Finance and General Affairs Committee of the Board of Directors of the Company. As informed to the Resolution Professional, the Committee was entrusted with various powers from time to time, which would aid in speedy implementation of various projects, activities and transaction whether routine or non-routine in nature.

However, post assumption of office of the Resolution Professional, this committee is non-functional.

**Composition of the Committee, Meeting and Attendance:**

During the year under review, no meeting of the Finance and General Affairs Committee was held.

The composition of the Committee during FY 2019-20 was as follows:

| Name                     | Designation | Category           |
|--------------------------|-------------|--------------------|
| Mr. Venugopal N. Dhoot   | Chairman    | Promoter-Executive |
| Mrs. Sarita Sanjay Surve | Member      | Independent        |
| Mr. Subhash S. Dayama    | Member      | Independent        |

As on April 1, 2019, the Committee comprised of 3 (Three) Members namely Mr. Venugopal N. Dhoot as Chairman, and Mrs. Sarita Sanjay Surve and Mr. Subhash S. Dayama as members.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

As such, Mr. V N Dhoot is the only active member of Finance and General Affairs Committee as on the date of this report.

- **RE-ORGANIZATION COMMITTEE:**

The Company, prior to CIRP Commencement, had formed Re-Organization Committee of the Board of Directors of the Company. As informed to the Resolution Professional, the said Committee was formed to re-organize and segregate various business segments of the Company with a view to ensure greater focus to the operation of each of its diverse businesses, enhanced value for shareholders and improvement in the business prospects of the Company.

However, post assumption of office of the Resolution Professional, this committee is non-functional.

**Composition of the Committee, Meeting and Attendance:**

During the year under review, no meeting of the Re-organization Committee was held.

The composition of the Committee during FY 2019-20 was as follows:

| Name                                          | Designation | Category           |
|-----------------------------------------------|-------------|--------------------|
| Mr. Venugopal N. Dhoot                        | Chairman    | Promoter-Executive |
| Mrs. Sarita Sanjay Surve<br>(from 05.06.2018) | Member      | Independent        |
| Mr. Subhash S. Dayama                         | Member      | Independent        |

As on April 1, 2019, the Committee comprised of 3 (Three) Members namely Mr. Venugopal N. Dhoot as Chairman, and Mrs. Sarita Sanjay Surve and Mr. Subhash S. Dayama as members.

After appointment of Mr. Abhijit Guhathakurta as the Resolution Professional of the Company, the Company started examining and effectuating applicable outstanding compliances, by collating and verifying various data of the Company. During such examination of details, the Company became aware that Mr. Subhash Shamsunder Dayama had incurred disqualification u/s 164(2) of the Companies Act. Also, Mrs. Sarita Sanjay Surve, resigned from the directorship of the Company w.e.f. June 27, 2022 which was placed before the CoC for its consideration. It is clarified that the aforesaid directors continued to be responsible for the affairs of the Company up to the date the Company recognized their disqualification/vacation and took the same on record.

As such, Mr. V N Dhoot is the only active member of the Re-organization Committee as on the date of this report.

#### IV. General Body Meetings:

➤ Location and time, where last three Annual General Meetings were held:

| AGM              | Date                            | Location                                                                                                      | Time     | Special Passed | Resolution |
|------------------|---------------------------------|---------------------------------------------------------------------------------------------------------------|----------|----------------|------------|
| 27 <sup>th</sup> | 22 <sup>nd</sup> December, 2017 | 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105 | 11.00 am | 1 (One)        |            |
| 28 <sup>th</sup> | 17 <sup>th</sup> December, 2018 | 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105 | 11.30 am | 1 (One)        |            |
| 29 <sup>th</sup> | 30 <sup>th</sup> December, 2019 | 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad-431 105 | 11.30 am | Nil            |            |

#### Postal Ballot

No special resolution was passed through postal ballot during the financial year under review.

The Company is not proposing to pass any Special Resolution through postal ballot.

#### Extra-Ordinary General Meeting

No Extra Ordinary General Meeting was held during the year under reference.

#### V. Means of Communication

The audited financial results for financial year ended on March 31, 2019 were published by the Company in the Financial Express and Loksatta, English and Marathi language newspapers, respectively.

In terms of the requirements of the SEBI (LODR), the reports, statements, documents, filings and other information are electronically submitted to the stock exchanges, through [www.listing.bseindia.com](http://www.listing.bseindia.com) and [www.connect2nse.com](http://www.connect2nse.com) unless there are any technical difficulties faced while filing the same. All important information and official press releases are displayed on the website of the Company for the benefit of the public at large. Analysts' Reports/ Research Report, if any, are also uploaded on the website of the Company. The Company's website can be accessed at <https://www.videoconindustriesltd.com/>. During the year under review no presentations were made to institutional investors or to the analysts. Further, all required updates in relation to the Consolidated CIRP are made available at [https://www.videoconindustriesltd.com/Consolidated\\_CIRP/Data](https://www.videoconindustriesltd.com/Consolidated_CIRP/Data).

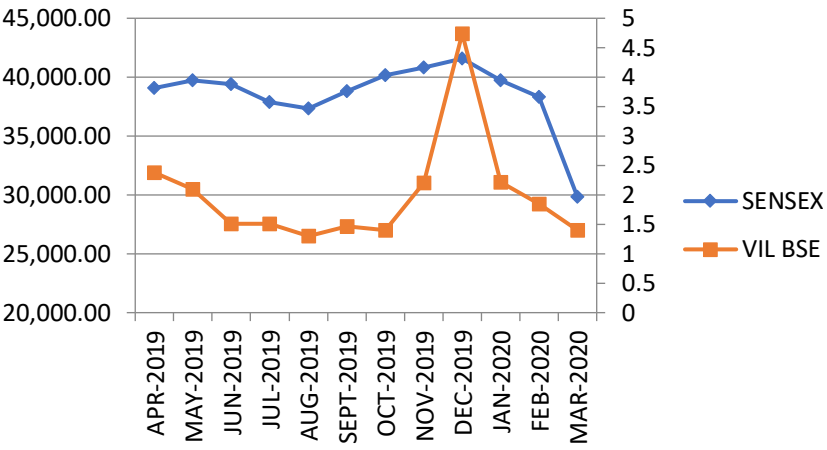
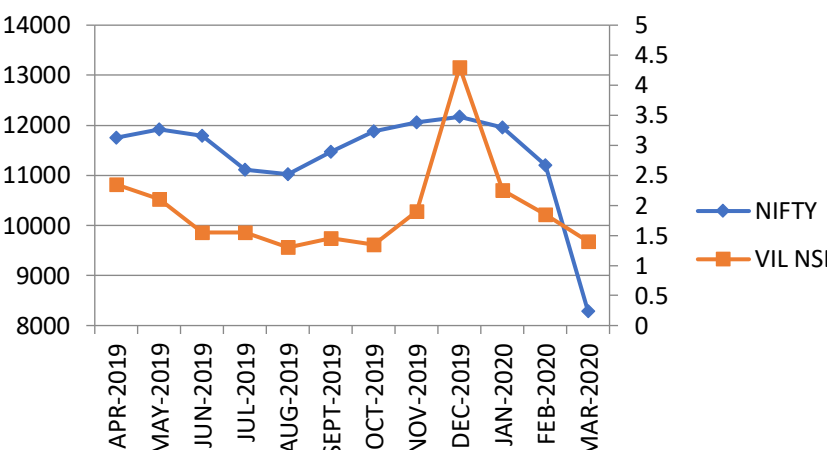
#### VI. Management Discussion and Analysis Report forms part of the Annual Report.

#### VII. General Shareholder Information:

|    |                        |                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                               |  |
|----|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1. | Annual General Meeting | The 30 <sup>th</sup> (Thirtieth) Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company on such day, at such time on such date as shall be set out in the Notice convening the Annual General Meeting, which shall be considered separately. The Company shall inform the same vide publication to the Stock Exchanges. |                                                                                                                                                                                                                                                                                                               |  |
| 2. | Financial Calendar     | Financial Year                                                                                                                                                                                                                                                                                                                                                             | April 01, 2020 to March 31, 2021                                                                                                                                                                                                                                                                              |  |
|    |                        | First Quarterly Results                                                                                                                                                                                                                                                                                                                                                    | In terms of provisions of SEBI (LODR) the quarterly results were required to be disseminated to Stock Exchange on or before September 15, 2020 (1 <sup>st</sup> Quarter); November 14, 2020 (2 <sup>nd</sup> Quarter); February 14, 2021(3 <sup>rd</sup> Quarter) and May 30, 2021 (4 <sup>th</sup> Quarter). |  |
|    |                        | Second Quarterly Results                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                               |  |
|    |                        | Third Quarterly Results                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                               |  |
|    |                        | Fourth Quarterly Results                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                               |  |
|    |                        | Audited Results for the Financial Year ending on March 31, 2021                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                               |  |

|    |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                            | Annual General Meeting for Financial Year ending on March 31, 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>As intimated previously through disclosures under in terms of the SEBI Circular dated November 19, 2018, that the Company has faced several challenges in closing pending quarterly and annual financial results/ statements. There was lack of cooperation to the Resolution Professional from the erstwhile promoters and the management of the Company, for which, the Resolution Professional has also filed an application under Section 19 of the Code before the Hon'ble NCLT seeking various documents/ledgers/copies of books of accounts etc. from the promoters and erstwhile management of the Company. The financial details of the subsidiaries were also not made available to the Resolution Professional, because of which the Company has been unable to submit the quarterly filing disclosures to the stock exchanges for the period from June 30, 2019. Further, the erstwhile Statutory Auditor, M/s S. Z. Deshmukh had also resigned from the Company and a new Statutory auditor was appointed w.e.f. June 17, 2022</p> <p>In view of the above, the Company couldn't convene the Annual General Meeting on or before November 30, 2021.</p> |
| 3. | Date of Book Closure       | The date of Book Closure for the purpose of the AGM shall be communicated separately and will be set out in the Notice convening the Annual General Meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 4. | Dividend Payment Date      | As the Company is under CIRP, the Company does not recommend any dividend on equity shares for the year under review.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 5. | Listing on Stock Exchanges | <p>The equity shares of your Company are listed on BSE Limited and the National Stock Exchange of India Limited. The Foreign Currency Convertible Bonds (FCCBs) issued by the Company are listed on the Singapore Exchange Securities Trading Limited.</p> <p>The Company was delisted from the Bourse de Luxembourg i.e. Luxembourg Stock Exchange with effect from May 01, 2019 due to non-compliance with the Rules and Regulations of the Luxembourg Stock Exchange.</p> <p>However, it may be noted that the shares of the Company are suspended from Trading on National Stock Exchange Limited and BSE Limited w.e.f. June 8, 2021 consequent to application for delisting of equity shares. In June 2021, pursuant to the NCLT Approval Order, and in terms of the Approved Plan, the Company had applied for de-listing of equity shares from both the aforesaid stock exchanges in terms of the Resolution Plan. However, these delisting applications remain pending before Stock Exchanges, pending the outcome of the SC Appeals.</p> <p>The Company has paid Annual Listing fees for FY 2019-20 to BSE Limited and the National Stock Exchange of India Limited. However, the Company is yet to pay the Listing Fees to Bourse de Luxembourg i.e. Luxembourg Stock Exchange and Singapore Exchange Securities Trading Limited.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 6. | Stock Code                 | The equity shares of the Company were listed on the following stock exchanges as on March 31, 2020:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|              |                   | <div><div>BSE Limited (BSE)<br/>1<sup>st</sup> Floor, New Trading Ring,<br/>Phiroze Jeejee bhoy Towers,<br/>Dalal Street, Mumbai – 400 001</div><div>511389<br/>(Stock Code)</div></div> <div><div>The National Stock Exchange of India Limited (NSE)<br/>Exchange Plaza, Plot no. C/1, G Block,<br/>Bandra-Kurla Complex, Bandra (E)<br/>Mumbai - 400 059</div><div>VIDEOIND<br/>(Stock Code)</div></div> <div>In June 2021, pursuant to the NCLT Approval Order, and in terms of the Approved Plan, the Company had applied for de-listing of equity shares from both the aforesaid stock exchanges in terms of the Resolution Plan. However, these delisting applications remain pending before Stock Exchanges, pending the outcome of the SC Appeals.</div> <div><b>Foreign Currency Convertible Bonds of the Company are listed on:</b><br/>Singapore Exchange Securities Trading Limited, 2, Shenten Way, #19-00, SGX Centre 1,<br/>Singapore 068804<br/>Web: <a href="http://www.sgx.com">www.sgx.com</a></div>                                                                                                                                                                                                                     |       |       |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
|--------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|--|-----|--|------|-----|------|-----|----------|-------|-------|-------|-------|--------|-------|------|-------|------|---------|-------|------|-------|------|---------|------|------|------|------|-----------|------|------|------|------|--------------|------|------|------|------|------------|------|------|------|------|-------------|------|------|------|------|-------------|------|------|------|------|------------|------|------|------|------|-------------|------|------|------|------|----------|------|------|------|------|
| 7.           | Market Price Data | <div>Average monthly high and Low prices at BSE and NSE are given below:.</div> <table><tr><th rowspan="2">Month</th><th colspan="2">BSE</th><th colspan="2">NSE</th></tr><tr><th>High</th><th>Low</th><th>High</th><th>Low</th></tr><tr><td>April-19</td><td>15.80</td><td>10.16</td><td>15.40</td><td>10.20</td></tr><tr><td>May-19</td><td>11.65</td><td>9.00</td><td>11.65</td><td>9.50</td></tr><tr><td>June-19</td><td>10.45</td><td>6.84</td><td>10.35</td><td>6.95</td></tr><tr><td>July-19</td><td>8.25</td><td>5.78</td><td>8.15</td><td>5.80</td></tr><tr><td>August-19</td><td>6.33</td><td>4.29</td><td>6.20</td><td>4.35</td></tr><tr><td>September-19</td><td>5.00</td><td>3.32</td><td>4.85</td><td>3.50</td></tr><tr><td>October-19</td><td>4.20</td><td>2.59</td><td>4.25</td><td>2.70</td></tr><tr><td>November-19</td><td>3.85</td><td>2.96</td><td>3.80</td><td>2.95</td></tr><tr><td>December-19</td><td>4.00</td><td>2.97</td><td>3.95</td><td>2.95</td></tr><tr><td>January-20</td><td>3.38</td><td>2.72</td><td>3.35</td><td>2.75</td></tr><tr><td>February-20</td><td>3.04</td><td>1.95</td><td>2.90</td><td>1.95</td></tr><tr><td>March-20</td><td>3.83</td><td>2.70</td><td>3.75</td><td>2.80</td></tr></table> | Month | BSE   |  | NSE |  | High | Low | High | Low | April-19 | 15.80 | 10.16 | 15.40 | 10.20 | May-19 | 11.65 | 9.00 | 11.65 | 9.50 | June-19 | 10.45 | 6.84 | 10.35 | 6.95 | July-19 | 8.25 | 5.78 | 8.15 | 5.80 | August-19 | 6.33 | 4.29 | 6.20 | 4.35 | September-19 | 5.00 | 3.32 | 4.85 | 3.50 | October-19 | 4.20 | 2.59 | 4.25 | 2.70 | November-19 | 3.85 | 2.96 | 3.80 | 2.95 | December-19 | 4.00 | 2.97 | 3.95 | 2.95 | January-20 | 3.38 | 2.72 | 3.35 | 2.75 | February-20 | 3.04 | 1.95 | 2.90 | 1.95 | March-20 | 3.83 | 2.70 | 3.75 | 2.80 |
| Month        | BSE               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |       | NSE   |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
|              | High              | Low                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | High  | Low   |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| April-19     | 15.80             | 10.16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 15.40 | 10.20 |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| May-19       | 11.65             | 9.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 11.65 | 9.50  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| June-19      | 10.45             | 6.84                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 10.35 | 6.95  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| July-19      | 8.25              | 5.78                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 8.15  | 5.80  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| August-19    | 6.33              | 4.29                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 6.20  | 4.35  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| September-19 | 5.00              | 3.32                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 4.85  | 3.50  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| October-19   | 4.20              | 2.59                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 4.25  | 2.70  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| November-19  | 3.85              | 2.96                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 3.80  | 2.95  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| December-19  | 4.00              | 2.97                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 3.95  | 2.95  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| January-20   | 3.38              | 2.72                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 3.35  | 2.75  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| February-20  | 3.04              | 1.95                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2.90  | 1.95  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| March-20     | 3.83              | 2.70                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 3.75  | 2.80  |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |
| 8.           | Comparative Chart | <div>A comparative chart showing Videocon Industries Limited (VIL) High verses BSE High:</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |       |       |  |     |  |      |     |      |     |          |       |       |       |       |        |       |      |       |      |         |       |      |       |      |         |      |      |      |      |           |      |      |      |      |              |      |      |      |      |            |      |      |      |      |             |      |      |      |      |             |      |      |      |      |            |      |      |      |      |             |      |      |      |      |          |      |      |      |      |

|     |                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                     |  <p>A comparative chart showing Videocon Industries Limited (VIL) High versus NSE High:</p>                                                                                                                                                                                                                                                                                                                                                                                                          |
| 9.  | Registrar and Share Transfer Agents | <p>MCS Share Transfer Agent Limited<br/>Office No.3B3, 3RD Floor “B” Wing<br/>Gundecha Onclave Premises Co-op Society Ltd,<br/>Kherani Road, Sakinaka,<br/>Andheri East Mumbai – 400 072<br/>Ph: 022 – 28516021 / 28516022 / 46049717<br/>E-mail: <a href="mailto:mcssta.mumbai@gmail.com">mcssta.mumbai@gmail.com</a></p>                                                                                                                                                                                                                                                                                                                                                |
| 10. | Share Transfer System               | <p>SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form.</p> <p>During the year, the Company had obtained, on half-yearly basis, a certificate, from a Company Secretary in Practice, certifying that all certificates have been issued within thirty days of the date of lodgement of the transfer (for cases lodged prior to April 1, 2019), sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and filed a copy of the said certificate with the Stock Exchanges.</p> |

11. DISTRIBUTION OF SHAREHOLDING:

A) Shareholding Pattern as on March 31, 2020:

| Category Code | Category of Shareholder                                                                | Number of Shareholders | Total Number of Shares | As a percentage of (A+B+C) |
|---------------|----------------------------------------------------------------------------------------|------------------------|------------------------|----------------------------|
| <b>(A)</b>    | <b>Shareholding of Promoter and Promoter Group</b>                                     |                        |                        |                            |
| (1)           | Indian                                                                                 | 38                     | 13,57,59,665           | 40.59                      |
| (2)           | Foreign                                                                                | -                      | -                      | -                          |
|               | <b>Sub-Total (A)</b>                                                                   | <b>38</b>              | <b>13,57,59,665</b>    | <b>40.59</b>               |
| <b>(B)</b>    | <b>Public Shareholding</b>                                                             |                        |                        |                            |
| (1)           | Institutions                                                                           | 93                     | 2,14,99,334            | 6.43                       |
| (2)           | Non-Institutions                                                                       |                        |                        |                            |
|               | -Bodies Corporate                                                                      | 1142                   | 85,93,892              | 2.57                       |
|               | -Individuals                                                                           | 3,24,816               | 11,38,96,150           | 34.05                      |
|               | -Others                                                                                | 3528                   | 5,47,09,834            | 15.74                      |
|               | <b>Sub-Total (B)</b>                                                                   | <b>3,29, 576</b>       | <b>14,21,39,897</b>    | <b>52.98</b>               |
|               | <b>TOTAL (A) + (B)</b>                                                                 | <b>3,33,025</b>        | <b>334,458,875</b>     | <b>100.00</b>              |
| <b>(C)</b>    | <b>Shares held by Custodians and against which depository Receipt have been issued</b> |                        |                        |                            |
| (1)           | Promoter and Promoter Group                                                            |                        |                        |                            |
| (2)           | Public                                                                                 | -                      | -                      | -                          |
|               | <b>Sub-total (C)</b>                                                                   | <b>-</b>               | <b>-</b>               | <b>-</b>                   |
|               | <b>GRAND TOTAL (A) + (B) + (C)</b>                                                     | <b>3,33,025</b>        | <b>3,34,458,875</b>    | <b>100.00</b>              |

B) Distribution of Shareholding as on 31<sup>st</sup> March, 2020:

| Shareholding of Nominal Value | Number of Shareholders      | % to the total number of shareholders                                                                                                                                                                                 | No. of Shares    | Amount in Rs.     | % to Total value of Capital |
|-------------------------------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|-----------------------------|
| Up to 5,000                   | 305884                      | 92.7737                                                                                                                                                                                                               | 10510887         | 105108870         | 3.1427                      |
| 5,001 to 10,000               | 9553                        | 2.8974                                                                                                                                                                                                                | 8167066          | 81670660          | 2.4419                      |
| 10,001 to 20,000              | 5803                        | 1.76                                                                                                                                                                                                                  | 9182262          | 91822620          | 2.7454                      |
| 20,001 to 30,000              | 2,422                       | 0.73                                                                                                                                                                                                                  | 6,335,687        | 63,356,870        | 1.89                        |
| 30,001 to 40,000              | 1186                        | 0.3597                                                                                                                                                                                                                | 4317491          | 43174910          | 1.2909                      |
| 40,001 to 50,000              | 1218                        | 0.3694                                                                                                                                                                                                                | 5843707          | 58437070          | 1.7472                      |
| 50,001 to 100,000             | 1866                        | 0.566                                                                                                                                                                                                                 | 14206626         | 142066260         | 4.2476                      |
| 100,001 and above             | 1783                        | 0.5407                                                                                                                                                                                                                | 275889465        | 2758894650        | 82.4883                     |
| <b>Total</b>                  | <b>329710</b>               | <b>100</b>                                                                                                                                                                                                            | <b>334458875</b> | <b>3344588750</b> | <b>100</b>                  |
| 12.                           | Dematerialization of Shares | The Company's Equity Shares are under compulsory demat trading by all categories of investors. As on March 31, 2020, 332,818,472 Equity Shares have been dematerialized which account for 99.51% of the total equity. |                  |                   |                             |

|                                                                                                                                                                                                                                                                                             |                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 13.                                                                                                                                                                                                                                                                                         | Outstanding GDRs/ ADRs/ Warrants or Conversion Instruments, Conversion Date and like impact on equity      | The details of outstanding FCCBs and their likely impact on the equity upon conversion are tabulated as under:                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                         |
|                                                                                                                                                                                                                                                                                             |                                                                                                            | Sr. No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Particulars                                                                             |
|                                                                                                                                                                                                                                                                                             |                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | FCCB                                                                                    |
|                                                                                                                                                                                                                                                                                             |                                                                                                            | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Principal Value of the FCCBs issued                                                     |
|                                                                                                                                                                                                                                                                                             |                                                                                                            | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Principal Value of FCCBs converted into equity till March 31, 2020                      |
|                                                                                                                                                                                                                                                                                             |                                                                                                            | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Underlying equity shares issued pursuant to conversion of FCCBs as referred S. No. 2    |
|                                                                                                                                                                                                                                                                                             |                                                                                                            | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Principal Value of FCCBs outstanding at the end of the period i.e. as on March 31, 2020 |
| 5                                                                                                                                                                                                                                                                                           | Underlying equity shares which may be issued upon conversion of FCCBs as referred in S. No. 4 hereinabove. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                         |
|                                                                                                                                                                                                                                                                                             |                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                         |
| The principal amount in respect of the FCCBs is still outstanding. Accordingly, the FCCBs are considered to be dilutive in nature in accordance with the terms and conditions of the FCCBs. Their treatment shall be subject to the provisions of the Insolvency and Bankruptcy Code, 2016. |                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                         |
| 14.                                                                                                                                                                                                                                                                                         | Plant Location                                                                                             | 14 K. M. Stone, Aurangabad-Paithan Road, Village: Chittegaon, Taluka: Paithan, Dist. Aurangabad – 431 105, Maharashtra                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                         |
| 15.                                                                                                                                                                                                                                                                                         | Address for Correspondence                                                                                 | 14 K. M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan, Aurangabad – 431 105 (Maharashtra)<br>Email: secretarialvg.in@gmail.com<br>The correspondence address for shareholders in respect of their queries is:<br><br><b>MCS Share Transfer Agent Limited</b><br>Office No.3B3, 3RD Floor “B” Wing<br>Gundecha Onclave Premises Co-op Society Ltd,<br>Kherani Road, Sakinaka,<br>Andheri East Mumbai – 400 072<br>Ph: 022 – 28516021 / 28516022 / 46049717<br>E-mail: <a href="mailto:mcssta.mumbai@gmail.com">mcssta.mumbai@gmail.com</a> |                                                                                         |
| 16                                                                                                                                                                                                                                                                                          | List of Credit Rating Obtained by the Company                                                              | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                         |

#### VIII. Disclosures:

|    |                                                                                                                                                                                                                                                              |                                                                                                                                                                                |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | Materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors / management, subsidiaries / relatives etc. that may have potential conflict with the interests of the Company at large. | Post assumption of office of the Resolution Professional, no transactions have been entered into which may have potential conflicts with the interest of the Company at large. |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|    |                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| b) | Non-Compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years | <p>The details of non-compliance by the Company are set out in the Secretarial Audit Report issued by the Company Secretary in whole time practice.</p> <p>Further, post commencement of CIRP, a moratorium in terms of Section 13 read with Section 14 of the Code, has been declared by Hon'ble NCLT vide the Admission Order, prohibiting, inter alia, institution of suits or continuation of pending suits or proceedings against the Company including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority ("<b>Moratorium</b>"). With respect to penalties levied prior to CIRP Commencement, if any, and during CIRP, if any, it shall be treated in terms of provisions of the Code and approved resolution plan, if any.</p>                                                                                                                                                                                                                                                      |
| c) | Details of Establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.                                                       | The Company has implemented Vigil Mechanism and Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Resolution Professional / Audit Committee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| d) | Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this Clause                                                                                            | <p>The Company has substantially complied with the mandatory requirements of Corporate Governance as specified in sub paras (2) to (10) of Part C of Schedule V of the SEBI Regulations and disclosures on compliance with corporate governance requirements specified in Regulations 17 to 27 have been included in the relevant sections of this report.</p> <p>The Company also fulfilled the following non-mandatory requirements as specified in Part E of the Schedule II of the SEBI Regulations:</p> <p><b>a. Modified Opinion in Auditors Report:</b></p> <p>The Company's Financial Statements for the year ended March 31, 2019 under Regulation 33 of SEBI (LODR) contained the modified audit opinion and the Company has furnished the Statement of Impact of Audit Qualifications (for audit report with modified opinion) while furnishing the financial results under regulation 33 of SEBI (LODR).</p> <p><b>b. Reporting of Internal Auditor:</b> The Company has not appointed anyone as an Internal Auditor during FY 2019-20.</p> |
| e) | Weblink where the policy for determining related party transactions is disclosed.                                                                                                                          | <p>The Policy on Related Party Transactions, as formulated prior to CIRP Commencement by the erstwhile management, is uploaded on the website of the Company at the following URL-<br/> <a href="http://www.valueind.in/image/value/Value%20Related%20Party%20Transaction%20Policy.pdf">http://www.valueind.in/image/value/Value%20Related%20Party%20Transaction%20Policy.pdf</a>.</p> <p>However, since the Company is undergoing consolidated CIRP with 12 other Videocon group entities, the said policy may not be relevant and applicable to the Company as on date, especially in relation to the transactions <i>inter se</i> between Videocon Group Entities undergoing consolidated CIRP.</p>                                                                                                                                                                                                                                                                                                                                                  |

|    |                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| f) | Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account                                                                                                                                              | The Company is in process of transferring shares in the demat suspense account /unclaimed suspense account. Other information as required in clause F of Schedule V of the SEBI (LODR) shall be made available once such transfers are completed. It may also be noted that the Company has initiated the process for stop marking and stop-transfer in respect of unclaimed shares in physical.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|    | Disclosure of Commodity Price Risks and Commodity hedging activities:                                                                                                                                                      | As the Company is currently into CIRP, the RP continues to take business decisions, in consultation with the CoC wherever required, to mitigate risks if any.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|    | Details of utilization of funds raised through preferential allotment or qualified institution placements as specified under regulation 32(7A)                                                                             | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|    | Certificate from a company secretary in practice on disqualification                                                                                                                                                       | A certificate from a Company Secretary in whole time practice confirming the status on qualification/non-disqualification of directors is attached to this report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|    | Compliance certificate on corporate governance                                                                                                                                                                             | A certificate from the Company Secretary in whole time practice confirming compliance of conditions of Corporate Governance as stipulated under Clause E of Schedule V of the Listing Regulations is attached to this report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|    | Details of total fees for all services paid by the listed entity and its subsidiary on a consolidated basis, to the statutory auditor and all entities in the network firm/entity of which the statutory auditor is a part | The Company has agreed to pay an amount of Rs. 34,80,000 (Rupees Thirty Four Lacs and Eighty Thousand Only) to M/s. KVA & Company, Chartered Accountants for FY 2019-20.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|    | Disclosure in respect of the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013                                                                                                     | Complaints during the financial year 2019-20:<br>Filed: Nil<br>Disposed: Nil<br>Pending: Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | Loans and advances in the nature of loans to the firms/companies in which directors are interested by name and amount                                                                                                      | During the year no fresh loan or advances were given to any firms/companies in which directors are interested.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|    | Warrants                                                                                                                                                                                                                   | There are no warrants outstanding or issued during the year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | Additional Information in terms of Schedule V of SEBI (LODR)                                                                                                                                                               | <p>In addition to the disclosures made elsewhere in the director's report and Corporate Governance Report, the following disclosures are also being made :</p> <ul style="list-style-type: none"> <li>The Company has not raised any funds during the year under review.</li> <li>Except for what is disclosed in the Corporate Governance Report, there are no instances of non-compliance of any requirement of corporate governance report in terms of requirements of Schedule V, C, (2) to (10).</li> <li>The Company has substantially complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR). As per the provisions of Code and provisions of Regulation 15(2A) and (2B) of SEBI (LODR), the provisions specified in Regulations 17, 18, 19, 20 and 31 shall not be applicable during the CIRP.</li> </ul> |

|  |                                                                |                                                                                                                                                                                                              |
|--|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |                                                                | <ul style="list-style-type: none"> <li>As the Company is admitted under CIRP the Company has not adopted the discretionary requirements as specified in Part E of Schedule II of the SEBI (LODR).</li> </ul> |
|  | Weblink where the policy for determining Material Subsidiaries | <a href="https://www.videoconindustriesltd.com/PolicieChar.aspx">https://www.videoconindustriesltd.com/PolicieChar.aspx</a>                                                                                  |

#### **IX. Miscellaneous**

- **PERMANENT ACCOUNT NUMBER:** The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent.
- **NOMINATION FACILITY:** Shareholders holding shares in physical form and desirous of submitting/changing nomination in respect of their shareholding in the Company may submit Form 2B (in duplicate) as per the provisions of the Companies Act to the Company's Registrar and Share Transfer Agent.

#### **X. Confirmation/declaration under SEBI (LODR) with respect to Compliance of Code of Conduct:**

All the employees are governed by the internal policies on ethics and Code of Conduct. Group resources have confirmed that they have not come across any instances of violation of Code of Conduct during the year.

## ANNEXURE- 3

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai ("**NCLT**" / "**Adjudicating Authority**") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**" / "**the Code**") against Videocon Industries Limited ("**Corporate Debtor**") / "**the Company**", the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process ("**CIRP**") of the Corporate Debtor *vide* an order dated June 6, 2018 and appointed Mr. Anuj Jain as the insolvency resolution professional.

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, *vide* its order dated August 8, 2019, allowed State Bank of India's application by, *inter alia*, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies (collectively referred to as the "**Corporate Debtors**", "**Videocon Group Entities**"); and (ii) appointing Mr. Mahender Kumar Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the consolidated committee of creditors of the Corporate Debtors ("**CoC**") was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the resolution professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Kumar Khandelwal. Mr. Abhijit Guhathakurta's appointment as the resolution professional of the Videocon Group Entities ("**Resolution Professional**", "**RP**") was approved by the Adjudicating Authority *vide* its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority.

On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stood vested in the Resolution Professional.

Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "**Resolution Plan**"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the Code for its approval on December 15, 2020. Further, NCLT *vide* order dated June 08, 2021 ("**Approval Order**"), approved the resolution plan submitted by Twin Star Technologies Limited ("**Approved Plan**").

In terms of the Approved Plan, a steering committee had been constituted ("**Steering Committee**"). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the interim manager of the Corporate Debtors ("**Interim Manager**"), for undertaking the management and control the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "**NCLAT**"), the Hon'ble NCLAT, *vide* its order dated July 19, 2021 in the said Appeals (the "**Stay Order**"), *inter-alia* stayed the operation of the NCLT Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the NCLT Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT *vide* its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the CoC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, "**NCLAT Final Order**"). Subsequently, pursuant to the NCLAT Final Order, the CoC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("**SC Appeals**"). The SC Appeals

were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and COC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Consolidated Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the powers of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.

As elaborated in the Directors' Report, the pre-CIRP director is not co-operating with the RP and there is no CFO available with the Company as on the date of this report.

Further, pursuant to Consolidation of CIRP of Videocon Group Entities, including the Company and due to limited availability of resources and various other operational constraints involved, the entire accounting and secretarial compliances of Videocon Group Entities (including the Corporate Debtor) are being collectively managed by employees, officials and consultants of Videocon Group Entities (hereinafter referred to as "**Group Resources**").

Therefore, in compliance with the requirements of the SEBI (LODR), this Management Discussion and Analysis report is being presented in reliance with the information furnished by the Group Resources.

#### **I. Industry, Structure and Developments, Opportunities, Threats, Outlook, Risk and concerns:**

The Company is primarily engaged in the business of consumer electronics and home appliances with Television, Air-conditioners, washing machines and refrigerators as its primary products. The Company is also engaged in Crude Oil and Natural Gas (directly as well as through its subsidiaries) and Telecommunications (through its subsidiaries).

The Resolution Professional continues to manage the Company on going concern basis with the available limited resources, endeavouring to operate the business of the Company in most beneficial manner for the Company's long term sustainability and growth. For abundant clarification, it may be noted that the subsidiaries (other than those forming part of Consolidated CIRP) have not been under the control of the Resolution Professional.

Since the Company is under CIRP, no forward looking remarks / statements have been presented. The future developments, opportunities, threats, outlook of the Company as well as risk and concerns are subject to the outcome of SC Appeals and/or any other course of action around resolution of Videocon Group Entities.

#### **III. Segment wise or product-wise performance:**

The segment wise turnover, at standalone level, is as under:

| Segment                                  | Year ended on March 31, 2020 | Year ended on March 31, 2019 |
|------------------------------------------|------------------------------|------------------------------|
| Consumer Electronics and Home Appliances | 2,606.15                     | 2,779.11                     |
| Crude Oil and Natural Gas                | 4,730.02                     | 6,286.86                     |

#### **IV. Internal Control Systems and adequacy:**

The Resolution Professional continues to manage the Company on going concern basis with the available limited resources, endeavouring to operate the business of the Company in most beneficial manner for the Company's long-term sustainability and growth.

Pursuant to Consolidation of CIRP of Videocon Group Entities, due to limited availability of resources, the accounting and secretarial compliances of Videocon Group Entities (including the Corporate Debtor) are being collectively managed the Group Resources. Further, all payments are being approved only by the

Resolution Professional. The Company has established effective controls for monitoring CIRP period transactions undertaken post assumption of office of the Resolution Professional.

## **V. Discussion on financial performance with respect to operational performance:**

### **Income:**

#### **Revenue from Operations**

During the year under review, the Company achieved Revenue from Operations of Rs. 7,336.17 Million as against Rs. 9,065.97 Million for the year ended on March 31, 2019.

#### **Other Income**

Other Income amounted to Rs. 628.24 Million for the year ended March 31, 2020 as against Rs. 1560.16 Million for the year ended on March 31, 2019. Other income comprises of interest income, profit on sale of fixed assets, insurance claim received, exchange rate fluctuations and other non-operating income.

### **Expenditure:**

#### **Cost of Goods Consumed**

During the year under review, Cost of Material Consumed stood at Rs.1752.70 Million as against Rs. 8786.78 Million for the year ended on March 31, 2019.

#### **Employee Benefits Expenses**

During the year under review, employee benefit expenses were Rs. 873.41 Million as against Rs. 1187.88 Million for the year ended on March 31, 2019.

#### **Finance Cost**

Since the commencement of CIRP, there is a Moratorium in terms of section 14 of the Code towards repayment of debts subsisting as on CIRP Commencement and interest thereon. However, pending resolution process, the Company has provided interest for full financial year including moratorium period. Payment towards such interest expenses are subject to the provisions of the Code and outcome of CIRP.

During the year under review, the Finance Cost (booked on provisional basis) was Rs. 43,111.31 Million as against Rs. 37,749.00 Million for the year ended on March 31, 2019.

#### **Other Expenses**

During the year under review, the Other Expenses were Rs. 743.97 Million as against Rs. 3904.27 Million for the year ended on March 31, 2019.

#### **Depreciation & Amortization**

Depreciation & Amortization amounted to Rs. 5108.54 Million as against Rs. 5255.01 Million for the year on March 31, 2019.

#### **Loss before Tax**

The Loss before Tax for the current year amounted to Rs. 47,139.91 Million as against a loss of Rs. 69,114.09 Million for the year on March 31, 2019.

#### **Net Profit /Loss**

Net Loss of the Company for the current year amounted to Rs. 47,139.91 Million as against a loss of Rs. 67,607.55 Million for the year ended on March 31, 2019.

#### **Earnings per Share**

Earnings per Share for the current year amounted to Rs. (140.94) as against Rs. (202.14) for the year on March 31, 2019.

### **Significant changes in Key Financial Ratios**

Post commencement of CIRP, no additional financing, as stated under the related party section) has been availed by the Company. Further, there is a Moratorium in terms of section 14 of the Code towards repayment of debts subsisting as on CIRP Commencement and interest thereon. Also, as clarified before, reliance has been placed on the opening balances of various accounts /ledgers, including loans and advances and debtor balances, without going into the recoverability aspects of such balances.

### **Details of significant changes (i.e change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation thereof, including:**

There were following changes in the below-mentioned ratios which may or may not be 25% or more as compared to the immediately previous financial year:

| S. No | Nature of Ratio             | Percent change | Reason                                                                                                                                                                                                                                                                                                     |
|-------|-----------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | Debtor Turnover             | (28)           | The operations of the Company have also reduced during CIRP with non-availability of additional credit facilities and other practical and operational constraints. This has primarily resulted in a significant change in the performance of the Company as compared to period prior to CIRP Commencement. |
| 2     | Inventory Turnover          | (44)           |                                                                                                                                                                                                                                                                                                            |
| 3     | Interest Coverage Ratio     | (89)           |                                                                                                                                                                                                                                                                                                            |
| 4     | Current Ratio               | (3)            |                                                                                                                                                                                                                                                                                                            |
| 5     | Debt Equity Ratio           | (58)           |                                                                                                                                                                                                                                                                                                            |
| 6     | Operating Profit Margin (%) | (84)           |                                                                                                                                                                                                                                                                                                            |
| 7     | Net Profit Margin (%)       | (7)            |                                                                                                                                                                                                                                                                                                            |

The change in Return on Net Worth ("RoNW") as compared to the immediately previous financial year is as hereunder:

The Company had a negative Net Worth of INR (26,358.41) million at the start of the year. Further, the company has incurred additional losses during the year. Considering the same, RoNW figures have not been computed during the year.

### **Material Development in Human Resources/Industrial Front including number of people employed.**

The total staff strength of the Company for the financial year ended 31<sup>st</sup> March, 2020 was around 1381, which has further come down to 927 as on March 31, 2023.

\*\*\*\*\*

**Annexure- 2A**

**Videocon Industries Limited**

**Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**For the Financial Year ended on 31.03.2020**

| Amount (INR in millions)                                    |                                                                                            |                                                                        |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| <b>Name</b>                                                 | <b>% Increase of remuneration in 2019-20 as compared to 2018-19</b>                        | <b>Ratio of remuneration to Median Remuneration of Employees (MRE)</b> |
| <b>Non-executive directors</b>                              |                                                                                            |                                                                        |
| Mr. Subhash Shamsunder Dayama                               | Nil                                                                                        | N.A.                                                                   |
| Mrs. Sarita Sanjay Surve                                    | Nil                                                                                        | N.A.                                                                   |
| <b>Executive directors</b>                                  |                                                                                            |                                                                        |
| Mr. Venugopal N. Dhoot                                      | Nil                                                                                        | N.A.                                                                   |
| <b>Chief Financial Officer</b>                              |                                                                                            |                                                                        |
| Mr. Rajneesh Gupta (w.e.f May 2, 2019 to December 30, 2019) | This is not applicable considering that there is no change in the remuneration of the CFO. | N.A.                                                                   |
| <b>Company Secretary</b>                                    |                                                                                            |                                                                        |
| Ms. Samridhi Kumari (w.e.f April 1, 2019)                   | This is not applicable considering that there is no change in the remuneration of the CS   | 1:3.40                                                                 |

- a. The percentage increase in the median remuneration of employees in the financial year: Nil
- b. The number of permanent employees on the rolls of Company: 1381
- c. Average percentile increases 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: N.A
- d. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

**Annexure- 2B**

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**A) Top 10 employees in terms of remuneration drawn during the year**

Amount (INR in millions)

| Sr. No. | Name of Employee           | Date of Joining | Gross Remuneration (CTC P.A.) | Educational Qualification | Age | Experience | Whether related to director or manager, if related name of director | Last Employment                   | % of shares held | Designation                      |
|---------|----------------------------|-----------------|-------------------------------|---------------------------|-----|------------|---------------------------------------------------------------------|-----------------------------------|------------------|----------------------------------|
| 1       | Chandrakant Jyoti          | 17/12/18        | 80.00                         | B.Com, M.B.A.             | 57  | 31         | No                                                                  | Videocon Industries Limited       | 0                | Chief Operating Officer          |
| 2       | T. Shankar                 | 06/06/07        | 80.15                         | MSc(Tech)                 | 59  | 35         | No                                                                  | ONGC Limited                      | 0                | Vice President (Geophysics-IIWS) |
| 3       | Rajendra Bang              | 05/05/18        | 69.35                         | M.Sc                      | 58  | 31         | No                                                                  | N.A.                              | 0                | Associate Vice President         |
| 4       | K.S. Harikumar             | 01/06/04        | 68.31                         | Graduate                  | 48  | 27         | No                                                                  | N.A.                              | 0                | Vice President                   |
| 5       | Pankaj Kothari             | 01/02/11        | 65.63                         | C.A., B.Com               | 44  | 29         | No                                                                  | Videocon Communications Limited   | 0                | Deputy General Manager           |
| 6       | Rajendra Motilal Dungarwal | 15/03/88        | 63.50                         | C.A., CMA                 | 59  | 32         | No                                                                  | KAIL Limited                      | 0                | Associate Vice President         |
| 7       | Sanjay Matha               | 01/02/17        | 61.71                         | M. COM, C.A.(Inter)       | 52  | 26         | No                                                                  | N.A.                              | 0                | General Manager                  |
| 8       | Sunil Kumar Samriya        | 01/08/92        | 58.80                         | M. Com.                   | 51  | 28         | No                                                                  | N.A.                              | 0                | Deputy General Manager           |
| 9       | Vinod Kumar Bohra          | 02/04/02        | 58.80                         | B.Com, M.B.A (Finance),   | 46  | 24         | No                                                                  | Karvy Consultants Private Limited | 0                | Associate Vice President         |



**C) Employed for Part of the Year with an average remuneration of Rs. 8.5 lakhs or above per month and posted in India**

| Sl. No.                                                                                                                                           | Name of Employee | Date of Joining | Gross Remuneration | Educational Qualification | Age | Experience | Whether related to director or manager, if related name of director | Last Employment | % of shares held | Designation |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------|--------------------|---------------------------|-----|------------|---------------------------------------------------------------------|-----------------|------------------|-------------|
| There was no employee who was employed for part of the year with an average remuneration of Rs. 8.5 lakhs or above per month and posted in India. |                  |                 |                    |                           |     |            |                                                                     |                 |                  |             |

**For VIDEOCON INDUSTRIES LIMITED**

**(A Company under Corporate Insolvency Resolution Process by NCLT order dated June 6, 2018 read with order dated August 8, 2019)**

**Place:** New Delhi

**Date:** April 27, 2023

**ABHIJIT GUHATHAKURTA**

**Resolution Professional**

**Reg. No. IBBI/IPA-003/IP/N000103/ 2017-18/11158**

**The qualifications, disclaimers and observations raised by the Statutory Auditors for the period ended on March 31, 2020:**

- 1) *Vide Note No-60 of Financial Statements, the RP has disclaimed his liability on account of signing the Financial Statements and further stated that RP is not making any representations regarding the accuracy, veracity or completeness of the data or information in the Financial Statements.*

*Further, the Group Resources and the RP (including his team) have relied on the opening Balance Sheet and the balances reflected in available accounts / ledgers/ trial balance as on 31st March, 2019, without going into the merits of such balances outstanding, and without making any adjustments to such accounts / balances except for giving effect to the transactions entered during the year. In view of the same, the company has not adequately followed provisions of section 128 of Companies Act, 2013. Thus, consequential cumulative effects on the Financial Statements are unascertainable.*

*It may also be noted that, since the predecessor auditor had issued an audit report with a “Qualified opinion”, coupled with the fact that detailed books of accounts / supporting documents of earlier years are not presently available with the Company, we are unable to obtain a reasonable assurance on the opening balances carried forwarded by the Company.*

- 2) *The Company has not provided Fixed Assets Register and other relevant documents/ records as prescribed in accordance with Ind AS 16 “Property Plant & Equipment”. We have been provided certain available records/details however, we are unable to confirm the completeness and exhaustiveness of the said records/details shared, including status of title/ possession of all Property Plant & Equipment. It may however be noted that, the RP has already filed applications before NCLT under section 19 of IBC for the handing over of complete and accurate details/records with regards to the fixed assets of the Company. Also, as mentioned in Note No-56 of the Financial Statements, no revaluation or impairment assessment has been carried out on such assets. Neither any report pertaining to physical verification of such assets was made available to us. Accordingly, we are unable to confirm the valuation (including impact of any impairment, obsolescence, damage, etc.) and ownership of such assets along with the depreciation charged in statement of profit and loss account. Due to insufficiency of data/records, we are unable to obtain sufficient appropriate audit evidence whether any adjustments are necessary in respect of property, plant and equipment as at March 31, 2020.*

- 3) *As per the information and explanations given to us with respect to Investments as reflected in Note no. 4 of the Financial Statements, the Company has carrying value of investments in subsidiaries, associates and joint ventures amounting to INR 96,342.30 million, and has trade receivables of INR 10,098.58 million, (aggregating to INR 106,440.88 millions), in group/affiliate companies which have been referred to National Company Law Tribunal and consequently admitted to CIRP under the Insolvency and Bankruptcy Code, 2016. As such, we are unable to express an opinion on the extent of realizability of aforesaid investments and trade receivables from group / affiliate companies till the completion of resolution process of group/ affiliate entities.*

*Also, as mentioned in Note No-56 of the Financial Statements, the Company has neither revalued nor measured investments according to Ind AS-13 “Fair value measurements” nor complied with the requirements of Ind AS-36 “Impairment of assets”. Further, some of the share certificates are not available with the company nor do they have any record/document available at this stage to ascertain the ownership of such investments shown in the books of accounts. It may however be noted that, the RP has already filed applications before NCLT under section 19 of IBC for the handing over of complete and accurate details/records with regards to the Investments of the Company. Due to insufficiency of data/records, we are unable to ascertain the consequential cumulative effects thereof on loss (including other comprehensive income for*

the year), assets and other equity. As such, we are unable to determine whether any additional adjustments / disclosures are required on investments and trade receivables reported as at March 31, 2020.

- 4) We have not been provided with any physical verification reports of inventories at the beginning and end of the year. Hence, we are unable to comment / confirm on the quantity and valuation of Inventories held as at March 31, 2020 which are stated in the Balance Sheets at INR 2361.96 million (2019: INR 2711.07 million) under note no. 8. As such, we are unable to determine whether any adjustments in accordance with Ind AS-2 "Inventories" are necessary to the Financial Statements in respect of recorded (or unrecorded) inventories and further cannot comment on the items which are obsolete, damaged and their proper reflection in the Financials Statements.

Further, in the absence of physical verification and fair valuation of inventories, we are unable to comment or confirm on the correctness of the amount charged towards Cost of material Consumed during the year as mentioned under Note No. 25 and the Changes in Inventories (in finished goods, work-in-progress and stock in trade) as disclosed under Note No.27.

- 5) As mentioned in Note No. 5 and 11, Company had carrying value of loan and advances to related parties and others, including deposits, aggregating to INR 136,944.29 million (2019; INR 134,408.49 million). Due to non-availability of relevant supporting documents/records, we are unable to assess the genuineness and recoverability of such loans and advances issued by the Company which form part of the opening balances as at 1st April, 2019.
- 6) With respect to related party disclosures made under Note No.52 of the Financial Statements, we are unable to confirm or comment whether the details provided are complete and in compliance with the requirements of section 188 of the Companies Act, 2013 and Ind AS-24 "Related Party Disclosures".
- 7) As mentioned in Note No-33, the company has not made any adjustment to Deferred Tax Asset/Liability for the year under consideration. Accordingly, Ind AS-12 "Income Tax" has not been followed by the Company. Resultant impact, if any, on the Financials Statements is not ascertainable at this stage.
- 8) As referred in Note No-35, valuation towards employee benefit expenses is based on actuarial valuation report. Since the company is into CIRP, the assumptions considered and the resultant outcomes may change basis the outcome of CIRP. As such, we are unable to comment on impact, if any, on the Financial Statements.
- 9) With respect to Note No-36 to the Financial Statements regarding Financial Instruments, read with Note 50 to the Financial Statements, the company has not complied with the requirements of Ind AS -109 – Financial Instruments. As such, its impact on the Financial Statements is not ascertainable at this stage.
- 10) As mentioned in Note No- 37, in the absence of breakup/details pertaining to contingent liability as at 31st Mar 2019, the company has relied on the opening balances without evaluating if any changes are required to such opening balances during the year. As such, the company has not disclosed contingent liability in accordance with Ind AS-37 "Provisions, Contingent Liabilities and Contingent Assets". Further, we are unable to comment on the completeness / exhaustiveness of the contingent liabilities covered and any impact that may be necessary on the Financial Statements at this stage.
- 11) We also draw your attention to Note No-38 to the Financial Statements. There are certain disputes with the Government of India ("GOI") with respect to the earlier Production Sharing Contract dated October 28, 1994 ("Ravva PSC"), now extended up to October 2029 vide RAVVA PSC extension dated October 24, 2019, pertaining to Ravva Oil & Gas Field. Presently, the issue as to the recovery of GOI's alleged claims totaling US\$ 118 Million are being heard in the Supreme Court of India ("SC"). Since the GOI's invocation of the claim of USD 118 million and pending final resolution, all sales revenue of VIL on account of sale of oil & gas to oil marketing companies (GOI owned companies) have been diverted to GOI and are not received by VIL since November 2019. Pending final resolution of the above mentioned disputes, certain amounts of the company's

share in revenues from RAVVA Oil & Gas sales have been excess recovered, deducted or short paid by the GOI and / or its Nominees which have been challenged by the Company in the past and present and the Company is seeking recovery of amounts excessively recovered, deducted or short paid by the GOI and/or its Nominees, now that the above matters are being presently heard in the SC and the proceedings are ongoing and awaiting outcome. The Company has not made any adjustments or provided for any further sums required to be paid or recoverable by the Company in respect of such disputes, pending the final outcome in such matters. In this regard, we are unable to ascertain possible financial impacts of such disputes on the Financial Statements.

- 12) As mentioned in Note No-39 to the Financial Statements, pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Outcome of the CIRP process is still pending thus no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for financial creditors, operational creditors, employees and other creditor. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same. Further, the Company is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on March 31, 2020 of INR 49,173.91 million (As at March 31, 2019 INR 49,173.91 million). As such, consequential impact if any is currently unascertainable and we are unable on possible financial impact of the same. Further, as mentioned under Note No. 18 and 39 since the commencement of CIRP, there is a Moratorium in terms of section 14 of the Code towards repayment of existing debts and interest thereon. However, pending the completion / final outcome of CIRP, the Company has continued to provide for the interest for full financial year, including the moratorium period. Payment towards such interest expenses are subject to the provisions of the Code and outcome of CIRP. However, we have not received supporting documents for such borrowings, including relevant sanction letters and other relevant documents. As such, we are unable to confirm whether the Borrowings of INR 333,286.65 million (2019: INR 285,844.34 million) as reported under Note No-18 and 39 provide an accurate status and whether the basis for interest charged in statement of profit and loss account is in accordance with Ind AS-23 "Borrowing Cost".
- 13) With respect to Note Nos-41 (on SCN received from DRI) and 42 (on disclosures pertaining to MSMEs), we have not been provided any documents/ records. We are therefore unable to comment upon these.
- 14) With respect to Note No-45, we are unable to ascertain if the reported details provide a complete and accurate breakup of segmental reporting in accordance with Ind AS- 108 "Operating Segments".
- 15) The company has not produced any documents/ information/ relating to Grant form ozone Project (as set out in Note No-46 of Financial Statements with a carrying value of INR 44.09 million as at 31st March, 2020). As such, we are unable to ascertain impact of the same in Financial Statements at this stage.
- 16) During the conduct of audit, we have also been informed that the balance confirmations are not available in respect of the balances of loans and advances, trade receivables, trade payables, and other receivables and payables. As such, we are unable to ascertain impact on Financial Statements. However, in case of balance with banks, (INR 737.30 million), we have been provided most of the copies of bank statements (subject to their reconciliations).
- 17) According to the details made available to us and on the basis of filings made on the GST portal, the company has defaulted / made delayed filings pertaining to the annual compliances of Goods and Service Tax (GST) along with the compliances of Income Tax Act, as applicable during the year. As such, we are unable to comment upon the future liability

*and/or any other financial impact that may arise on the Company.*

18) *The Company has not submitted its financial results for the quarter/period ended June 30, 2019, and subsequent periods within due date as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Consequently, we are unable to comment on the monetary impact that may arise on the company for such or any other non-compliances. Additionally, the equity shares of the Company are also suspended from trading on the BSE Limited and National Stock Exchange of India Limited.*

19) *We also draw your attention to Note No-60 to the Financial Statements. The Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the company, for providing various data, primarily pertaining to pre-CIRP period and certain additional data that is required for preparing Financial Statements and data requested by various investigating agencies. In the absence of relevant data, the financials have been prepared on the basis of available data on best effort basis.*

*Further, other deviations from the requirements of Companies Act, 2013 and Indian Accounting Standards have also been highlighted in this report. As such, the Company has not followed all of the standard accounting policies as prescribed in Note-1 to the Financial Statements on various matters and the Financial Statements have not been prepared in strict compliance with the requirements of relevant sections of the Companies Act, 2013 and Ind AS along with other rules and regulations. The overall financial impact, if any, is unascertainable.*

*We also draw your attention to Note no-54 and 55 of the Financial Statements, wherein it is mentioned that an independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. And further, there are ongoing investigations against Videocon Group Entities by different government agencies, including SFIO and Directorate of Enforcement. In this regard, we have not been provided any copy of notice/ report/information/documents on such Transaction Review Audit and ongoing investigations. Hence, we are unable to comment on necessary changes that may be required in the Financial Statements at this stage.*

20) *The Company has mentioned in Note 58 of the Financial Statements that, considering the Company is being run as a going concern under CIRP, the Financial Statements have been prepared on going concern basis. However, we found Material uncertainty relating to Going Concern assumption applied to the Financial Statements. The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, there is considerable decline in level of operations of the Company, and net worth of the Company reported at INR (73,520.25) Million as on the reporting date is negative and it continues to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other co-obligors/borrowers. Thus, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern". The same is dependent upon the outcome of SC Appeals and /or any other developments on the resolution process of Videocon Group Entities. The appropriateness of the preparation of Financial Statements on going concern basis is critically dependent upon CIRP as specified in the Code. Necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable. For the matters mentioned in para no (1) to (20) above, we are unable to determine the adjustments that are necessary in respect of Company's assets, liabilities as on Balance sheet date, income and expenses for the year, cash flow statement and related presentation and disclosures in Financial Statements so we disclaim to form any opinion on the financial statement.*

# Gayathri R Girish

## Company Secretary

Off: 402, Turquoise, Nyati Empire, Kharadi, Pune – 411014

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Email :girish.gayathri@gmail.com

### Form No.MR-3

### SECRETARIAL AUDIT REPORT

for the financial year ended 31<sup>st</sup> March, 2020

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

To

The Members,

Videocon Industries Limited

CIN: L99999MH1986PLC103624

14 KM Stone, Aurangabad Paithan Road, Village Chittegaon

Taluka Palthan,

Aurangabad MH 431 105 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Videocon Industries Limited**, (hereinafter referred to the "**Company**"), a company under the corporate insolvency resolution process ("**CIRP**") under the Insolvency and Bankruptcy Code, 2016 (the "**Code**") for the financial year ended 31<sup>st</sup> March, 2020.

The Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated June 06, 2018 admitted the application for the initiation of the CIRP of the Company in terms of the Code read with the rules and regulations framed thereunder, as amended from time to time. The current status of CIRP is furnished separately in this report. The Resolution Professional has filed an application with Hon'ble NCLT under Section 19 of the Code seeking co-operation from promoters and erstwhile management of the company, for providing various data pertaining to the Company.

### **Auditor's Responsibility**

The Secretarial Audit was conducted in a manner that provided me reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. The responsibility of the Auditor is to express opinion on the compliance with the applicable laws and maintenance of records based on audit. The audit has been conducted in accordance with the applicable standards. These standards require that the auditor comply with the statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of the audit as stated in the para on Disclaimer of Opinion, there is an element of unavoidable risk that some mis-statements or material non compliances may not be detected even though the audit is properly planned and performed in accordance with the standards.



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### **Disclaimer of Opinion:**

*In view of the Company being into CIRP, the decisions taken by the Resolution Professional and/or the decisions/resolutions passed by the Committee of Creditors are material as the power of the Board of Directors is suspended. However, as I am not privy to the minutes of the Committee of Creditors or the decisions taken by the Resolution Professional, I am unable to comment on the impact of the said decisions/resolutions by the Resolution Professional and Committee of Creditors even though I am aware that all such decisions may be in the interest of the Company or other stake holders. Further, I am unable to comment on compliances, if any, arising/required in respect of the decisions/resolutions of the Resolution Professional and Committee of Creditors.*

*In view of the unavailability of the (i) Minutes of the Committee of the Creditors (ii) details of all the corporate decisions taken by the Resolution Professional, (iii) Signed minutes of the meetings of the directors/Committees held during the year (iv) status of ongoing investigations by the regulatory agencies , I am unable to comment on the impact (whether material or otherwise), if any, which may arise out of the lack of audit evidence on the functioning of the Company.*

### **Report on Companies Act, 2013 and Other Regulatory Requirements:**

On this background, based on my verification of available books, papers, 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 secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year 01<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020, has complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter and also that the Company has proper/adequate Board-processes (as the Company is into CIRP, the process followed by the Resolution Professional has been considered as the Board Process) and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Reliance has also been placed on the scanned / soft copies of various documents/records which were provided by the officials of the Company and the records made available/uploaded on the website of the Company and also on the portal of the Ministry of Corporate Affairs as well as the documents filed/uploaded on BSE/NSE, where the shares of the Company are listed.

I have verified the draft minutes of the meeting(s) held during the period under review. It is reiterated that the minutes of the Committee of Creditors have not been verified, in view of the confidentiality.

I have examined the books, papers, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020, according to the provisions of:

- The Companies Act, 2013 (the "Act") and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;



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- The Provisions of the Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Foreign Exchange Management Act (FEMA), 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company for the financial year ended 31<sup>st</sup> March, 2020.
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"):
  - 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, 2009 (**Not applicable to the Company during the Audit Period**);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014 (**Not applicable to the Company during the Audit Period**);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
  - 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, 2009 (**Not applicable to the Company during the Audit Period**);
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- Apart from the Insolvency and Bankruptcy Code, 2016, the other laws as informed and certified by the officials of the Company /Videocon Group Entities (defined hereinafter) which are specifically applicable to the Company based on its industry/sectors are:
  - The Factories Act, 1948
  - The Industrial Disputes Act, 1947
  - The Payment of Wages Act, 1936



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- The Minimum wages Act, 1948
- Employees State Insurance Act, 1948
- The Employees Provident Funds and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation & Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour (Prohibition & Regulation) Act, 1986
- The Industrial Employment (Standing Orders) Act, 1946
- The Employees Compensation Act, 1923
- The Apprentices Act, 1961
- Equal Remuneration Act, 1976
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- Water (Prevention and Control of Pollution) Act, 1974
- Air (Prevention and Control of Pollution) Act, 1981
- Environment Protection Act, 1986
- Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- E-Waste Management & Handling Rules, 2016.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to meeting of the Board of Directors and General Meetings - which the Company has followed to the extent feasible and possible in view of the CIRP and within the framework of the inherent limitations in the process.
- The Listing Agreements entered by the Company with BSE Limited and National Stock Exchange of India Limited

I have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company.

I have not examined the Compliance by the Company:

- with Other laws including applicable labour, industrial, environmental and other industry specific laws (as informed and certified by the officials of the Company which are specifically applicable to the Company based on its industry/sector) since the compliance and monitoring of the said laws are to be ensured by the management of the Company;
- with the applicable financial laws like direct and indirect laws, since the same have been subject to review by the statutory financial audit undertaken by other designated professionals.

During the period under review, the Company has generally complied with the provisions of the



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Act, Rules, Regulations, Guidelines, Standards etc., subject to the following observations:

### **I. Under the Companies Act, 2013:**

- *During the year, the Company has not formally appointed Internal Auditor as required in terms of provisions of Section 138 of the Act read with Rule 13 of Companies (Accounts) Rules, 2014.*
- *The Company has appointed Cost Auditor for the year 2019-20. However, the appointment of Cost Auditor was not made within a period of 180 days of the commencement of the financial year in terms of Section 148 read with Rule 6 of the Companies (Cost Records and Audit Rules), 2014 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time. The Company has not filed CRA 2 for the appointment of Cost Auditor and the subsequent change in Cost Auditor for the financial year 2019-2020; and has also not submitted the Cost Audit Report in Form CRA 4 for the financial year ended 31st March, 2019.*
- *The Company has not complied with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regards to the appointment of Chief Financial Officer (CFO) of the Company consequent to resignation of Chief Financial Officer during the year.*
- *As per the disclosure in Form DIR – 8 (Pursuant to Section 164 (2) and Rule 14 (1) of Companies (Appointment and Qualification of Directors Rules), 2014 furnished by Mr Venugopal N Dhoot during the year 2019-20, and basis my examination, the members of the Company at the Annual General Meeting held on 17<sup>th</sup> December, 2018 had dissented the resolution for the appointment of Mr Venugopal N Dhoot as director of the Company, on account of majority of the Promoter (s), Promoter Group and Persons Acting in Concert dissenting to the said resolution. Thus, in terms of the provisions of the Companies Act, 2013, Mr Venugopal N Dhoot ceased to be Director and consequently the Chairman and Managing Director of the Company. However, the Committee of Creditors have not approved the resultant change in the management of the Corporate Debtor as required under Section 28 of the Insolvency and Bankruptcy Code, 2016 and Mr Venugopal N Dhoot continues to be director in the Company.*

*I would like to draw attention to Regulation 17 (1C) of the SEBI LODR that appointment/re-appointment of a person including a managing director or a whole-time director or a manager who was earlier rejected by the shareholders at a general meeting, shall be done only with the prior approval of the shareholders. Nevertheless, it is pertinent to note that in accordance with Regulation 28 of the Insolvency and Bankruptcy Code, 2016 ('IBC'), the Resolution Professional shall not take certain actions without the prior approval of the Committee of Creditors ('CoC') inter-alia including making any change in the management of the Corporate Debtor or its Subsidiaries. As such, considering the fact that the IBC overrides the provisions of the Companies Act, 2013, the said change in management cannot be implemented in view of absence of approval from the CoC.*



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- Notwithstanding the above, if it is continued to be construed that the appointment of Mr Venugopal N Dhoot on the Board is valid, accordingly, it is opined that the Board of Directors of the Company has a proper balance and optimum combination of Executive, Non-Executive and Independent Directors in terms of Regulation 17 of SEBI (Listing Obligations And Disclosure Requirements), 2015. So also, the committees of the Board viz., Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee for the year under review.
- However, the Company is not in compliance with requirements of Section 177 and 178 of the Companies Act, 2013 with regards to the composition/minimum number of members of Audit Committee and the Nomination and Remuneration Committee in terms of the provisions of the Act for the year under review.
- The Company has not transferred the unpaid/unclaimed dividend to IEPF, declared in the Annual General Meeting held in the year 2012 which was due for transfer to Investor Education and Protection Fund ("IEPF") during the financial year ended on 31<sup>st</sup> March 2020, thereby violating the provisions of Section 124(5) of the Companies Act, 2013. Similarly, the Company has not transferred the shares in respect of which dividend is unclaimed or unpaid for more than 7 years and which were due for transfer to IEPF. Thus, the Company has violated the provisions of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Therefore, in view of non transfer, the Company has not intimated to Registrar of Companies in E-Form IEPF-1 & IEPF-4.
- The Company has not filed statement of unpaid or unclaimed dividend, in Form IEPF-2, in terms of requirements of Rule 5(8) of the amendment for the IEPF Rules of 2016. The Company has not filed statement of shares on unclaimed or unpaid dividend not transferred to the IEPF in terms of sub-section (6) of section 124 of the Companies Act, 2013 and rule 6(3) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
- The Company has not filed E-Form DPT 3 (i.e., onetime return of outstanding receipt of money or loan by a company but not considered as deposits, in terms of clause (c) of sub-rule 1 of rule 2 from the 1st April, 2014 to the date of publication of the said notification in the Official Gazette(i.e. 22nd January, 2019), within 90 days from the date of said publication subject to such relaxation of time for filing) within the prescribed time limit as provided in sub rule (2) of Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014.
- The Company has not filed E-Form DPT 3 (Return of Deposit to be filed by the Companies with the Registrar duly audited by the Auditors of the Company as on 31st March of every year) for the year ended 31.03.2019 which was due for filing during the year under review.
- Basis the submission of Annual Report for the year ended 31<sup>st</sup> March, 2019 under



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*Regulation 34 with the stock exchanges on 9<sup>th</sup> December, 2019 in line with the requirement of the said regulation that a copy of the annual report along with the notice of the Annual General Meeting shall be furnished to the exchange not later than the day of commencement of dispatch to its shareholders, it appears to me that the Company has not given 21 clear days notice as per the provisions of Section 101 of Companies Act, 2013 and under Regulation 36 (2) of SEBI LODR.*

- Pursuant to the General Circular No. 08/2020 dated 6<sup>th</sup> March, 2020 with respect to the filing of forms in the Registry (MCA-21) by the Insolvency Professional (IRP or RP or Liquidator) appointed under the IBC, 2016, the Company has filed the Initial Order for admission into CIRP dated 6<sup>th</sup> June 2018, the Consolidation Order dated 8<sup>th</sup> August, 2019 and the Order dated 25<sup>th</sup> September, 2019 for Replacement of Resolution Professional through a single form in Form INC 28. *However, in my opinion these events had to be captured independently and in view of absence of time-line in filing of forms under any Section/enactments or a court order, the principle of filing at the earliest shall prevail.*
- The Company appeared to be under default (prior to CIRP commencement) of repayment of principal amount of USD 75.2 Million and interest thereof for a period of more than 1 (One) year in respect of FCCBs issued consequent to exercise of put option by the holders of the FCCBs. Accordingly, pursuant to the provisions of Section 167(1)(a) of the Companies Act, 2013, the office of the director shall become vacant in all the companies, other than the company which is in default under that sub-section. Further, the Company failed to comply with the requirement of filing e-form DIR-9 pursuant to Section 164 (2) read with rule 14 (2) of the Companies (Appointment And Qualification of Directors) Rules, 2014.

*However, in the past (prior to CIRP commencement), the Company has informed that as the matter is sub-judice and the said contract was under duress, no amount has yet become due and payable. Thus, according to the Company, the Board of Directors of the Company doesn't incur disqualification under Section 164(2)(b) of the Companies Act, 2013 till the time the matter is decided by the appropriate forum. However, i am of the view that in absence of injunction from appropriate forum, the Directors are disqualified to hold office as director other than the Company of default.*

- *The Performance Evaluation of the Board was not carried out during the year under review under Section 134 read with the Companies (Accounts Rules), 2014.*
- *The Company has not received any declaration from Independent Directors in accordance with Section 149(6) and Clause 16 (1)(b) of SEBI LODR.*
- In terms of Section 184 (1) read with Rule 9 of the Companies (Meeting of the Board and its Powers) Rules, 2014, the directors of the Company have at the commencement of the financial year disclosed their interest to the Company in Form MBP 1 in accordance with the provisions of the Act.

*However, whenever there is any change in the disclosures already made to the*



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*Company, the directors need to intimate such change to the Company in Form MBP 1. As per my observation, consequent to the change in interest in other company (ies) during the year Mr Venugopal N Dhoot and Mr Subash S Dayama have not disclosed the same to the Company in Form MBP-1.*

- I have been informed that in the absence of detailed books of accounts of earlier years, ledger copies, fixed asset register as required to be maintained as part of Books of Accounts under the provisions of section 128(1) of Companies Act, 2013, workings of deferred tax assets/liabilities and contingent liabilities, etc. the financial statements have been prepared by the Company on the basis of available data on best effort basis. Hence, I am unable to comment on the Compliance with Section 128 of the Companies Act read alongwith the rules thereunder.
- *During the period under review, the Company has delayed in the filing of various E Form with Registrar of Companies during the financial year 2019-20 inter-alia including:*
  - INC 22A ACTIVE for Active Company Tagging Identities and Verification in terms of Rule 25A of the Companies (Incorporation) Rules, 2014.
  - E Form AOC 4 XBRL as prescribed under Section 137 of the Companies Act, 2013 for the year ended 31<sup>st</sup> March, 2019
  - Form MGT- 7 as prescribed under Section 92 of the Companies, Act, 2013 for the Financial year ended 31<sup>st</sup> March, 2019.
  - Form DIR-12 for appointment of CFO on 02/04/2019
  - Form DIR-12 for appointment of Company Secretary on 01/04/2019
  - Form DIR-12 for resignation of Chief Financial Officer on 31/12/2019
  - Form DIR-12 for cessation of the Company Secretary on 15/03/2019

Since the Company has filed these forms with the Registrar of Companies either with additional fees/penalty, the same is not specifically identified as non-compliance.

## II. Under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and other SEBI Regulations:

- *During the financial year under review:*
  - *The Company has not submitted un-audited financial results together with limited review Report in terms of the provision of Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations for the quarters 30<sup>th</sup> June, 2019, 30<sup>th</sup> September, 2019 and 31<sup>st</sup> December, 2019. Thus, the Company has not complied with Regulation 29 of SEBI (LODR), 2015 regarding prior intimation of consideration of financial*



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result for the respective quarters. However, with reference to SEBI Circular CIR/CFD/CMD-1/142/2018 dated November 19, 2018 regarding 'disclosure of reasons for delay in submission of financial results by the listed entity', the Company has submitted to the Stock Exchanges the reasons for the delay in submission of the Financial results for the quarter/year ended on March 31, 2019 (published beyond 45 days), June 30, 2019 (published beyond 45 days), September 30, 2019 (published beyond 45 days) and December 31, 2019 (published within 45 days). Further, in view of this, the Regulation 29 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regards to Prior intimation to stock exchanges about consideration of Financial Results of the Company for the said quarters are not applicable.

- The Company has failed in Submission of Regulation 23 (9) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regards to disclosure of material Related Party Transactions for the half year ended on 31<sup>st</sup> March 2019 and 30<sup>th</sup> September, 2019.
- The Company has not paid Listing Fees to BSE Ltd, where the equity shares of the Company are listed, in terms of Regulation 14 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations till the 31<sup>st</sup> of March, 2020. However, the arrears of listing fees payable to BSE Ltd for the Financial Year 2019-20 have been paid during the year 2022-23, prior to the date of signing of this report. The Company has paid the Listing fees to National Stock Exchange (NSE) due for the financial year 2019-20, beyond the timeline, but during the even year of review.
- With reference to Circular SEBI/MRD/DoP/SE/Dep/Cir-2/2009 dated February 10, 2009; Circular SEBI/MRD/SE/DEP/Cir-4/2005 dated January 28, 2005; Circular CIR/MRD/ DP/05/2011 dated April 27, 2011 and Circular CIR/MRD/DP/18/2015 dated December 09, 2015, the Issuers shall pay annual custodial fees to each depository (NSDL/CDSL) within 30<sup>th</sup> April of the financial year.

The Company has not paid the annual custodial fees to the depositories viz., NSDL/CDSL for the year under review within the above timeline. However, the Company has paid the Annual Custodial fees to NSDL for the year under review during the financial year 2020-21 and to CDSL during the financial year 2021-22.

- The Company has failed in Submission of Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 with regards to Annual Secretarial Compliance Report to be submitted by listed entities within 60 days of the Financial year ended 31<sup>st</sup> March, 2019 till the financial year ended on 31<sup>st</sup> March 2020. However, the same was filed after the financial year end date.



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- The Company has not filed the Certificate in terms of Reg 74 (5) of the SEBI (Depositories and Participants) Regulations, 2018 for all the quarters under review.
- The Company has not published the notice for consideration of consolidated financial results, considered on 3<sup>rd</sup> December, 2019, in terms of the requirements of Regulation 47 (1)(a) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also not published notice of consideration of Audited Financial Results of the Company for the year ended 31<sup>st</sup> March, 2019 which was originally proposed to be considered on 14<sup>th</sup> August, 2019 in terms of Regulation 47(1)(a). However, the said consideration of results were deferred.
- The Company has not complied with the procedural requirements set out in 39(4) of SEBI LODR in respect of unclaimed shares.
- The Company has not disclosed the following events in terms of requirements of Regulation 30 of SEBI LODR:
  - Appointment of Chief Financial Officer during the year;
  - Schedule III, Part A, Reg 16 (g): Prior or post facto intimation of 1<sup>st</sup> and 2<sup>nd</sup> Meeting of Consolidated Committee of Creditors held post consolidation.

### Further to the above the Company has:

- Delayed in filing of Shareholding Pattern in terms of Regulation 31 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended on 30<sup>th</sup> June, 2019 by 1 day and 30<sup>th</sup> September 2019 by 4 days
- Delayed in publication of audited financial results (stand-alone and consolidated) to the Stock Exchanges for financial year ended 31<sup>st</sup> March 2019 under regulation 33(3)(d) of SEBI(LODR),2015;
- Not adhered the timelines by giving 2 clear days intimation to the stock exchange(s) about consideration (where-ever applicable) of financial results in respect of the meeting held on 3<sup>rd</sup> December, 2019 instead of 5 clear days in terms of the requirements of Regulation 29 of the SEBI LODR
- Delayed in filing of disclosure on Large Corporate Body in terms of the provisions of SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018 ("the said Circular") pursuant to which listed entities were required to give initial/Annual disclosure whether or not they fall into the category of Large Corporate Body as defined in the said Circular within prescribed due date.
- Delayed, in certain/following instances, the event-based disclosures as required in terms of Regulation 30 of SEBI (LODR):
  - Intimation of Appointment of Company Secretary on 01/04/2019 and Resignation of erstwhile Company Secretary on 15/03/2019
  - Schedule III, Part-A, Reg 16 (d): Order passed for consolidation of CIRP on 8th August, 2019;



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- *Schedule III, Part-A, Reg 16 (f): Appointment of Mr. Mahendra Khandelwal in place of Mr Anuj Jain as Resolution Professional for consolidated CIRP on 8th August, 2019 and Appointment of Mr. Abhijit Guhthakurtha in place of Mr Mahendra Khandelwal as Resolution Professional for consolidated CIRP on 25<sup>th</sup> September, 2019 and order made available on 27th September, 2019*
- *Intimation of extension of last date for submission of Resolution Plan and intimation of extension of time for completion of consolidated CIRP vide NCLT Order dated 28<sup>th</sup> January, 2020*
- In terms of Regulation 46 of SEBI (LODR), 2015 the functional website, however, certain information is not up to date:
  - a) *Appointment of Chief Financial Officer of the Company*
  - b) *The Annual Accounts of the Subsidiary Companies are not uploaded on the website of the Company in terms of the requirements of Section 136 of the Companies Act, 2013 read with notification dated 9<sup>th</sup> Feb, 2018*
  - c) *Details of Unpaid Dividend to be published*
- **I have been further informed that:**
  - *The Company has in December 2022 received a Show Cause Notice for non-compliance with Section 148 (6) with regards to the non-submission of Cost Audit Report for the year ended 31<sup>st</sup> March 2019.*
  - *The Stock Exchange has imposed Fine/penalties for non-compliance/delayed compliances on certain occasions as under\*:*

| Regulation                                                                                                   | Period                        | Stock Exchange |
|--------------------------------------------------------------------------------------------------------------|-------------------------------|----------------|
| Regulation 33- Non-Submission of Financial Results                                                           | March 2019                    | BSE / NSE      |
|                                                                                                              | June 2019                     | BSE / NSE      |
|                                                                                                              | September 2019                | BSE / NSE      |
|                                                                                                              | December 2019                 | BSE / NSE      |
| Regulation 34: Non submission of Annual Report within stipulated time period #                               | Year ended March, 2019        | BSE / NSE      |
| Regulation 31: Delay in filing Shareholding Pattern for the quarter ended September 2019                     | Quarter ended: September 2019 | BSE / NSE      |
| Non-compliance of Regulation 29: Delay in furnishing prior intimation of Board Meeting held on Dec 3, 2019## | Event based                   | BSE / NSE      |
| Regulation 13(3): Delay in filing Statement of Investor Complaints for the quarter ended September, 2019###  | September 2019                | NSE            |



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\*Fines and penalties published above pertain only to the four quarters ended under review viz., 31<sup>st</sup> March, 2019, 30<sup>th</sup> June, 19, 30<sup>th</sup> September, 2019 and 31<sup>st</sup> December, 2019.

#The Company has received letter dated 15th October, 2019 from BSE and NSE imposing fine for the said Non-compliance with Regulation 34. However, the same appears to be waived off by the exchanges.

## The Company has received letter dated 10th January, 2020 from NSE for non compliance with regulation 29(2)/(3). However, fine levied by NSE for Non-compliance with the said regulation appears to be waived off by the exchange at a later date.

###The fine levied By NSE for Non-compliance with Regulation 13 (3) was reversed by the Exchange.

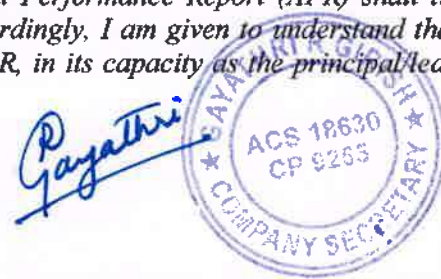
In addition to the above, the Company had received Letters from BSE Limited for non-payment of Annual Listing Fees for the year under review. The Company has made representations with regards the various penalties imposed/show cause notices issued on the Company for the alleged contraventions under certain regulations during the year inter-alia including Regulation 6(1) for the aforesaid period under review. As mentioned elsewhere in this report, the arrears of annual listing fees of BSE Limited for the year under review has been paid subsequently during the year 2022-23, prior to the date of signing of this report. As informed to me, the annual listing fee for NSE has been paid in the even year of review.

• *I draw attention to the following(s):*

- In terms of the Regulation 47(3) of SEBI LODR, the Company shall publish the financial results of the company within 48 hours of the conclusion of the Board/Committee meeting. However, since the Company has not considered/approved/published the quarterly financial results for the quarter ended on 30<sup>th</sup> June, 2019, 30<sup>th</sup> September 2019 and 31<sup>st</sup> December, 2019, the said event of publication in newspaper doesn't arise.
- *The Luxembourg Stock Exchange with effect from 01<sup>st</sup> May 2019 has delisted Global Depository Receipts issued by the Company for non-compliances with the rules and regulations of the Exchange.*
- The resignation of Chief Financial Officer of the Company with effect from 31st December, 2019 (received by the Resolution Professional on March 22, 2021) was approved by the Resolution Professional on March 30, 2021 and intimated to the exchanges in terms of Regulation 30 on March 31, 2021.

### III. Under Foreign Exchange Management Act (FEMA), 1999

- *The return of Foreign Assets and Liabilities for the financial year ended 31<sup>st</sup> March, 2019 has not been filed for the Company with the Reserve Bank of India.*
- *The Company has investment in certain offshore entities. In terms of RBI guidelines, in case multiple Indian Parties have invested in the same overseas Joint Venture or Wholly Owned Subsidiary, the obligation to submit Annual Performance Report (APR) shall lie with the Indian Party having maximum stake. Accordingly, I am given to understand that Videocon Industries Limited has been filing the APR, in its capacity as the principal/lead*



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*investor. However, the Company has not filed APR in respect of any of its investments for the financial year ended on 31<sup>st</sup> March, 2019.*

- *The Company has not filed monthly returns in ECB-2.*

### I report the status of CIRP as at the date of this report:

1. Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") by State Bank of India against the Company, under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("IBC Code"), the NCLT, had vide its order dated June 06, 2018 admitted the application for the initiation of the corporate insolvency resolution process ("CIRP") of the Company in terms of the IBC Code ("Admission Order"). Subsequently, the Hon'ble NCLT vide its order dated August 08, 2019 ordered the consolidation of the CIRP of the 13 Videocon Group entities, including the Company, ("Videocon Group Entities").
2. Further, the NCLT vide an order dated September 25, 2019 had appointed Mr. Abhijit Guhathakurta as the resolution professional ("Resolution Professional") for the consolidated CIRP of the Videocon Group Entities including the Company ("Appointment Order"). The Appointment Order was published on September 27, 2019, on which date the Resolution Professional took over the management and affairs of the Videocon Group Entities. Pursuant to the publication of the Appointment Order and in accordance with the provisions of the IBC Code, the powers of the board of directors of the Company were suspended and the same were vested with and were being exercised by the Resolution Professional.
3. Subsequently, the Hon'ble NCLT vide its order pronounced on June 08, 2021 (copy of the order uploaded on the NCLT website on June 14, 2021) ("NCLT Approval Order") approved the resolution plan of the Corporate Debtors including the Company, submitted by Twin Star Technologies Limited ("Resolution Plan"), under Section 31 of the IBC Code. Pursuant to the NCLT Approval Order and in terms of the Resolution Plan, a steering committee of the Corporate Debtors including the Company was constituted ("Steering Committee").
4. As per the terms of the Resolution Plan, the Steering Committee in its meeting held on June 18, 2021 had appointed Mr. Abhijit Guhathakurta, erstwhile resolution professional, as the interim manager of the Videocon Group Entities including the Company ("Interim Manager") for undertaking the management and control of the of the Videocon Group Entities including the Company, from the date of approval of the NCLT Approval Order till the completion of the implementation process (as provided under the Resolution Plan).
5. Further, appeals were filed by the Bank of Maharashtra and IFCI Limited before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "NCLAT"), challenging the NCLT Approval Order under Section 61 of the IBC Code bearing Company Appeal (AT) (Ins.) No. 503 and 505 of 2021 respectively ("Appeals"). The Hon'ble NCLAT had, vide its order dated July 19, 2021 in the said Appeals inter alia stayed the operation of the NCLT Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the Plan Approval Order ("Stay Order"). Further, as per the Stay Order,



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the Resolution Professional had been directed to continue to manage the 13 Corporate Debtors including the Company as per the provisions of the IBC Code till the next date of hearing.

6. The NCLAT vide its order dated January 05, 2022 set aside the NCLT Approval Order passed under section 31 of the Insolvency and Bankruptcy Code, 2016 approving the Resolution Plan of the Company submitted by Twin Star Technologies Limited ("**NCLAT Final Order**"). Accordingly, the matter was remitted back to Committee of Creditors for completion of the process relating to CIRP in accordance with the provisions of the IBC Code. Thereafter, the Committee of Creditors in its meeting held on January 12, 2022 decided to re-invite fresh expressions of interest for submission of resolution plan for Consolidated Corporate Debtors in accordance with provisions of the IBC Code and regulations thereunder.
7. However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("**SC Appeals**"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made certain oral remark to the Resolution Professional and COC to not proceed further with the CIRP of the Consolidated Corporate Debtors till any orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Consolidated Corporate Debtors till further orders/directions of the Hon'ble Supreme Court.
8. The Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the power of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.
9. In terms of Section 14 of the Code read with the Order, moratorium continues inter alia prohibiting the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority.
10. By virtue of Section 17, 19 & 23 of the Code:
  - a. the management of the affairs of the Corporate Debtors vests in the Resolution Professional;
  - b. the powers of the board of directors are suspended and are to be exercised by the Resolution Professional; however, they continue to be responsible towards their duties;
  - c. the officers and managers of the Corporate Debtors are required to report to the Resolution Professional and provide access to such documents and records of the Corporate Debtors as may be required by the Resolution Professional and
  - d. the personnel of the corporate debtor, its promoters or any other person associated with the management of the corporate debtor shall extend all assistance and cooperation to the Resolution Professional as may be required by him in managing the affairs of the corporate debtor.



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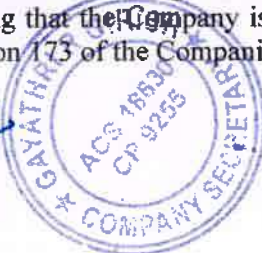
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### I further report that:

- I have been informed that since Videocon Group Entities are under a group insolvency, for enhancement of value of the Videocon Group Entities as a whole, it was agreed in the 3rd consolidated CoC by all CoC members that the funds of Videocon Industries Limited (VIL) should be used for meeting shortfall in the fixed costs of the other 12 companies including the Company under consolidated CIRP as well as for meeting operational gap for productive business activities. The members of CoC had unanimously authorized the RP to utilize funds of VIL on a need based basis for meeting the shortfall in fixed costs of other 12 group companies including the Company and also for meeting any operational requirements for carrying out business /manufacturing activities in these companies with an overall objective to maintain going concern nature, ensure continued business operations and in order to maximize value of the assets of Videocon Group Entities.
- I have not come across any Contingent liabilities, penalties or show cause notices issued/status of disputes and appeals under other Acts, other than those as disclosed in the notes to the audited financial statements of the Company.
- The Company made an application to the Registrar of Companies seeking approval for extension of time for holding Annual General Meeting under section 96(1) of the Companies Act, 2013 for the financial year ended March 31st, 2019. Keeping in view, the circumstances as mentioned for extension of time for the purpose of holding Annual General Meeting, Registrar of Companies has granted the extension of 2 months. The Company made a further application to Registrar of Companies seeking approval for extension of time for holding Annual General Meeting under section 96(1) of the Companies Act, 2013 by a further period of 1 month i.e., upto December 30, 2019. The Company convened Annual General Meeting on December 30, 2019, in pursuance to the approval.
- The Independent Directors of the Company have not convened a separate meeting of the Independent Directors as the Company as required in terms of Regulation 25(2A) of the SEBI LODR. Further, in view of the relaxations granted by MCA due to Covid-19 pandemic lockdowns, if the Company's independent directors fail to hold at least one meeting as required under Schedule 4 of the Act in the year 2019-20, it would not be considered as a violation under the Act.
- In terms of the provisions of Section 173 of the Companies Act, 2013, every company shall hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. During the year under review, two meetings of the Board, two meetings of Audit Committee, One meeting of Nomination and Remuneration Committee and Stakeholders' Relationship Committee were held under the instruction of the Resolution Professional. The said meetings of directors were chaired by the Resolution Professional. Considering that the Company is under CIRP, it is deemed compliance of the provisions of Section 173 of the Companies Act,

*Gayathri*



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2013. Similar provision applies to the Committee meetings.

- In respect of the meetings held during the year under review, adequate notice is given to all directors to schedule the Board/Committee Meetings, agenda and detailed notes on agenda were sent, 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.
- As per the provisions of IBC and provisions of Regulation 15 (2A) and (2B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI (LODR)) as amended from time to time, the provisions specified in regulation 17,18,19,21, shall not be applicable during the insolvency resolution process. The provisions as specified in said regulations of the SEBI (LODR) shall not be applicable during the insolvency resolution process period **provided that** the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional. However, Regulation 15(3) of the SEBI LODR, also states that notwithstanding the above exemptions, the provisions of the Companies Act, 2013, shall continue to apply, where-ever applicable. Thus, the exemption provided under the SEBI LODR doesn't exempt companies from the compliance under the Companies Act, 2013.

I further report that *subject to the above observations and the system and process connected to those observations*, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has not undertaken any event/actions having a major bearing on the Company's affairs in pursuance to the applicable referred laws, regulations, rules, guidelines etc., except for the following actions which would have arisen (without any action on part of the Company) which requires attention of the members:

### ***Material Event after the balance sheet date:***

#### **1. Delisting Application filed with the Stock Exchanges:**

Videocon Industries Limited vide its announcement dated June 08, 2021 had informed the Exchange regarding approval of the Resolution Plan by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide order dated June 08, 2021, which inter alia, provides for delisting of equity shares of the Company. Further, the Company vide announcement dated June 15, 2021 has submitted a copy of the NCLT Order as available on the NCLT website and informed the Exchange that since the Liquidation Value is not sufficient to cover debt of the Financial Creditors of the Company in full, the Liquidation value due to the equity shareholders of the Company is NIL and hence, the shareholders will not be entitled to receive any payment and no offer will be made to any shareholder of the Company. The company had fixed record date of June 16, 2021 for the purpose of delisting of shares from the Exchange.



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However, as stated above, appeals were filed by the Bank of Maharashtra and IFCI Limited before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "NCLAT"), challenging the NCLT Approval Order under Section 61 of the IBC Code bearing Company Appeal (AT) (Ins.) No. 503 and 505 of 2021 respectively ("Appeals"). The Hon'ble NCLAT had, vide its order dated July 19, 2021 in the said Appeals inter-alia stayed the operation of the NCLT Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the Plan Approval Order ("Stay Order"). Further, as per the Stay Order, the Resolution Professional had been directed to continue to manage the 13 Corporate Debtors including the Company as per the provisions of the IBC Code till the next date of hearing.

The NCLAT vide its order dated January 05, 2022 set aside the NCLT Approval Order passed under section 31 of the Insolvency and Bankruptcy Code, 2016 approving the Resolution Plan of the Company submitted by Twin Star Technologies Limited ("NCLAT Final Order"). Accordingly, the matter was remitted back to Committee of Creditors for completion of the process relating to CIRP in accordance with the provisions of the IBC Code. Thereafter, the Committee of Creditors in its meeting held on January 12, 2022 decided to re-invite fresh expressions of interest for submission of resolution plan for Consolidated Corporate Debtors in accordance with provisions of the IBC Code and regulations thereunder.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("SC Appeals"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made certain oral remark to the Resolution Professional and COC to not proceed further with the CIRP of the Consolidated Corporate Debtors till any orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Consolidated Corporate Debtors till further orders/directions of the Hon'ble Supreme Court.

However, the delisting applications remain sub-judice pending the outcome of the SC Appeals.

2. *There are ongoing investigations against Videocon Group Entities including the Company by different government agencies, including SFIO and Directorate of Enforcement.*

Place: Pune  
Date: March 31, 2023

*Gayathri*  
Gayathri R Girish  
CP No: 9255  
ACS: A18630  
UDIN: A018630D003357185  
PR Certificate No.: 2176/2022



*This report to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.*

# Gayathri R Girish

## Company Secretary

Off: 402, Turquoise, Nyati Empire, Kharadi, Pune – 411014

Mobile :+91 9960184564

Email :girish.gayathri@gmail.com

### Annexure – A

To,  
The Members,  
Videocon Industries Limited  
CIN: L99999MH1986PLC103624  
14 KM Stone, Aurangabad Paithan Road, Village Chittegaon  
Taluka Paithan,  
Aurangabad MH 431 105 IN

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS prescribed by ICSI.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which I relied on the report of statutory auditor.
4. Wherever required, I 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 management. My 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.

Place: Pune  
Date: March 31, 2023

  
Gayathri R Girish  
CP No: 9255  
ACS: A18630  
UDIN: A018630D003357185  
PR Certificate No: 2176/2022



# Gayathri R Girish

## Company Secretary

Off: 402, Turquoise, Nyati Empire, Kharadi, Pune – 411014

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Email: [girish.gayathri@gmail.com](mailto:girish.gayathri@gmail.com)

### **CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

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

To

The Members of

**VIDEOCON INDUSTRIES LIMITED**

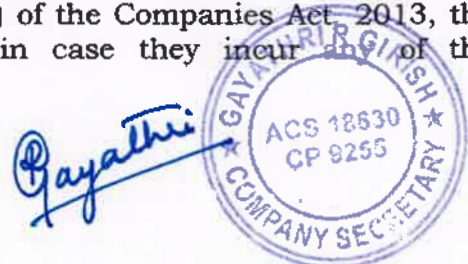
14. K.M Stone, Aurangabad Paithan Road,  
Village Chittegaon, Taluka Paithan,  
Aurangabad - 431105

**Subject: Certificate under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

I have examined the records, forms, returns and disclosures received from the Directors of Videocon Industries Limited having CIN L99999MH1986PLC103624; registered office at 14. K.M Stone, Aurangabad Paithan Road, Village Chittegaon, Taluka Paithan, Aurangabad - 431105 (hereinafter referred to as 'the Company'), produced before me for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31<sup>st</sup> March, 2020.

#### **Status of Disqualification/Non - disqualification as at March 31, 2020:**

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in); list of entities debarred by Securities and Exchange Board of India, as uploaded on the website of BSE Limited (BSE) and National Stock of Exchange of India Limited (NSE) and based on the explanation furnished to me by the Company and its officers; and based on the explanation, declarations, representations from its Directors, I hereby report that the Company, prior to commencement of Corporate Insolvency Resolution Process (CIRP), was in default of repayment of principal amount of U.S.\$75.2 Million and interest thereof for a period of more than 1 (One) year in respect of FCCBs issued. Thus, in terms of the provisions of Section 164(2)(b) of the Companies Act, 2013, the Board of Directors of the Company incur disqualification under Section 164(2)(b) of the Companies Act, 2013. Further, in terms of Section 167(1)(a) of the Companies Act, 2013, the office of the directors shall become vacant in case they incur any of the



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disqualification specified in Section 164, provided that the office shall become vacant in all the companies, other than the company which is in default.

The Directors of the Company had previously represented that they do not incur disqualification under section 164(2)(b) because the FCCB transaction was under duress and the matter is sub-judice.

However, in my opinion the following Directors of the Company are disqualified under Section 164(2)(b) of the Companies Act, 2013 and, accordingly, they vacate office in all other companies other than the Company which is in default under that sub-section i.e. Videocon Industries Limited:

| Sr. No. | Name of Director          | DIN      | Date of Appointment |
|---------|---------------------------|----------|---------------------|
| 1.      | Venugopal Nandlal Dhoot   | 00092450 | 01/09/2015          |
| 2.      | Subhash Shamsunder Dayama | 00217692 | 14/05/2016          |
| 3.      | Sarita Sanjay Surve       | 07728829 | 11/02/2017          |

It is clarified that notwithstanding the above, none of the above mentioned Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs on any other grounds or debarred/disqualified by any such other Statutory Authority as at March 31, 2020.

### Status of Disqualification/Non - disqualification as on date:

Nonetheless, as at the date of issuance of this certificate, the status of eligibility/continuity of directors of Videocon Industries Limited is as follows:

- o Post commencement of CIRP, the members at the Annual General Meeting held on December 17, 2018 wherein majority of the Promoters, Promoters' Group and persons acting in concert had dissented the resolution for the appointment of Mr. Venugopal N Dhoot (DIN: 00092450) as director of the Company. However, the Committee of Creditors of the Company has not approved the resultant change in the management of the Company as required in terms of Section 28 of the Insolvency and Bankruptcy Code, 2016, in light of the ongoing Corporate Insolvency Resolution Process (CIRP) of the Company. Thus, Mr. Venugopal Dhoot continued to be designated as a Director of the Company. The tenure of Mr. Venugopal Nandlal Dhoot as Managing Director and Chairman of the Company had ended on August 31, 2020. The DIN 00092450 of Mr Venugopal N Dhoot has also been de-activated by the Ministry of Corporate Affairs effective 1<sup>st</sup> October, 2022 due to non-completion of KYC.



# Gayathri R Girish

## Company Secretary

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- Further, based on the independent evaluation carried out by the Company, it appeared that Mr. Subhash S Dayama (DIN:00217692) ) has incurred disqualification under Section 164(2) of the Companies Act, 2013 and the Rules made thereunder and further vacated the office of Director in the Company in terms of Section 167 (1) (a) of the Companies Act, 2013. The Company has however, not received Form DIR 8 from Mr. Subhash S Dayama to this effect. Further his tenure as an Independent Director has also ended on 13<sup>th</sup> May, 2021.
- Mrs. Sarita Sanjay Surve (DIN: 07728829), resigned from the directorship of the Company w.e.f. June 27, 2022.
- Mr. Satish Motilal Totala (DIN: 08901288 ) was appointed as the Whole-Time Director of the Company w.e.f. October 5, 2020 for a tenure of two years and further extended for one year effective October 5, 2022.
- Based on my examination of the filing status on [www.mca.gov.in](http://www.mca.gov.in), it is noted that Videocon Industries Limited has not filed financial statements or annual returns for a continuous period of three financial years i.e., 2019-2020, 2020-2021 and 2021-2022, and accordingly all the directors who were directors as on October 30, 2022, attract the disqualification under section 164 (2)(a) of the Companies Act, 2013 ("**Effective Date of Disqualification**") and consequently they shall vacate office in all the companies, other than the Company in default i.e., Videocon Industries Limited.
- The continuing directors namely Mr. Satish Motilal Totala (DIN: 08901288) and Mr. Venugopal N Dhoot (DIN: 00092450) attract the disqualification under Section 164 (2)(a) of the Companies Act, 2013 effective October 30, 2022. Nevertheless, they do not vacate office in Videocon Industries Limited in terms of the first proviso to Section 167 (1) (a) of the Act. The Company is yet to intimate the aforesaid disqualification of directors in Form DIR - 9 to the office of the Registrar of Companies.

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

  
Gayathri R Girish  
Practicing Company Secretary  
Membership No: A18630  
CP: 9255  
UDIN: A018630D003357427  
PR Certificate No.: 2176/2022  
Place: Pune  
Date: March 31, 2023



# Gayathri R Girish

## Company Secretary

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### COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of  
**VIDEOCON INDUSTRIES LIMITED**  
(the “Company”)

Pursuant to an application filed before the Hon’ble National Company Law Tribunal, Mumbai (“NCLT” / “Adjudicating Authority”) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC” / “the Code”) against Videocon Industries Limited (“Corporate Debtor”) / “the Company”, the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process (“CIRP”) of the Corporate Debtor *vide* an order dated June 6, 2018 and appointed Mr. Anuj Jain as the insolvency resolution professional (“CIRP Commencement”).

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, *vide* its order dated August 8, 2019, allowed State Bank of India’s application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies (collectively referred to as the “Corporate Debtors”, “Videocon Group Entities”); and (ii) appointing Mr. Mahender Kumar Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the consolidated committee of creditors of the Corporate Debtors (“CoC”) was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the resolution professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Kumar Khandelwal. Mr. Abhijit Guhathakurta’s appointment as the resolution professional of the Videocon Group Entities (“Resolution Professional”, “RP”) was approved by the Adjudicating Authority *vide* its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority.

On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stood vested in the Resolution Professional.



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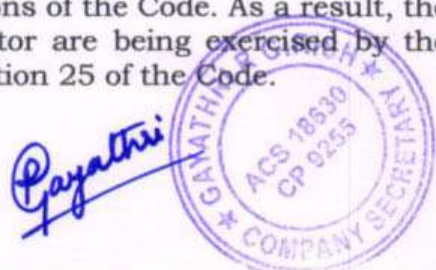
Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "**Resolution Plan**"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the Code for its approval on December 15, 2020. Further, NCLT vide order dated June 08, 2021 ("**Approval Order**"), approved the resolution plan submitted by Twin Star Technologies Limited ("**Approved Plan**").

In terms of the Approved Plan, a steering committee had been constituted ("**Steering Committee**"). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the interim manager of the Corporate Debtors ("**Interim Manager**"), for undertaking the management and control the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "**NCLAT**"), the Hon'ble NCLAT, vide its order dated July 19, 2021 in the said Appeals (the "**Stay Order**"), inter-alia stayed the operation of the Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT vide its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the COC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, "**NCLAT Final Order**"). Subsequently, pursuant to the NCLAT Final Order, the COC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("**SC Appeals**"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and COC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the powers of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.



# Gayathri R Girish

## Company Secretary

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The Corporate Governance Report for year ended March 31, 2020, prepared by the Company, contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations") ('applicable criteria') to the extent of compliance made by the Company considering the ongoing Corporate Insolvency Resolution Process.

As per the provisions of Insolvency and Bankruptcy Code and provisions of Regulation 15 (2A) and (2B) of SEBI (LODR) as amended from time to time, the provisions specified in Regulations 17, 18, 19, 20 and 21, shall not be applicable during the corporate insolvency resolution process. However, the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional of the Company as required under the Code. Accordingly, the Resolution Professional has presented the Report on Corporate Governance for the financial year ended March 31, 2020.

### MANAGEMENT'S RESPONSIBILITY

The preparation of the Corporate Governance Report is the responsibility of the Management/officials of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

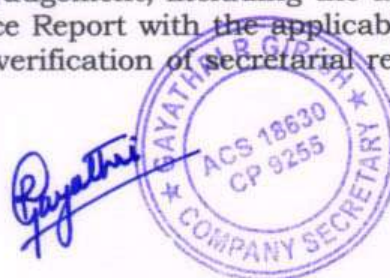
My responsibility was limited to the examination of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance.

The Management/officials of the Company are responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### PCS RESPONSIBILITY

My responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.

The procedures selected depend on the PCS judgement, including the assessment of the compliance of the Corporate Governance Report with the applicable criteria. The procedures include but is not limited to verification of secretarial records and



# Gayathri R Girish

## Company Secretary

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financial information of the Company and obtaining necessary representations and declarations from management/officials of the Company.

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, my scope of work under this report did not involve performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

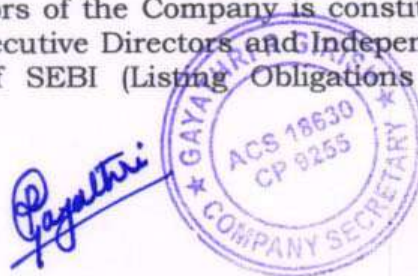
### Opinion:

As mentioned elsewhere, in terms of the provisions of the Insolvency and Bankruptcy Code, 2016 and as per the provisions of Regulation 15 (2A) and (2B) of SEBI (LODR) as amended from time to time, the provisions specified in Regulations 17, 18, 19, 20 and 21, shall not be applicable during the corporate insolvency resolution process provided that the roles and responsibilities of the board of directors and the committees, specified in the respective regulations, shall be fulfilled by the interim resolution professional or resolution professional of the Company as required under the Code.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Management/Officials of the Company, I hereby, certify that the Company has substantially complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges. I have also carried out secretarial audit and submitted Secretarial Audit Report for the financial year ended on March 31, 2020 which may be referred for all the findings.

However, attention is invited to the following:

- ❖ Post commencement of CIRP, the members at the general meeting held on December 17, 2018 had dissented the resolution for the appointment of Mr. Venugopal N Dhoot as director of the Company on account of majority of the Promoters, Promoters' Group and person acting in concert dissenting to the said resolution i.e., voting against the resolution. However, the committee of creditors of the Company has not approved the resultant change in the management of the Company as required in terms of the Section 28 of the Code, in light of the ongoing CIRP of the Company. Thus, Mr. Venugopal Dhoot continued to be designated as a Director of the Company.
- ❖ In view of the above, the Board of Directors of the Company is constituted with proper balance of Executive, Non-Executive Directors and Independent Directors in terms of Regulation 17 of SEBI (Listing Obligations and



# Gayathri R Girish

## Company Secretary

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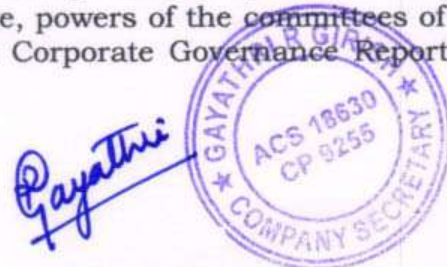
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Disclosure Requirements), 2015 and so also the committees of the Board viz., the Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee for the year under review.

- ❖ *The Company is not in compliance with regards to the composition/ minimum number of members of Audit Committee and the Nomination and Remuneration Committee for the year under review. It is reiterated herein that the powers of the Board are suspended and the role and responsibilities of the Board and the Committees under Regulations 17 to 21 are to be fulfilled by the Resolution Professional of the Company.*
- ❖ *In terms of the provisions of Regulation 25(3) and 25(4) of SEBI (LODR), Regulation, 2015, the Independent Directors of the Company have not convened a separate meeting of the Independent Directors during the year under review. In view of the relaxations granted by MCA due to Covid-19 pandemic lockdowns, if the Company's independent directors fail to hold at least one meeting as required under Schedule 4 of the Act in the year 2019-20, it would not be considered as a violation under the Act.*
- ❖ *The details relating to familiarisation programmes for Independent Directors as required in terms of Regulation 46 (2) (i) for the year under review is not published on the website of the Company.*
- ❖ *As on the date of the Corporate Governance report, there are no Independent Directors on the Board of the Company. Accordingly the information under Schedule V (C) (2) (h), (i) of the listing regulations is not furnished. Further, post commencement of CIRP, no performance evaluation was carried out. Correspondingly, the information under Schedule V(C)(4)(d) of the listing regulations is not furnished.*
- ❖ *In absence of Chief Financial Officer, the Company has not annexed the compliance certificate for the year ended March 31, 2020 under Regulation 17(8) as specified in Part B of Schedule II.*
- ❖ *Since the Company has considered the stand-alone financial results for the year ended March 31, 2020, compliance with Regulation 24A(1) of the Listing Regulations in respect of annexing the secretarial audit report of the material subsidiary with the annual report of the listed entity, if any, shall not arise.*
- ❖ *It is clarified that the finance and general affairs committee and Re-organisation Committee (the non- mandatory committees) of the Board is non functional post assumption of office of the Resolution Professional.*
- ❖ *As on the date of this certificate, there are no active members on the Audit Committee and Nomination And Remuneration Committee. There is only one active member in the Risk Management Committee, the Stakeholders Relationship Committee and the CSR Committee.*

In terms of Section 17 of the IBC, the role and responsibilities of the Board and the Committees of the Board are being fulfilled by the Resolution Professional. The terms of reference, scope, powers of the committees of the Board/Directors do not form part of the Corporate Governance Report for



# Gayathri R Girish

## Company Secretary

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year ended March 31, 2020 on the ground that the Company is into CIRP and the powers of the directors are suspended.

**The Company has not complied with respect to the following Regulations during the year under review:**

- ❖ *Submission under Regulation 23 (9) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regards to disclosure of material Related Party Transactions for the half year ended on March 31, 2019 and September 30, 2019.*

**The Company has during the review period delayed/not adhered to timeline requirements in:**

- ❖ *Submission under Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 with regards to Annual Secretarial Compliance Report to be submitted by listed entities within 60 days of the Financial year ended March 31, 2019. However, the same was filed at a later date, post the financial year ended March 31, 2020.*

**The status of compliance with discretionary recommendations of the Regulation 27 of the SEBI Regulations with Stock Exchanges inter-alia is provided below:**

- a. **Modified Opinion in Auditors Report:-** *The Company's Financial Statements for the year ended March 31, 2019 under Regulation 33 of SEBI (LODR) contained the modified audit opinion and the Company has furnished the Statement of Impact of Audit Qualifications (for audit report with modified opinion) while furnishing the financial results for year ended March 31, 2019 under regulation 33 of SEBI (LODR).*
- b. **Reporting of Internal Auditor:** *The Company has not appointed Internal Auditor during FY 2019-20.*

The Company is admitted under CIRP and the Company has not adopted any of the other discretionary requirements as specified in Part E of Schedule II of the SEBI (LODR).



# Gayathri R Girish

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



Gayathri R Girish  
Practicing Company Secretary  
Membership No: 18630  
CP: 9255  
UDIN: A018630E000212538  
PR Certificate No.: 2176/2022

Place: Pune

Date: April 27, 2023

# Gayathri R Girish

Company Secretary

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## **CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

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

To

The Members of

**VIDEOCON INDUSTRIES LIMITED**

14. K.M Stone, Aurangabad Paithan Road,  
Village Chittegaon, Taluka Paithan,  
Aurangabad - 431105

**Subject: Certificate under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

I have examined the records, forms, returns and disclosures received from the Directors of Videocon Industries Limited having CIN L99999MH1986PLC103624; registered office at 14. K.M Stone, Aurangabad Paithan Road, Village Chittegaon, Taluka Paithan, Aurangabad - 431105 (hereinafter referred to as 'the Company'), produced before me for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31<sup>st</sup> March, 2020.

Status of Disqualification/Non - disqualification as at March 31, 2020:

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in); list of entities debarred by Securities and Exchange Board of India, as uploaded on the website of BSE Limited (BSE) and National Stock of Exchange of India Limited (NSE) and based on the explanation furnished to me by the Company and its officers; and based on the explanation, declarations, representations from its Directors, I hereby report that the Company, prior to commencement of Corporate Insolvency Resolution Process (CIRP), was in default of repayment of principal amount of U.S.\$75.2 Million and interest thereof for a period of more than 1 (One) year in respect of FCCBs issued. Thus, in terms of the provisions of Section 164(2)(b) of the Companies Act, 2013, the Board of Directors of the Company incur disqualification under Section 164(2)(b) of the Companies Act, 2013. Further, in terms of Section 167(1)(a) of the Companies Act, 2013, the office of the directors shall become vacant in case they incur any of the

*Gayathri*  
ACS 18630  
CP 9255  
GAYATHRI GIRISH  
COMPANY SECRETARY

# Gayathri R Girish

## Company Secretary

Off: 402, Turquoise, Nyati Empire, Kharadi, Pune – 411014

Mobile: +91 9960184564

Email: [girish.gayathri@gmail.com](mailto:girish.gayathri@gmail.com)

disqualification specified in Section 164, provided that the office shall become vacant in all the companies, other than the company which is in default.

The Directors of the Company had previously represented that they do not incur disqualification under section 164(2)(b) because the FCCB transaction was under duress and the matter is sub-judice.

However, in my opinion the following Directors of the Company are disqualified under Section 164(2)(b) of the Companies Act, 2013 and, accordingly, they vacate office in all other companies other than the Company which is in default under that sub-section i.e. Videocon Industries Limited:

| Sr. No. | Name of Director          | DIN      | Date of Appointment |
|---------|---------------------------|----------|---------------------|
| 1.      | Venugopal Nandlal Dhoot   | 00092450 | 01/09/2015          |
| 2.      | Subhash Shamsunder Dayama | 00217692 | 14/05/2016          |
| 3.      | Sarita Sanjay Surve       | 07728829 | 11/02/2017          |

It is clarified that notwithstanding the above, none of the above mentioned Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs on any other grounds or debarred/disqualified by any such other Statutory Authority as at March 31, 2020.

### Status of Disqualification / Non - disqualification as on date:

Nonetheless, as at the date of issuance of this certificate, the status of eligibility/continuity of directors of Videocon Industries Limited is as follows:

- o Post commencement of CIRP, the members at the Annual General Meeting held on December 17, 2018 wherein majority of the Promoters, Promoters' Group and persons acting in concert had dissented the resolution for the appointment of Mr. Venugopal N Dhoot (DIN: 00092450) as director of the Company. However, the Committee of Creditors of the Company has not approved the resultant change in the management of the Company as required in terms of Section 28 of the Insolvency and Bankruptcy Code, 2016, in light of the ongoing Corporate Insolvency Resolution Process (CIRP) of the Company. Thus, Mr. Venugopal Dhoot continued to be designated as a Director of the Company. The tenure of Mr. Venugopal Nandlal Dhoot as Managing Director and Chairman of the Company had ended on August 31, 2020. The DIN 00092450 of Mr Venugopal N Dhoot has also been de-activated by the Ministry of Corporate Affairs effective 1<sup>st</sup> October, 2022 due to non-completion of KYC.



# Gayathri R Girish

## Company Secretary

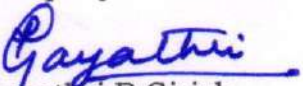
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- o Further, based on the independent evaluation carried out by the Company, it appeared that Mr. Subhash S Dayama (DIN:00217692) ) has incurred disqualification under Section 164(2) of the Companies Act, 2013 and the Rules made thereunder and further vacated the office of Director in the Company in terms of Section 167 (1) (a) of the Companies Act, 2013. The Company has however, not received Form DIR 8 from Mr. Subhash S Dayama to this effect. Further his tenure as an Independent Director has also ended on 13<sup>th</sup> May, 2021.
- o Mrs. Sarita Sanjay Surve (DIN: 07728829), resigned from the directorship of the Company w.e.f. June 27, 2022.
- o Mr. Satish Motilal Totala (DIN: 08901288 ) was appointed as the Whole-Time Director of the Company w.e.f. October 5, 2020 for a tenure of two years and further extended for one year effective October 5, 2022.
- o Based on my examination of the filing status on [www.mca.gov.in](http://www.mca.gov.in), it is noted that Videocon Industries Limited has not filed financial statements or annual returns for a continuous period of three financial years i.e., 2019-2020, 2020-2021 and 2021-2022, and accordingly all the directors who were directors as on October 30, 2022, attract the disqualification under section 164 (2)(a) of the Companies Act, 2013 ("**Effective Date of Disqualification**") and consequently they shall vacate office in all the companies, other than the Company in default i.e., Videocon Industries Limited.
- o The continuing directors namely Mr. Satish Motilal Totala (DIN: 08901288) and Mr. Venugopal N Dhoot (DIN: 00092450) attract the disqualification under Section 164 (2)(a) of the Companies Act, 2013 effective October 30, 2022. Nevertheless, they do not vacate office in Videocon Industries Limited in terms of the first proviso to Section 167 (1) (a) of the Act. The Company is yet to intimate the aforesaid disqualification of directors in Form DIR – 9 to the office of the Registrar of Companies.

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

  
Gayathri R Girish  
Practicing Company Secretary  
Membership No: A18630  
CP: 9255  
UDIN: A018630D003357427  
PR Certificate No.: 2176/2022  
Place: Pune  
Date: March 31, 2023





**KVA & COMPANY**  
**CHARTERED ACCOUNTANTS**

**C-570, First Floor**  
**Saraswati Vihar, Pitampura**  
**Delhi-110034, Tel: 01147081081**  
**E-Mail: [kvaandcompany@gmail.com](mailto:kvaandcompany@gmail.com)**

## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members of**  
**VIDEOCON INDUSTRIES LIMITED**  
**(Company under Corporate Insolvency Resolution Process "CIRP")**

**Report on the Audit of the Standalone Financial Statements for**  
**Financial Year- 2019-2020**

### **Material Background for this Audit Report**

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai ("**NCLT**" / "Adjudicating Authority") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**" / "the Code") against Videocon Industries Limited (the "**Corporate Debtor**") / "the **Company**"), the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process ("**CIRP**") of the Corporate Debtor vide an order dated June 6, 2018 and appointed Mr. Anuj Jain as the insolvency resolution professional.

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, vide its order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies namely, Value Industries Limited, Videocon Telecommunications Limited, Evans Fraser & Co. (India) Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Electroworld Digital Solutions Limited, Techno Kart India Limited, Century Appliances Limited, Techno Electronics Limited, PE Electronics Limited, CE India Limited and Sky Appliances Limited; (collectively referred to as the "Corporate Debtors" / "**Videocon Group Entities**") and (ii) appointing Mr. Mahender Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the Consolidated Committee of Creditors of the Corporate Debtors (CoC) was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the Resolution Professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Khandelwal. Mr. Abhijit Guhathakurta's appointment as the Resolution Professional of the Videocon Group Entities ("**Resolution Professional**" / "**RP**") was approved by the Adjudicating Authority vide its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority. On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stand vested in the Resolution Professional.



Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "**Resolution Plan**"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the Code for its approval on December 15, 2020. Further, NCLT vide order dated June 08, 2021 ("**Approval Order**"), approved the resolution plan submitted by Twin Star Technologies Limited ("**Approved Plan**").

In terms of the Approved Plan, a steering committee had been constituted ("**Steering Committee**"). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the interim manager of the Corporate Debtors ("**Interim Manager**"), for undertaking the management and control the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

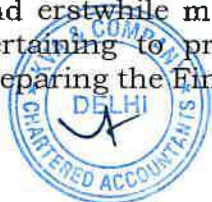
However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "**NCLAT**"), the Hon'ble NCLAT, vide its order dated July 19, 2021 in the said Appeals (the "Stay Order"), inter-alia stayed the operation of the NCLT Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the NCLT Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT vide its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the COC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, "**NCLAT Final Order**").

Subsequently, pursuant to the NCLAT Final Order, the COC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("**SC Appeals**"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and COC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Consolidated Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the powers of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.

It is also understood that the Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code, seeking co-operation from promoters and erstwhile management of the company for providing various data, primarily pertaining to pre-CIRP period and certain additional data that is required for preparing the Financial Statements. The requested data is still not made available to



the Resolution Professional / Company. Hence, in the absence of detailed books of accounts of earlier years, including ledger copies / supporting documents as required to be maintained under the provisions of section 128 of Companies Act, 2013, the Financial Statements have been prepared by the Group Resources on the basis of available data on best effort basis.

### **Disclaimer of Opinion**

We have audited the Standalone Financial Statements of **VIDEOCON INDUSTRIES LIMITED** ("the Company"), which comprise of the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, 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 for the year ended on the same date (hereinafter referred to as the "**Financial Statements**").

*We do not express an opinion on the accompanying Financial Statements of the Company. Because of the significance of the matters described in the 'Basis for Disclaimer of Opinion' paragraph of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Financial Statements of the Company as at March 31, 2020.*

### **Basis for Disclaimer of Opinion**

For the paragraphs mentioned below (1 to 20), we are unable to comment on the elements of Financial Statements which may require necessary disclosures/ documentation/ explanation/and or adjustments and impact of the same on the Financial Statements. We were unable to obtain sufficient and appropriate audit evidence on the matters mentioned below, which may have a material and pervasive impact on the financial position of the Company for year ended on March 31, 2020.

1) *Vide Note No-60 of Financial Statements, the RP has disclaimed his liability on account of signing the Financial Statements and further stated that RP is not making any representations regarding the accuracy, veracity or completeness of the data or information in the Financial Statements.*

*Further, the Group Resources and the RP (including his team) have relied on the opening Balance Sheet and the balances reflected in available accounts / ledgers/ trial balance as on 31st March, 2019, without going into the merits of such balances outstanding, and without making any adjustments to such accounts / balances except for giving effect to the transactions entered during the year. In view of the same, the company has not adequately followed provisions of section 128 of Companies Act, 2013. Thus, consequential cumulative effects on the Financial Statements are unascertainable.*

*It may also be noted that, since the predecessor auditor had issued an audit report with a "Qualified opinion", coupled with the fact that detailed books of accounts / supporting documents of earlier years are not presently available with the Company, we are unable to obtain a reasonable assurance on the opening balances carried forwarded by the Company.*

2) *The Company has not provided Fixed Assets Register and other relevant documents/ records as prescribed in accordance with Ind AS 16 "Property Plant & Equipment". We have been provided certain available records/details however, we are unable to confirm the completeness and exhaustiveness of the said records/details shared, including status of title/ possession of all Property Plant & Equipment. It may however be noted that, the RP has already filed applications before NCLT under section*



19 of IBC for the handing over of complete and accurate details/records with regards to the fixed assets of the Company. Also, as mentioned in Note No-56 of the Financial Statements, no revaluation or impairment assessment has been carried out on such assets. Neither any report pertaining to physical verification of such assets was made available to us. Accordingly, we are unable to confirm the valuation (including impact of any impairment, obsolescence, damage, etc.) and ownership of such assets along with the depreciation charged in statement of profit and loss account. Due to insufficiency of data/records, we are unable to obtain sufficient appropriate audit evidence whether any adjustments are necessary in respect of property, plant and equipment as at March 31, 2020.

3) As per the information and explanations given to us with respect to Investments as reflected in Note no. 4 of the Financial Statements, the Company has carrying value of investments in subsidiaries, associates and joint ventures amounting to INR 96,342.30 million, and has trade receivables of INR 10,098.58 million, (aggregating to INR 106,440.88 millions), in group/affiliate companies which have been referred to National Company Law Tribunal and consequently admitted to CIRP under the Insolvency and Bankruptcy Code, 2016. As such, we are unable to express an opinion on the extent of realizability of aforesaid investments and trade receivables from group / affiliate companies till the completion of resolution process of group/ affiliate entities.

Also, as mentioned in Note No-56 of the Financial Statements, the Company has neither revalued nor measured investments according to Ind AS-13 "Fair value measurements" nor complied with the requirements of Ind AS-36 "Impairment of assets". Further, some of the share certificates are not available with the company nor do they have any record/document available at this stage to ascertain the ownership of such investments shown in the books of accounts. It may however be noted that, the RP has already filed applications before NCLT under section 19 of IBC for the handing over of complete and accurate details/records with regards to the Investments of the Company. Due to insufficiency of data/records, we are unable to ascertain the consequential cumulative effects thereof on loss (including other comprehensive income for the year), assets and other equity. As such, we are unable to determine whether any additional adjustments / disclosures are required on investments and trade receivables reported as at March 31, 2020.

4) We have not been provided with any physical verification reports of inventories at the beginning and end of the year. Hence, we are unable to comment / confirm on the quantity and valuation of Inventories held as at March 31, 2020 which are stated in the Balance Sheets at INR 2361.96 million (2019: INR 2711.07 million) under note no. 8. As such, we are unable to determine whether any adjustments in accordance with Ind AS-2 "Inventories" are necessary to the Financial Statements in respect of recorded (or unrecorded) inventories and further cannot comment on the items which are obsolete, damaged and their proper reflection in the Financials Statements.

Further, in the absence of physical verification and fair valuation of inventories, we are unable to comment or confirm on the correctness of the amount charged towards Cost of material Consumed during the year as mentioned under Note No. 25 and the Changes in Inventories (in finished goods, work-in-progress and stock in trade) as disclosed under Note No.27.

5) As mentioned in Note No. 5 and 11, Company had carrying value of loan and advances to related parties and others, including deposits, aggregating to INR 136,944.29 million (2019: INR 134,408.49 million). Due to non-availability of relevant supporting documents/records, we are unable to assess the genuineness and recoverability of such loans and advances issued by the Company which form part of the opening balances as at 1st April, 2019.



6) With respect to related party disclosures made under Note No.52 of the Financial Statements, we are unable to confirm or comment whether the details provided are complete and in compliance with the requirements of section 188 of the Companies Act, 2013 and Ind AS-24 "Related Party Disclosures".

7) As mentioned in Note No-33, the company has not made any adjustment to Deferred Tax Asset/Liability for the year under consideration. Accordingly, Ind AS-12 "Income Tax" has not been followed by the Company. Resultant impact, if any, on the Financials Statements is not ascertainable at this stage.

8) As referred in Note No-35, valuation towards employee benefit expenses is based on actuarial valuation report. Since the company is into CIRP, the assumptions considered and the resultant outcomes may change basis the outcome of CIRP. As such, we are unable to comment on impact, if any, on the Financial Statements.

9) With respect to Note No-36 to the Financial Statements regarding Financial Instruments, read with Note 50 to the Financial Statements, the company has not complied with the requirements of Ind AS -109 – Financial Instruments. As such, its impact on the Financial Statements is not ascertainable at this stage.

10) As mentioned in Note No- 37, in the absence of breakup/details pertaining to contingent liability as at 31st Mar 2019, the company has relied on the opening balances without evaluating if any changes are required to such opening balances during the year. As such, the company has not disclosed contingent liability in accordance with Ind AS-37 "Provisions, Contingent Liabilities and Contingent Assets". Further, we are unable to comment on the completeness / exhaustiveness of the contingent liabilities covered and any impact that may be necessary on the Financial Statements at this stage.

11) We also draw your attention to Note No-38 to the Financial Statements. There are certain disputes with the Government of India ("GOI") with respect to the earlier Production Sharing Contract dated October 28, 1994 ("Ravva PSC"), now extended up to October 2029 vide RAVVA PSC extension dated October 24, 2019, pertaining to Ravva Oil & Gas Field. Presently, the issue as to the recovery of GOI's alleged claims totaling US\$ 118 Million are being heard in the Supreme Court of India ("SC").

Since the GOI's invocation of the claim of USD 118 million and pending final resolution, all sales revenue of VIL on account of sale of oil & gas to oil marketing companies (GOI owned companies) have been diverted to GOI and are not received by VIL since November 2019. Pending final resolution of the above mentioned disputes, certain amounts of the company's share in revenues from RAVVA Oil & Gas sales have been excess recovered, deducted or short paid by the GOI and / or its Nominees which have been challenged by the Company in the past and present and the Company is seeking recovery of amounts excessively recovered, deducted or short paid by the GOI and/or its Nominees, now that the above matters are being presently heard in the SC and the proceedings are ongoing and awaiting outcome. The Company has not made any adjustments or provided for any further sums required to be paid or recoverable by the Company in respect of such disputes, pending the final outcome in such matters. In this regard, we are unable to ascertain possible financial impacts of such disputes on the Financial Statements.

12) As mentioned in Note No-39 to the Financial Statements, pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Outcome of the CIRP process is still pending thus no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims



for financial creditors, operational creditors, employees and other creditor. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.

Further, the Company is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on March 31, 2020 of INR 49,173.91 million (As at March 31, 2019 INR 49,173.91 million). As such, consequential impact if any is currently unascertainable and we are unable on possible financial impact of the same. Further, as mentioned under Note No. 18 and 39 since the commencement of CIRP, there is a Moratorium in terms of section 14 of the Code towards repayment of existing debts and interest thereon. However, pending the completion / final outcome of CIRP, the Company has continued to provide for the interest for full financial year, including the moratorium period. Payment towards such interest expenses are subject to the provisions of the Code and outcome of CIRP. However, we have not received supporting documents for such borrowings, including relevant sanction letters and other relevant documents. As such, we are unable to confirm whether the Borrowings of INR 333,286.65 million (2019: INR 285,844.34 million) as reported under Note No-18 and 39 provide an accurate status and whether the basis for interest charged in statement of profit and loss account is in accordance with Ind AS-23 "Borrowing Cost".

13) With respect to Note Nos-41 (on SCN received from DRI) and 42 (on disclosures pertaining to MSMEs), we have not been provided any documents/ records. We are therefore unable to comment upon these.

14) With respect to Note No-45, we are unable to ascertain if the reported details provide a complete and accurate breakup of segmental reporting in accordance with Ind AS- 108 "Operating Segments".

15) The company has not produced any documents/ information/ relating to Grant form ozone Project (as set out in Note No-46 of Financial Statements with a carrying value of INR 44.09 million as at 31st March, 2020). As such, we are unable to ascertain impact of the same in Financial Statements at this stage.

16) During the conduct of audit, we have also been informed that the balance confirmations are not available in respect of the balances of loans and advances, trade receivables, trade payables, and other receivables and payables. As such, we are unable to ascertain impact on Financial Statements. However, in case of balance with banks, (INR 737.30 million), we have been provided most of the copies of bank statements (subject to their reconciliations).

17) According to the details made available to us and on the basis of filings made on the GST portal, the company has defaulted / made delayed filings pertaining to the annual compliances of Goods and Service Tax (GST) along with the compliances of Income Tax Act, as applicable during the year. As such, we are unable to comment upon the future liability and/or any other financial impact that may arise on the Company.

18) The Company has not submitted its financial results for the quarter/period ended June 30, 2019, and subsequent periods within due date as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Consequently, we are unable to comment on the monetary impact that may arise on the company for such or any other non-compliances. Additionally, the equity shares of the Company are also suspended from trading on the BSE Limited and National Stock Exchange of India Limited.



19) We also draw your attention to Note No-60 to the Financial Statements. The Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the company, for providing various data, primarily pertaining to pre-CIRP period and certain additional data that is required for preparing Financial Statements and data requested by various investigating agencies. In the absence of relevant data, the financials have been prepared on the basis of available data on best effort basis.

Further, other deviations from the requirements of Companies Act, 2013 and Indian Accounting Standards have also been highlighted in this report. As such, the Company has not followed all of the standard accounting policies as prescribed in Note-1 to the Financial Statements on various matters and the Financial Statements have not been prepared in strict compliance with the requirements of relevant sections of the Companies Act, 2013 and Ind AS along with other rules and regulations. The overall financial impact, if any, is unascertainable.

We also draw your attention to Note no-54 and 55 of the Financial Statements, wherein it is mentioned that an independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. And further, there are ongoing investigations against Videocon Group Entities by different government agencies, including SFIO and Directorate of Enforcement. In this regard, we have not been provided any copy of notice/report/information/documents on such Transaction Review Audit and ongoing investigations. Hence, we are unable to comment on necessary changes that may be required in the Financial Statements at this stage.

20) The Company has mentioned in Note 58 of the Financial Statements that, considering the Company is being run as a going concern under CIRP, the Financial Statements have been prepared on going concern basis. However, we found Material uncertainty relating to Going Concern assumption applied to the Financial Statements. The Company has been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, there is considerable decline in level of operations of the Company, and net worth of the Company reported at INR (73,520.25) Million as on the reporting date is negative and it continues to incur losses. The Company is a co-obligor and has received demand notices in respect of borrowings of other co-obligors/borrowers. Thus, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern". The same is dependent upon the outcome of SC Appeals and /or any other developments on the resolution process of Videocon Group Entities. The appropriateness of the preparation of Financial Statements on going concern basis is critically dependent upon CIRP as specified in the Code. Necessary adjustments required on the carrying amount of assets and liabilities are not ascertainable.

For the matters mentioned in para no (1) to (20) above, we are unable to determine the adjustments that are necessary in respect of Company's assets, liabilities as on Balance sheet date, income and expenses for the year, cash flow statement and related presentation and disclosures in Financial Statements so we disclaim to form any opinion on the financial statement.



We further inform that we were appointed as the Statutory Auditor of the Company only on June 27, 2022 for conducting Statutory Audit from FY 2019-20. For the matters stated in the "Basis for Disclaimer of Opinion paragraph above", we are not cognizant of matters that pertain to/ transpired in earlier financial years (i.e. prior to FY 19-20) and hence cannot be implicated in ongoing proceedings for matters contained herein, which relate to earlier financial years.

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

The Company's management is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The management is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our responsibility is to conduct an audit of the entity's Financial Statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion paragraph of our report, we were not able to obtain sufficient appropriate audit evidence to provide an opinion on these 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 Standards on Auditing ("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.



We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the entity.

We further inform that we were appointed as the Statutory Auditor of the company only on June 27, 2022 for conducting Statutory Audit from FY 2019-20. For the matters stated in the "Basis for Disclaimer of Opinion paragraph above", we are not cognizant of matters that pertain to / transpired in earlier financial years (i.e. prior to FY 19-20) and hence cannot be implicated in ongoing proceedings for matters contained herein, which relate to earlier financial years.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("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.

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

a) As described in the *Basis for Disclaimer of Opinion paragraph* above, we have sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) Due to the possible effects of the matters described in the Basis for "Disclaimer Opinion" paragraph above and on account of relevant data not currently available with the Company for which applications have already been filed by the RP with NCLT under section 19 of the Code, we are unable to state whether 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts presently maintained by the Company and disclosed to us, subject to the observation highlighted in point (b) above. However, we are unable to comment if they present a true & fair view of the affairs of the Company.

d) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph above, we were unable to state whether the aforesaid Financial Statements comply with all the requirements of Indian Accounting Standards under section 133 of Company's Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) The matters described under the Basis for Disclaimer of Opinion paragraph and Material Uncertainty relating to Going Concern paragraph above in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in standalone Financial Statements of the Company.

f) We have not received any written representations from the directors as on March 31, 2020 with regard to disqualification from being appointed as a director in terms of Section 164(2) of the Act. Hence, we are unable to comment whether the directors are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B'.



3. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

1) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph above, we are unable to state whether the Company has disclosed complete impact of pending litigations as at March 31, 2020 on its financial position in its standalone Financial Statements.

2) As per the information and explanation given to us, the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

3) As per the information and explanation given to us, the Company was not required to be transfer any amount to the Investor Education and Protection Fund during the year. However, for abundant clarification, some previous year balances lying with company continue to remain pending to be transferred.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and according to the information and explanation given to us, the Company has not paid any remuneration to its directors during the year. Accordingly, no remuneration has been paid to any director in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For KVA & Company**

Chartered Accountants

(Firm's Registration No. 017771C)





**Vimal Kishore Agrawal**

Partner

Membership No. 510915

Place: New Delhi

Date: 27<sup>th</sup> April, 2023

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in our Auditor's Report to the members of the **Videocon Industries Limited ('the Company')** on the standalone Financial Statements for the year ended March 31, 2020. We report that:

(i) In respect of fixed assets:

(a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets. However, the Resolution Professional has explained that applications have already been filed with NCLT under section 19 of the Code seeking co-operation of the promoters / erstwhile management of the Company for providing the requisite data (incl. detailed fixed asset register).

(b) We have not been given information regarding physical verification of fixed assets carried out if any, during the year by the Company. Hence, we are unable to comment as to whether there is any material discrepancies on physical verification.

(c) As per the information and explanation provided to us, and in the absence of a fixed asset register (as explained before), we are unable to verify and confirm if title deeds of all the Immovable properties are held in the name of the Company.

(ii)

(a) We have not been provided any reports pertaining to physical verification of inventories (including stock of crude oil lying at extraction site with the Operator) conducted during the year. Hence, no audit evidence is available according to SA-501. As such, we are unable to comment if the frequency of the physical verification of inventories is reasonable.

(b) We have not been provided any details pertaining to appointment of Valuers for verification of inventory and its valuation. Hence, we are unable to comment as to whether there is any material discrepancy noticed on physical verification which requires any adjustment in the books of accounts.

(iii) As per the information and explanation given to us, the Company during the year has not granted any loans, secured or unsecured, to companies, firms limited liability partnerships or other parties covered in the register required to be maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanation given to us, the Company has not made any transaction during the year in violation of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the period. Therefore, the provisions of clause (v) of the Order are not applicable.

(vi) We have not been provided details of prescribed cost records required to be maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013, accordingly, we are unable to comment whether the company has maintained prescribed cost records.



(vii) (a) According to the information and explanations given to us, the Company was regular in depositing undisputed statutory dues payable during the year, including provident fund, employees' state insurance, income tax, goods and service tax and other statutory dues with appropriate authorities wherever applicable. Further, according to the information and explanations given to us, undisputed arrears of statutory dues which were outstanding as on March 31, 2020 for a period of more than six months from the date they became payable and not paid till date (incl. dues in respect of period prior to CIRP commencement) are given below:

| <b>Nature of the Dues</b>    | <b>INR in Millions</b> |
|------------------------------|------------------------|
| 1. Central Sales Tax         | 12.07                  |
| 2. Value Added Tax           | 179.17                 |
| 3. Goods and Service Tax     | 86.99                  |
| 4. Entry Tax                 | 45.63                  |
| 5. Profession Tax            | 1.37                   |
| 6. Provident Fund            | 12.86                  |
| 7. Employees State Insurance | 3.35                   |
| 8. Labour Welfare Fund       | 0.02                   |

(b) According to the information and explanation given to us, details of dues of income tax, goods and service tax, sales tax, service tax, custom duty, excise duty, value added tax, cess which have not been deposited as on March 31, 2020 on account of disputes are given below:

| <b>Name of Statute</b>                                              | <b>Nature of the Dues</b> | <b>INR in Millions</b>                                          | <b>Forum where dispute is pending</b>                                                                                                                                                         |
|---------------------------------------------------------------------|---------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Customs Act, 1962                                                | Custom Duty and Penalties | 5.83<br>214.81<br>90.91<br>255.16<br>23.96<br>17.18<br>4,045.17 | Supreme Court<br>High Court<br>DGFT<br>CESTAT<br>Commissioner<br>Deputy Commissioner<br>Asst. Commissioner                                                                                    |
| 2. Central Excise Act, 1944                                         | Excise Duty and Penalties | 48.21<br>1.78<br>1,844.82<br>0.57<br>6.48<br>6.40<br>0.94       | Supreme Court<br>High Court<br>CESTAT<br>Commissioner<br>Additional Commissioner<br>Assistant Commissioner<br>Superintendent                                                                  |
| 3. Finance Act, 1994 (Service Tax Provisions)                       | Service Tax and Penalties | 20.89<br>2.25                                                   | CESTAT<br>Superintendent                                                                                                                                                                      |
| 4. Central Sales Tax Act, 1956 and Sales Tax Acts of various States | Sales Tax                 | 48.02<br>40.50<br>11.26<br>106.96<br>53.98<br>4,168.75<br>24.38 | High Court<br>Tribunal<br>Commissioner (Appeals)<br>Joint Commissioner<br>Joint Commissioner (Appeals)<br>Additional Commissioner<br>Additional Commissioner (Appeals)<br>Deputy Commissioner |



|                                      |            |                             |                                                                       |
|--------------------------------------|------------|-----------------------------|-----------------------------------------------------------------------|
|                                      |            | 68.26<br>0.19<br>0.20       | Deputy Commissioner (Appeals)<br>Commercial Tax Officer               |
| 5. Income Tax Act, 1961              | Income Tax | 2,842.66<br>34.09<br>158.05 | High Court<br>Income Tax Appellate Tribunal<br>Commissioner (Appeals) |
| 6. Navi Mumbai Municipal Corporation | Cess       | 1,012.64                    | High Court                                                            |

(viii) According to the information and explanation given to us, we observed that the Company has defaulted in repayment of interest and principal amount of all loans to financial institutions and banks. The default runs into more than one year.

The Company has not borrowed from government and has not issued any debentures.

(ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.

(x) According to the information and explanations given to us and on the basis of our examination of the records provided to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the period.

(xi) According to the information and explanations given to us, the Company has not paid or provided the managerial remuneration to any of its director during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) As explained in the Basis for "Disclaimer of Opinion" paragraph of our report, we are unable to comment whether the transactions during the year with the related parties were in compliance with Section 177 and 188 of the Companies Act, 2013. (Refer Note No-52 to the Financial Statements)

(xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.

(xv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we observed that, the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.



(xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

**For KVA & Company**

Chartered Accountants

(Firm's Registration No. 017771C)

*V. K. Agrawal*

**Vimal Kishore Agrawal**

Partner

Membership No. 510915

Place: New Delhi

Date: 27<sup>th</sup> April, 2023



## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in para 2 (g) under 'Report on other legal and regulatory requirement' of our report 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 **Videocon Industries Limited** ('the Company') as of March 31, 2020 in conjunction with our audit of the standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The company's management is responsible for establishing and maintaining internal financial controls based on 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 (ICAI). These responsibilities include design and implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting 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 Companies Act 2013, to the extent applicable to an audit of internal financial controls. Those standards and Guidance Note require that we comply with ethical requirements and plan and perform the order 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 includes obtaining understanding of internal financial controls over financial reporting and assessing the risk that material weaknesses exist, the and testing and evaluating the design and operating effectiveness of internal control based on Assessed risk. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, due to fraud or error.



### **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 Standalone 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

1. pertain to maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of asset of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with Generally Accepted Accounting Principles and that receipts and expenditures of company are being made only in accordance with authorizations of Management of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management oversight of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of the internal financial controls over financial reporting to future periods are subject to the risk that 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.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim Financial Statements will not be prevented or detected on a timely basis.

### **Disclaimer of Opinion**

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph below, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2020. Accordingly, we do not express an opinion on the company's financial controls over financial reporting.

### **Basis for Disclaimer of Opinion**

For the reasons stated in our main report, "Basis for Disclaimer of Opinion" paragraph, we are unable to comment of the Company has an established system of internal control over financial reporting with regard to assessment of possible material adjustments that could arise/ may be required to be made to the recorded values in Financial Statements. Consequently, we are unable to obtain sufficient appropriate audit evidence so as to provide a basis for our opinion as to whether the Company had adequate internal financial controls over financial reporting and that



whether such internal financial controls were operating effectively as at March 31, 2020.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Ind AS Financial Statements of the Company for the year ended March 31, 2020, and the disclaimer has affected our opinion on the said Financial Statements of the Company and we have issued a Disclaimer of opinion on the Ind AS Financial Statements of the Company.

**For KVA & Company**

Chartered Accountants

(Firm's Registration No. 017771C)

  
**Vimal Kishore Agrawal**

Partner

Membership No. 510915

Place: New Delhi

Date: 27<sup>th</sup> April, 2023



**Videocon Industries Limited**  
A company undergoing Corporate Insolvency Resolution Process  
Standalone Balance Sheet as at 31st March, 2020

|                                                        |       | (₹ in Million)     |                    |
|--------------------------------------------------------|-------|--------------------|--------------------|
| Particulars                                            | Notes | As at              | As at              |
|                                                        |       | March 31, 2020     | March 31, 2019     |
| <b>I. ASSETS</b>                                       |       |                    |                    |
| <b>1) Non-current assets</b>                           |       |                    |                    |
| Property, Plant and Equipment                          | 2     | 50,885.44          | 55,742.72          |
| Capital work-in-progress                               |       | 110.80             | 103.70             |
| Other Intangible assets                                | 3     | 554.88             | 5.19               |
| <b>Financial Assets</b>                                |       |                    |                    |
| i) Investments                                         |       |                    |                    |
| Investments in Subsidiary, Associate and Joint Venture | 4A    | 94,752.76          | 94,752.76          |
| Other investments                                      | 4B    | 1,589.54           | 1,604.69           |
| ii) Loans                                              | 5     | 1,05,520.25        | 1,05,506.09        |
| iii) Others                                            | 6     | 5.74               | 5.74               |
| Other non-current assets                               | 7     | 440.37             | 429.30             |
| Other Tax Assets (Net)                                 |       | 265.50             | 662.23             |
| <b>Total non current assets</b>                        |       | <b>2,54,125.28</b> | <b>2,58,812.42</b> |
| <b>2) Current Assets</b>                               |       |                    |                    |
| Inventories                                            | 8     | 2,361.96           | 2,711.07           |
| <b>Financial Assets</b>                                |       |                    |                    |
| i) Investments                                         |       |                    |                    |
| ii) Trade receivables                                  | 9     | 10,098.58          | 9,957.55           |
| iii) Cash and cash equivalents                         | 10a   | 3,179.41           | 1,108.86           |
| iv) Bank balances other than cash and cash equivalents | 10b   | 1,586.40           | 1,605.33           |
| v) Loans                                               | 11    | 31,424.04          | 28,902.39          |
| vi) Others                                             | 12    | 1,319.40           | 836.16             |
| Other current assets                                   | 13    | 807.71             | 890.79             |
| <b>Total current assets</b>                            |       | <b>50,777.51</b>   | <b>46,012.15</b>   |
| <b>TOTAL ASSETS</b>                                    |       | <b>3,04,902.79</b> | <b>3,04,824.57</b> |
| <b>II. EQUITY AND LIABILITIES</b>                      |       |                    |                    |
| <b>1) Equity</b>                                       |       |                    |                    |
| Equity share capital                                   | 14    | 3,344.59           | 3,344.59           |
| Other equity                                           | 15    | (76,864.84)        | (29,702.99)        |
| <b>Total Equity</b>                                    |       | <b>(73,520.25)</b> | <b>(26,358.41)</b> |
| <b>2) Non current liabilities</b>                      |       |                    |                    |
| Provisions                                             | 16    | 1,998.05           | 1,844.28           |
| Deferred tax liabilities (net)                         | 17    | 1,382.54           | 1,386.18           |
| Deferred income - Grant for ozone project              |       | 44.09              | 48.17              |
| <b>Total non current liabilities</b>                   |       | <b>3,424.68</b>    | <b>3,278.63</b>    |
| <b>3) Current liabilities</b>                          |       |                    |                    |
| <b>Financial liabilities</b>                           |       |                    |                    |
| i) Borrowings                                          | 18    | 3,33,286.65        | 2,85,844.34        |
| ii) Trade payables                                     | 19    | 10,694.33          | 11,225.86          |
| iii) Others                                            | 20    | 29,655.93          | 29,899.39          |
| Other current liabilities                              | 21    | 953.66             | 554.30             |
| Provisions                                             | 22    | 407.79             | 380.41             |
| <b>Total Current liabilities</b>                       |       | <b>3,74,998.35</b> | <b>3,27,904.31</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                    |       | <b>3,04,902.79</b> | <b>3,04,824.57</b> |
| <b>Significant Accounting Policies</b>                 |       |                    |                    |

The accompanying notes are integral part of these financial statements

As per our report of even date

For and behalf of the Company

For KVA & Company

Chartered Accountants

(Firm's Registration No. 017771C)

VIMAL KISHORE AGRAWAL  
Partner

ICAI Membership No: S10915

Place : New Delhi  
Date : April 27, 2023

ABHIJIT GUHATHAKURTA

Resolution Professional

No.: IBBI/PA-003/IP-N000103/2017-18/11158

SAMRIDHI KUMARI

Company Secretary

Membership No. ACS 54714

**Videocon Industries Limited**  
A company undergoing Corporate Insolvency Resolution Process  
Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Million)

| Particulars                                                                             | Notes | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|-----------------------------------------------------------------------------------------|-------|--------------------------------------|--------------------------------------|
| <b>I. Income</b>                                                                        |       |                                      |                                      |
| Revenue from operations                                                                 | 23    | 7,336.17                             | 9,065.97                             |
| Other income                                                                            | 24    | 628.24                               | 1,560.16                             |
| <b>Total Income</b>                                                                     |       | <b>7,964.41</b>                      | <b>10,626.13</b>                     |
| <b>II. Expenses</b>                                                                     |       |                                      |                                      |
| Cost of materials consumed                                                              | 25    | 1,752.70                             | 8,786.78                             |
| Purchase of stock-in-trade                                                              | 26    | 277.30                               | 538.89                               |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade           | 27    | 262.84                               | 3,974.86                             |
| Excise Duty                                                                             |       |                                      |                                      |
| Production and Exploration expense- Oil and Gas                                         | 28    | 2,974.25                             | 4,209.99                             |
| Employee Benefits Expenses                                                              | 29    | 873.41                               | 1,187.88                             |
| Finance Costs                                                                           | 30    | 43,111.31                            | 37,749.00                            |
| Depreciation and Amortization Expenses                                                  | 2A    | 5,108.54                             | 5,255.10                             |
| Other Expenses                                                                          | 31    | 743.97                               | 3,904.27                             |
| <b>Total Expenses</b>                                                                   |       | <b>55,104.32</b>                     | <b>65,606.77</b>                     |
| <b>Exceptional Item</b>                                                                 | 32    | -                                    | 14,133.45                            |
| <b>Profit/(Loss) before Tax</b>                                                         |       | <b>(47,139.91)</b>                   | <b>(69,114.09)</b>                   |
| <b>Tax expense:</b>                                                                     | 33    |                                      |                                      |
| i) Current Tax                                                                          |       | -                                    | -                                    |
| ii) Deferred Tax                                                                        |       | -                                    | (1,506.54)                           |
| <b>Total Tax Expenses</b>                                                               |       | -                                    | <b>(1,506.54)</b>                    |
| <b>Profit/(Loss) for the year</b>                                                       |       | <b>(47,139.91)</b>                   | <b>(67,607.55)</b>                   |
| <b>Other comprehensive income</b>                                                       |       |                                      |                                      |
| Items that will not be reclassified to statement of profit or loss in subsequent period |       |                                      |                                      |
| i) Remeasurements of the defined benefit plans                                          |       | 10.41                                | 9.04                                 |
| ii) Equity instruments through other comprehensive income - net change in fair value    |       | 15.15                                | (528.17)                             |
| iii) Income tax on above                                                                |       | (3.64)                               | (3.16)                               |
|                                                                                         |       | <b>21.92</b>                         | <b>(522.29)</b>                      |
| <b>Total comprehensive income/(loss) for the year</b>                                   |       | <b>(47,161.83)</b>                   | <b>(68,129.84)</b>                   |
| <b>Earnings per equity share</b>                                                        |       |                                      |                                      |
| Basic and diluted earnings per share                                                    | 34    | (140.94)                             | (202.14)                             |
| <b>Significant Accounting Policies</b>                                                  | 1     |                                      |                                      |

The accompanying notes are an integral part of the the financial statements

As per our report of even date

For KVA & Company

Chartered Accountants

(Firm's Registration No. 017771C)

**VIMAL KISHORE AGRAWAL**  
Partner

ICAI Membership No: 510915

Place : New Delhi

Date : April 27, 2023

For and behalf of the Company

**ABHIJIT GUHATHAKURTA**  
Resolution Professional

No.: IBBI/TPA-003/IP-N000103/2017-18/11158

**SAMRIDHI KUMARI**

Company Secretary

Membership No. ACS 54714

**Videocon Industries Limited**  
A company undergoing Corporate Insolvency Resolution Process  
Statement of Cash Flows for the year ended 31st March, 2020

(₹ in Million)

| Particulars                                                   | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                                      |                                      |
| Profit/(Loss) before tax                                      | (47,139.91)                          | (69,114.09)                          |
| Adjustments for:                                              |                                      |                                      |
| Depreciation and amortisation                                 | 5,108.54                             | 5,255.10                             |
| Expenses related to aborted project                           | -                                    | -                                    |
| Finance costs                                                 | 43,111.31                            | 37,749.00                            |
| Provision for warranty and maintenance                        | -                                    | (136.91)                             |
| Provision for gratuity                                        | 43.97                                | 20.16                                |
| Provision for leave encashment                                | 4.61                                 | (1.51)                               |
| Provision for abandonment and site restoration costs          | 132.57                               | 119.88                               |
| Provision for doubtful debts                                  | -                                    | 0.03                                 |
| Interest income                                               | (223.05)                             | (192.00)                             |
| (Income) from Investments and Securities Division             | (348.79)                             | (379.30)                             |
| (Profit)/Loss on sale of fixed assets                         | (0.28)                               | (1.99)                               |
| Other comprehensive income/(loss)                             | (25.56)                              | (519.13)                             |
| Adjustment of grant                                           | (4.08)                               | (4.09)                               |
| <b>Operating Profit before Working Capital Changes</b>        | <b>659.35</b>                        | <b>(27,204.85)</b>                   |
| Adjustments for:                                              |                                      |                                      |
| Inventories                                                   | 349.11                               | 11,366.02                            |
| Trade receivables                                             | (141.03)                             | (2,107.06)                           |
| Loans and advances                                            | 1,795.20                             | 13,599.98                            |
| Other financial and non financial assets                      | (476.15)                             | (312.43)                             |
| Trade payables                                                | (531.54)                             | (1,510.98)                           |
| Other financial and non financial liabilities                 | 155.89                               | 308.23                               |
| <b>Cash generated from Operations</b>                         | <b>1,810.83</b>                      | <b>(5,861.09)</b>                    |
| Less: Taxes Paid (Net)                                        | (396.73)                             | (51.72)                              |
| <b>Net Cash (used in) Operating Activities</b>                | <b>(A) 2,207.56</b>                  | <b>(5,809.37)</b>                    |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                 |                                      |                                      |
| Sale of fixed assets                                          | 41.30                                | 45.71                                |
| Purchase of fixed assets (including capital work-in-progress) | (769.02)                             | (65.30)                              |
| Interest income                                               | 223.05                               | 192.00                               |
| (Increase)/decrease in Fixed deposits and other bank balances | 18.93                                | (19.64)                              |
| Decrease in Other Investments (net)                           | -                                    | 135.95                               |
| Decrease in Investments in Subsidiaries (net)                 | -                                    | 492.79                               |
| Income from Investments and Securities Division               | 348.79                               | 379.30                               |
| <b>Net Cash from Investing Activities</b>                     | <b>(B) (136.96)</b>                  | <b>1,160.81</b>                      |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                 |                                      |                                      |
| Increase in non current borrowings                            | -                                    | -                                    |
| Increase in current borrowings                                | -                                    | 40,804.83                            |
| Finance costs                                                 | -                                    | (37,749.00)                          |
| Payment of dividend                                           | -                                    | -                                    |
| <b>Net Cash from Financing Activities</b>                     | <b>(C) -</b>                         | <b>3,055.83</b>                      |
| <b>Net Change in Cash and Cash Equivalents</b>                | <b>(A+B+C) 2,070.60</b>              | <b>(1,592.73)</b>                    |
| Cash and Cash Equivalents at beginning of the year            | 1,108.86                             | 2,701.58                             |
| <b>Cash and Cash Equivalents at end of the year</b>           | <b>3,179.46</b>                      | <b>1,108.86</b>                      |

The accompanying notes are an integral part of the the financial statements

As per our report of even date

For and behalf of the Company

For KVA & Company  
Chartered Accountants  
(Firm's Registration No. 017771C)

VIMAL KISHORE AGRAWAL  
Partner  
ICAI Membership No: 510915



ABHIJIT GUHATHAKURTA  
Resolution Professional  
No.: IBBI/IPA-003/IP-N000103/2017-18/11158

*(Signature of Abhijit Guhathakurta)*



SAMRIDHI KUMARI  
Company Secretary  
Membership No. ACS 54714

*(Signature of Samridhi Kumari)*

Place : New Delhi  
Date : April 27, 2023

## Statement of Changes in Equity (SOCIE) for the year ended 31st March, 2020

## a) Equity share capital

| Particulars                                     | Note | ₹ in Million |
|-------------------------------------------------|------|--------------|
| Balance as at March 31, 2019                    |      | 3,344.59     |
| Changes in equity share capital during the year | 14   | -            |
| Balance as at March 31, 2020                    |      | 3,344.59     |
| Balance as at March 31, 2020                    |      | 3,344.59     |

## b) Other equity

| Particulars                             | Equity component of compound financial Instrument | Reserves & Surplus |                            |                            |                                    |                 | Other Items of OCI |                                | Total       |
|-----------------------------------------|---------------------------------------------------|--------------------|----------------------------|----------------------------|------------------------------------|-----------------|--------------------|--------------------------------|-------------|
|                                         |                                                   | Capital Reserve    | Capital Redemption Reserve | Securities Premium Account | Bond/ Debenture Redemption Reserve | General Reserve | Retained earnings* | Equity instruments through OCI |             |
| Balance at April 1, 2018                | 24.31                                             | 5.69               | 997.59                     | 48,876.99                  | 1,222.83                           | 16,801.48       | (25,489.06)        | (4,012.99)                     | 38,426.84   |
| Profit for the year                     | -                                                 | -                  | -                          | -                          | -                                  | -               | -                  | -                              | -           |
| Other comprehensive income for the year | -                                                 | -                  | -                          | -                          | -                                  | -               | (67,607.55)        | -                              | (67,607.55) |
| Total comprehensive income for the year | -                                                 | -                  | -                          | -                          | -                                  | -               | 5.88               | (528.17)                       | (522.29)    |
| Deemed equity contribution to promoters | -                                                 | -                  | -                          | -                          | -                                  | -               | (67,601.67)        | (528.17)                       | (68,129.84) |
| Transferred to/ from retained earnings  | -                                                 | -                  | -                          | -                          | -                                  | -               | -                  | -                              | -           |
| Balance at March 31, 2019               | 24.31                                             | 5.69               | 997.59                     | 48,876.99                  | 1,222.83                           | 16,801.48       | (93,090.73)        | (4,541.16)                     | (29,703.00) |
| Profit for the year                     | -                                                 | -                  | -                          | -                          | -                                  | -               | -                  | -                              | -           |
| Other comprehensive income for the year | -                                                 | -                  | -                          | -                          | -                                  | -               | (47,139.91)        | -                              | (47,139.91) |
| Total comprehensive income for the year | -                                                 | -                  | -                          | -                          | -                                  | -               | (6.77)             | (15.15)                        | (21.92)     |
| Deemed equity contribution to promoters | -                                                 | -                  | -                          | -                          | -                                  | -               | (47,146.68)        | (15.15)                        | (47,161.83) |
| Transferred to/ from retained earnings  | -                                                 | -                  | -                          | -                          | -                                  | -               | -                  | -                              | -           |
| Balance at March 31, 2020               | 24.31                                             | 5.69               | 997.59                     | 48,876.99                  | 1,222.83                           | 16,801.48       | (1,40,237.41)      | (4,556.31)                     | (76,864.83) |

Includes fair valuation impact of Land and Building ₹ 13,876.67 Million for March, 2019 and ₹ 13,876.67 Million in March, 2018. Such amounts are not available for distribution as dividend.

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For KVA & Company

Chartered Accountants

(Firm's Registration No. 017771C)

Vimal Kishore Agrawal  
Partner

ICAI Membership No: 510915

Place : New Delhi

Date : April 27, 2023

For and behalf of the Company



ABHIJIT GUHATHAKURTA

Resolution Professional

No. IBBI/IPA-003/IP-N000103/2017-18/11158

SAMRIDDHI KUMARI

Company Secretary

Membership No. ACS 54714

**Note 1**

**Significant accounting policies**

**1.1 Reporting entity**

Videocon Industries Limited is a company domiciled in India, with its registered office situated at 14 KM Stone, Village Chittegaon, Taluka Paithan - Aurangabad, Pincode 431105. The Company has been incorporated under the provisions of Indian Companies Act. The entity is primarily involved in manufacturing and trading of consumer durables and extraction of crude oil and natural gas.

**1.2 Basis of preparation**

**A. Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act, subject to the necessary clarifications explained elsewhere in other Notes to the Accounts, including Note No. 53, 56 and 60 (b)

**B. Functional and presentation currency**

These financial statements are presented in Indian Rupee (₹), which is also the entity's functional currency. All amounts have been rounded off to the nearest millions unless otherwise indicated.

**C. Basis of measurement**

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Net defined benefit (asset) / liability – fair value of plan assets less present value of defined benefit obligations.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

**D. Key estimates and assumptions**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Useful lives of property, plant and equipment and intangible assets.

Assumptions and estimation uncertainties

Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Measurement of defined benefit obligations: key actuarial assumptions;

Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Fair value of financial assets and liabilities and investments.

**E. Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial instruments.

The Company has an established control framework with respect to the measurement of fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information on recognition of assets at fair value, if any, is covered in relevant notes.



5



## Note 1 (Contd.)

## Significant accounting policies (Contd.)

## F. Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the Balance Sheet date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the Balance Sheet date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

## Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

## 1.3 Significant accounting policies

## A. Financial assets

## i) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

## ii) Classification and subsequent measurement

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

## iii) Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

- Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

## b)

Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.

- Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss. In addition, the Company may, at initial recognition, irrevocably designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

- Financial Instruments having termination rights are to be measured at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.



**Note 1 (Contd.)**

**Significant accounting policies (Contd.)**

**iv) Equity Instruments**

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

**v) Trade Receivables**

Trade receivables are initially recognised at fair value. Subsequently, it recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits and expectations about future cash flows. The impairment losses and reversals are recognised in the Statement of Profit and Loss.

**vi) Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset and associated liability for any amounts it may have to pay.

**vii) Impairment of Financial Asset**

Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.

The Fixed Assets or a group of assets (cash generating unit) are reviewed for impairment at each Balance Sheet date. In case of any such indication, the recoverable amount of these assets or group of assets is determined, and if such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the impairment loss is recognised by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

**B. Financial liabilities**

**i) Initial recognition, measurement and classification**

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities at amortised cost includes loan and borrowings, interest accrued but not due on borrowings, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

**ii) Financial guarantee contracts**

The Company has elected to account all its financial guarantee contracts as financial instruments as specified in Ind AS 109 on Financial Instruments. The company recognises the commission income on such financial guarantees and accounts for the same in Profit and Loss account over the tenure of the financial guarantee.

**iii) Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet only if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**C. Property, Plant and Equipment**

**i) Recognition and measurement**

Items of property, plant and equipment (PPE) are measured at original cost of acquisition, net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. If significant parts of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Capital work in progress is carried at cost, comprising of direct cost, attributable interest and related incidental expenditure.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets.

PPE are eliminated from financial statement on disposal and gains or losses arising from disposal are recognised in the statement of Profit and Loss in the year of occurrence.



3



**Note 1 (Contd.)**

**Significant accounting policies (Contd.)**

ii) Depreciation

The Company provides depreciation on fixed assets held in India, to the extent of depreciable amount, on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except, a) on Fixed Assets of Consumer Electronics Divisions other than Glass Shell Division and; b) on office buildings acquired after 1st April, 2000, on which depreciation is provided on straight line method based on useful life of the assets as prescribed in the said Schedule. Depreciation on fixed assets held outside India is provided on straight line method based on useful life of the assets as prescribed in the aforesaid Schedule. Producing Properties are depleted using the "Unit of Production Method". The rate of depletion is computed in proportion of oil and gas production achieved vis-a-vis proved reserves. Leasehold Land is amortised over the period of lease. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

The estimated useful life of items of property, plant and equipment for the current and comparative period are as follows:

| Asset                   | Management estimate<br>of useful life | Useful life as per<br>Schedule II |
|-------------------------|---------------------------------------|-----------------------------------|
| Buildings               | 30                                    | 30                                |
| Plant and Machinery     | 15                                    | 15                                |
| Furnace                 | 10                                    | 10                                |
| Furnitures and Fixtures | 10                                    | 10                                |
| Computers               | 3                                     | 3                                 |
| Electrical Installation | 10                                    | 10                                |
| Office Equipments       | 5                                     | 5                                 |
| Vehicles                | 10                                    | 10                                |

Leasehold land and Leasehold Improvements is amortised over the period of lease.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate

**D. Intangible assets**

i) Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits that are attributable to concerned assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

iii) Amortisation

Intangible assets are amortised using the straight-line method over a period of five year

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

iv) Expenditure on research and development

Revenue expenditure pertaining to research and development is charged to revenue under the respective heads of account in the period in which it is incurred. Capital expenditure, if any, on research and development is shown as an addition to fixed assets under the respective heads.

**E. Joint Ventures for Oil and Gas Fields**

In respect of unincorporated joint ventures in the nature of Production Sharing Contracts (PSC) entered into by the Company for oil and gas exploration and production activities, the Company's share in the assets and liabilities as well as income and expenditure of Joint Venture Operations are accounted for, according to the Participating Interest of the Company as per the PSC and the Joint Operating Agreements on a line-by-line basis in the Company's Financial Statements. In respect of joint ventures in the form of incorporated jointly controlled entities, the investment in such joint venture is treated as long term investment and carried at FVOCI.

**F. Exploration, Development Costs and Producing Properties**

Pre-acquisition costs:

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

Exploration stage:

Acquisition cost relating to projects under exploration are initially accounted as "Intangible assets under development". The expenses on oil and gas assets that is classified as intangible include:

- acquired rights to explore
- exploratory drilling costs

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred. If the project is not viable based upon technical feasibility and commercial viability study, then all costs relating to Exploratory Wells is expensed in the year when determined to be dry. If the project is proved to be viable, then all costs relating to drilling of Exploratory Wells shall be continued to be presented as "Intangible Assets under Development".

Development stage:

Acquisition cost relating to projects under development stage are presented as "Capital work-in-progress".

**G. Abandonment Costs**

Liability for abandonment costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

## Note 1 (Contd.)

## Significant accounting policies (Contd.)

**H. Investments in Subsidiaries, Associates and Joint Ventures:**

Investments in subsidiaries, associates and joint ventures are carried at FVOCI. With effect from 01st Apr 2019, The amended Ind AS 109 is applicable to the company, requiring the company to apply Ind AS 28 to long term interests in associates and joint ventures that form part of net investment in associate and joint venture but to which equity method is not applied.

**I. Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**J. Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**K. Revenue**

Effective April 1, 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. April 1, 2018.

**a) Sale of goods**

Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as sales tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

**b) Insurance, Duty Drawback and other claims are accounted for as and when admitted by the appropriate authorities.****L. Recognition of dividend income, interest income or expense**

Dividend income from investments is recognised in profit and loss on the date on which the Company's right to receive payment is established.

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

**M. Foreign currency transactions****Transactions and balances**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in profit or loss.

**N. Employee benefits****i) Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.



**Note 1 (Contd.)**

**Significant accounting policies (Contd.)**

ii) **Provident Fund - Defined Contribution Plan**

The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

iii) **Gratuity - Defined Benefit Plan**

The Company provides for gratuity to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service.

Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Other Comprehensive Income, Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs

iv) **Leave Encashment**

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Statement of Profit and Loss.

**O. Provisions (other than for employee benefits)**

i) Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) **Warranties**

Provision for the estimated liability in respect of warranty on sale of consumer electronics and home appliances products is made in the year in which the revenues are recognised, based on technical evaluation and past experience. Warranty provision is accounted as current and non current provision. Non current provision is discounted to its present value and the subsequent unwinding effect is passed through Profit and Loss account under Finance Cost.

**P. Contingent liabilities and contingent assets**

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Disputed demands in respect of Custom duty, Income tax, Sales tax and Others are disclosed as contingent liabilities. Payment in respect of such demands, if any, is shown as an advance, till the final outcome of the matter.

Contingent assets are not recognised in the financial statements.

**Q. Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

**Operating Leases :**

**Where the company is the lessee:**

Leases in which a significant portion of the risk and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payment made under operating leases (net of any incentives received from the lessor) are charged to statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**Where the company is the lessor:**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

**R. Income Tax**

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

i) **Current Tax**

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



**Note 1 (Contd.)**

**Significant accounting policies (Contd.)**

Minimum Alternative Tax (MAT) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**ii) Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- indexation benefit in relation to investments in subsidiaries, given that the Company does not have any intentions to dispose such investments in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**S. Borrowing Costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of a qualifying asset which necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs related to specific borrowings that remain outstanding after the related qualifying asset is ready for intended use or sale should subsequently be considered as part of general borrowing costs of an entity. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**T. Translation of the financial statements of foreign branch**

- i) Revenue items are translated at average rates.
- ii) Opening and closing inventories are translated at the rate prevalent at the commencement and close of the accounting year, respectively.
- iii) Fixed assets are translated at the exchange rate as on the date of the transaction. Depreciation on fixed assets is translated at the rates used for translation of the value of the assets to which it relates.
- iv) Other current assets and current liabilities are translated at the closing rate.

**U. Government Grant**

Grants are recognised when there is reasonable assurance that the grant will be received and conditions attached to them are complied with. Grants related to depreciable assets are treated as deferred income, which is recognised in the Statement of Profit and Loss over the period of useful life of the assets and in the proportions in which depreciation on related assets is charged.

**V. Premium on Redemption of Bonds/Debentures**

Premium on Redemption of Bonds/Debentures are written off to Securities Premium Account.

**W. Share Issue Expenses**

Share issue expenses are written off to Securities Premium Account.

**X. Earnings per share**

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares.

**Y. Excise and Custom Duty**

Excise Duty in respect of finished goods lying in the factory premises and Custom Duty on goods lying in custom bonded warehouse are provided for and included in the valuation of inventory.

**Z. Goods and Service Tax**

Goods and Service Tax benefit is accounted for by reducing the purchase cost of the materials/fixed assets/services.

**AA. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**AB. Prior Period Items**

Prior period items are included in the respective heads of accounts and material items are disclosed by way of Notes to Financial Statements.



Note 2  
Property, Plant and Equipment

| Particulars                                        | Freehold Land | Leasehold Land | Building  | Leasehold Improvements | Plant and Machinery | Furnace  | Electrical Installation | Computers | Furniture and Fixtures | Office Equipments | Vehicles | Total       |
|----------------------------------------------------|---------------|----------------|-----------|------------------------|---------------------|----------|-------------------------|-----------|------------------------|-------------------|----------|-------------|
| Cost as at March 31, 2019 (A)                      | 11,575.70     | 1,846.54       | 12,028.84 | 39.33                  | 1,15,003.76         | 1,237.49 | 178.23                  | 268.06    | 204.07                 | 351.87            | 920.48   | 1,43,654.37 |
| Accumulated depreciation as at April 1, 2018       | -             | 51.78          | 3,059.72  | 39.15                  | 76,651.49           | 1,225.79 | 162.30                  | 255.99    | 184.94                 | 325.27            | 854.43   | 82,810.86   |
| Depreciation for the year                          | -             | 23.04          | 699.26    | -                      | 4,397.82            | -        | 2.82                    | 6.82      | 5.39                   | 4.89              | 54.02    | 5,194.06    |
| On Disposals                                       | -             | -              | 0.80      | -                      | -                   | -        | -                       | 0.02      | 3.65                   | 0.58              | 88.22    | 93.27       |
| Accumulated depreciation as at March 31, 2019 (B)  | -             | 74.82          | 3,758.18  | 39.15                  | 81,049.31           | 1,225.79 | 165.12                  | 262.79    | 186.68                 | 329.58            | 820.23   | 87,911.65   |
| Net carrying amount as at March 31, 2019 (A) - (B) | 11,575.70     | 1,771.72       | 8,270.66  | 0.18                   | 33,954.45           | 11.70    | 13.11                   | 5.27      | 17.39                  | 22.29             | 100.25   | 55,742.72   |
| Cost as at April 1, 2019                           | 11,575.70     | 1,846.54       | 12,028.84 | 39.33                  | 1,15,003.76         | 1,237.49 | 178.23                  | 268.06    | 204.07                 | 351.87            | 920.48   | 1,43,654.37 |
| Additions *                                        | -             | -              | -         | -                      | 15.01               | -        | -                       | 0.81      | -                      | 1.90              | -        | 17.81       |
| Disposals                                          | -             | -              | -         | -                      | -                   | -        | -                       | -         | -                      | 0.21              | -        | 0.21        |
| Cost as at March 31, 2020 (A)                      | 11,575.70     | 1,846.54       | 12,028.84 | 39.33                  | 1,15,018.77         | 1,237.49 | 178.23                  | 268.87    | 204.07                 | 353.65            | 920.48   | 1,43,671.97 |
| Accumulated depreciation as at April 1, 2019       | -             | 74.82          | 3,758.18  | 39.15                  | 81,049.31           | 1,225.79 | 165.12                  | 262.79    | 186.68                 | 329.58            | 820.23   | 87,911.65   |
| Depreciation for the year                          | -             | 23.04          | 699.26    | -                      | 4,087.68            | -        | 2.68                    | 0.46      | 5.22                   | 5.72              | 50.81    | 4,874.88    |
| On Disposals                                       | -             | -              | -         | -                      | -                   | -        | -                       | -         | -                      | -                 | -        | -           |
| Accumulated depreciation as at March 31, 2020 (B)  | -             | 97.86          | 4,457.44  | 39.15                  | 85,136.99           | 1,225.79 | 167.80                  | 263.25    | 191.90                 | 335.30            | 871.04   | 92,786.53   |
| Net carrying amount as at March 31, 2020 (A) - (B) | 11,575.70     | 1,748.68       | 7,571.40  | 0.18                   | 29,881.78           | 11.70    | 10.43                   | 5.62      | 12.17                  | 18.34             | 49.44    | 50,885.44   |

\* Additions during the year entirely pertain to Ravva Oil and Gas division - the unincorporated joint venture.

Note:

a) The Company had in the past decided to reflect fair value for Land (leasehold and free hold) and Building as the deemed cost as per Ind AS 101. The fair valuation impact as on January 1, 2016 was ₹ 11,418.25 Million for freehold land, ₹ 1,814.07 Million for leasehold land and ₹ 8,249.73 Million for Building. The numbers were gross and did not include tax effect.

b) Net carrying value of vehicles amounting to ₹ 3.61 Million has been re-assessed by the lender due to non payment of loan instalment.



**Videocon Industries Limited***Notes to financial statements for the year ended 31st March, 2020 (Contd.)***Note 3****Other Intangible Assets**

(₹ in Million)

| Particulars                                        | Computer Software | Producing Properties | Total    |
|----------------------------------------------------|-------------------|----------------------|----------|
| Cost as at March 31, 2019 (A)                      | 12.21             | 246.52               | 258.73   |
| Accumulated depreciation as at April 1, 2018       | 4.69              | 187.81               | 192.50   |
| Depreciation for the year                          | 2.33              | 58.71                | 61.04    |
| On Disposals                                       | -                 | -                    | -        |
| Accumulated depreciation as at March 31, 2019 (B)  | 7.02              | 246.52               | 253.54   |
| Net carrying amount as at March 31, 2019 (A) - (B) | 5.19              | -                    | 5.19     |
| Cost as at April 1, 2019                           | 12.21             | 246.52               | 258.73   |
| Additions*                                         | 0.30              | 783.05               | 783.35   |
| Disposals/ adjustments                             | -                 | -                    | -        |
| Cost as at March 31, 2020 (A)                      | 12.51             | 1,029.57             | 1,042.08 |
| Accumulated depreciation as at April 1, 2019       | 7.02              | 246.52               | 253.54   |
| Depreciation for the year                          | 1.04              | 232.62               | 233.66   |
| On Disposals                                       | -                 | -                    | -        |
| Accumulated depreciation as at March 31, 2020 (B)  | 8.06              | 479.14               | 487.20   |
| Net carrying amount as at March 31, 2020 (A) - (B) | 4.45              | 550.43               | 554.88   |

\* Additions during the year entirely pertain to Ravva Oil and Gas division - the unincorporated joint venture.

The Company had availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount as per previous GAAP was considered as the gross block carrying amount as on transition date.



**Videocon Industries Limited**  
**Notes to financial statements for the year ended 31st March, 2020 (Contd.)**

|                                                                                                                                                                                                                                                                                                                                                                                                                       | (₹ in Million)          |                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                       | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
| <b>Note 4</b>                                                                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| <b>Financial Assets - Non Current</b>                                                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
| <b>Investments</b>                                                                                                                                                                                                                                                                                                                                                                                                    |                         |                         |
| <b>A) Investments in subsidiaries, joint ventures and associates</b>                                                                                                                                                                                                                                                                                                                                                  |                         |                         |
| a) Investment in equity shares of subsidiaries                                                                                                                                                                                                                                                                                                                                                                        |                         |                         |
| <i>Unquoted</i>                                                                                                                                                                                                                                                                                                                                                                                                       |                         |                         |
| Pipavav Energy Private Limited                                                                                                                                                                                                                                                                                                                                                                                        | 5,500.00                | 5,500.00                |
| Prosperous Energy Private Limited                                                                                                                                                                                                                                                                                                                                                                                     | 0.10                    | 0.10                    |
| Senior Consulting Private Limited                                                                                                                                                                                                                                                                                                                                                                                     | 0.11                    | 0.11                    |
| Videocon Electronics (Shenzhen) Limited                                                                                                                                                                                                                                                                                                                                                                               | 6.42                    | 6.42                    |
| (Chinese name - Weiyoukang Electronic (Shenzhen) Co., Ltd.)                                                                                                                                                                                                                                                                                                                                                           |                         |                         |
| Videocon Energy Limited                                                                                                                                                                                                                                                                                                                                                                                               | 1,000.00                | 1,000.00                |
| Videocon Global Limited                                                                                                                                                                                                                                                                                                                                                                                               | 48.92                   | 48.92                   |
| Videocon Hydrocarbon Holdings Limited                                                                                                                                                                                                                                                                                                                                                                                 | 92.75                   | 92.75                   |
| Electroworld Digital Solutions Limited                                                                                                                                                                                                                                                                                                                                                                                | 64,634.72               | 64,634.72               |
| Videocon Oil Ventures Limited*                                                                                                                                                                                                                                                                                                                                                                                        | 9,500.00                | 9,500.00                |
| Videocon Telecommunications Limited                                                                                                                                                                                                                                                                                                                                                                                   | 13,969.66               | 13,969.66               |
| * Also refer to note 52.2                                                                                                                                                                                                                                                                                                                                                                                             |                         |                         |
| b) Investment in equity shares of joint venture and associate                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| <i>Unquoted</i>                                                                                                                                                                                                                                                                                                                                                                                                       |                         |                         |
| Videocon Infinity Infrastructure Private Limited                                                                                                                                                                                                                                                                                                                                                                      | 0.05                    | 0.05                    |
| Radium Appliances Private Limited                                                                                                                                                                                                                                                                                                                                                                                     | 0.03                    | 0.03                    |
| <b>Total (A)</b>                                                                                                                                                                                                                                                                                                                                                                                                      | <b>94,752.76</b>        | <b>94,752.76</b>        |
| <b>B) Other investments</b>                                                                                                                                                                                                                                                                                                                                                                                           |                         |                         |
| a) <i>Quoted</i>                                                                                                                                                                                                                                                                                                                                                                                                      |                         |                         |
| Investments measured at fair value through other comprehensive income                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
| Investments in Equity Instruments                                                                                                                                                                                                                                                                                                                                                                                     | 46.63                   | 61.78                   |
| (Refer Note No. 52)                                                                                                                                                                                                                                                                                                                                                                                                   |                         |                         |
| b) <i>Unquoted</i>                                                                                                                                                                                                                                                                                                                                                                                                    |                         |                         |
| Investments measured at fair value through other comprehensive income                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
| Investments in Equity Instruments                                                                                                                                                                                                                                                                                                                                                                                     | 487.09                  | 487.09                  |
| Investments measured at fair value through profit or loss                                                                                                                                                                                                                                                                                                                                                             |                         |                         |
| Investments in Co-operative bank                                                                                                                                                                                                                                                                                                                                                                                      | 0.64                    | 0.64                    |
| Investments measured at amortised cost                                                                                                                                                                                                                                                                                                                                                                                |                         |                         |
| Investments in Redeemable Preference Shares                                                                                                                                                                                                                                                                                                                                                                           | 1,055.18                | 1,055.18                |
| <b>Total (B)</b>                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1,589.54</b>         | <b>1,604.69</b>         |
| Out of the total Investments amounting to ₹ 1589.54 Millions, Investments amounting to ₹ 1129.42 Millions pertains to entities which are either struck-off or referred to CIRP proceedings under IBC and/or are under liquidation.                                                                                                                                                                                    |                         |                         |
| The total Investments amounting to ₹ 1589.54 Millions also includes 40,000 equity shares of Asian Electronics Limited, 7,000 equity shares of Lumax Industries Limited and 300,000 equity shares of Man Industries (India) Limited having an aggregate carrying value of ₹ 32.69 Million. Pending clarity on the ownership of these Investments, the Company has continued to include these assets under investments. |                         |                         |
| <b>Total (A+B)</b>                                                                                                                                                                                                                                                                                                                                                                                                    | <b>96,342.30</b>        | <b>96,357.45</b>        |
| Aggregate amount of Quoted Investments                                                                                                                                                                                                                                                                                                                                                                                | 46.63                   | 61.78                   |
| Aggregate Market value of Quoted Investments                                                                                                                                                                                                                                                                                                                                                                          | 46.63                   | 61.78                   |
| Aggregate amount of Unquoted Investments                                                                                                                                                                                                                                                                                                                                                                              | 96,295.67               | 96,295.67               |
| <b>Note 5</b>                                                                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| <b>Financial Assets - Non Current</b>                                                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
| <b>Loans</b>                                                                                                                                                                                                                                                                                                                                                                                                          |                         |                         |
| (Unsecured, considered good, unless otherwise specified)                                                                                                                                                                                                                                                                                                                                                              |                         |                         |
| Sundry deposits                                                                                                                                                                                                                                                                                                                                                                                                       | 432.98                  | 437.23                  |
| Loans and advances to related parties (Refer Note 52)                                                                                                                                                                                                                                                                                                                                                                 | 12,967.81               | 12,967.54               |
| Loans and advances to others                                                                                                                                                                                                                                                                                                                                                                                          | 92,119.46               | 92,101.32               |
|                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1,05,520.25</b>      | <b>1,05,506.09</b>      |
| <b>Note 6</b>                                                                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| <b>Financial Assets - Non Current</b>                                                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
| <b>Others</b>                                                                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| Bank balances other than (10a) below                                                                                                                                                                                                                                                                                                                                                                                  |                         |                         |
| Fixed deposits with maturity more than 12 months                                                                                                                                                                                                                                                                                                                                                                      | 5.74                    | 5.74                    |
| (Held as margin money for credit facilities and other commitments)                                                                                                                                                                                                                                                                                                                                                    |                         |                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>5.74</b>             | <b>5.74</b>             |
| <b>Note 7</b>                                                                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| <b>Other non-current assets</b>                                                                                                                                                                                                                                                                                                                                                                                       |                         |                         |
| Capital advances                                                                                                                                                                                                                                                                                                                                                                                                      | 12.14                   | 2.44                    |
| Balance with government authorities                                                                                                                                                                                                                                                                                                                                                                                   | 428.23                  | 426.86                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>440.37</b>           | <b>429.30</b>           |



| Videocon Industries Limited                                                |                         |                         |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| Notes to financial statements for the year ended 31st March, 2020 (Contd.) |                         |                         |
|                                                                            | (₹ in Million)          |                         |
|                                                                            | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
| <b>Note 8</b>                                                              |                         |                         |
| <b>Inventories</b>                                                         |                         |                         |
| (valued at lower of cost and net realisable value)                         |                         |                         |
| Raw materials including consumables, stores and spares                     | 919.48                  | 996.55                  |
| Materials in transit and in bonded warehouse                               | 363.78                  | 474.66                  |
| Work-in-process                                                            | 182.77                  | 174.26                  |
| Finished goods and stock in trade                                          | 399.41                  | 593.18                  |
| Drilling and production materials                                          | 407.35                  | 394.80                  |
| Crude oil                                                                  | 89.17                   | 77.61                   |
|                                                                            | <u>2,361.96</u>         | <u>2,711.07</u>         |
| <b>Note 9</b>                                                              |                         |                         |
| <b>Financial Assets - Current</b>                                          |                         |                         |
| <b>Trade receivables</b>                                                   |                         |                         |
| Unsecured considered good                                                  | 10,098.58               | 9,957.55                |
| Doubtful                                                                   | 3,572.92                | 3,572.92                |
|                                                                            | <u>13,671.50</u>        | <u>13,530.47</u>        |
| Less: Provision for doubtful debts                                         | <u>3,572.92</u>         | <u>3,572.92</u>         |
|                                                                            | <u>10,098.58</u>        | <u>9,957.55</u>         |
| <b>Note 10a</b>                                                            |                         |                         |
| <b>Financial Assets - Current</b>                                          |                         |                         |
| <b>Cash and cash equivalents</b>                                           |                         |                         |
| Cash on hand                                                               | 0.48                    | 0.91                    |
| Cheques/drafts on hand/in transit                                          | 111.80                  | 111.80                  |
| Balance with banks                                                         |                         |                         |
| - In current accounts                                                      | 737.30                  | 297.16                  |
| - Fixed deposits with original maturity less than 3 months                 | 2,329.84                | 698.99                  |
|                                                                            | <u>3,179.41</u>         | <u>1,108.86</u>         |
| <b>Note 10b</b>                                                            |                         |                         |
| <b>Financial Assets - Current</b>                                          |                         |                         |
| <b>Bank balances other than cash and cash equivalents</b>                  |                         |                         |
| In dividend warrant accounts                                               | 6.23                    | 6.21                    |
| In fixed deposits - Earmarked towards site restoration costs               | 1,571.89                | 1,485.39                |
| In fixed deposits - Maturity of more than 3 months and less than 12 months |                         |                         |
| Held as margin money for credit facilities and other commitments           | 8.28                    | 113.72                  |
|                                                                            | <u>1,586.40</u>         | <u>1,605.33</u>         |
| <b>Note 11</b>                                                             |                         |                         |
| <b>Financial Assets - Current</b>                                          |                         |                         |
| <b>Loans</b>                                                               |                         |                         |
| (Unsecured, considered good, unless otherwise specified)                   |                         |                         |
| Sundry deposits                                                            | 2.59                    | 2.59                    |
| Loans and advances to related parties (Refer Note 52)                      | 18.83                   | 18.83                   |
| Loans and advances to others                                               | 31,402.62               | 28,880.97               |
|                                                                            | <u>31,424.04</u>        | <u>28,902.39</u>        |
| <b>Note 12</b>                                                             |                         |                         |
| <b>Financial Assets - Current</b>                                          |                         |                         |
| <b>Others</b>                                                              |                         |                         |
| Insurance claim receivable                                                 |                         |                         |
| Other receivables from related parties                                     | 1,231.09                | 747.54                  |
| Other receivables                                                          | 88.32                   | 88.62                   |
|                                                                            | <u>1,319.40</u>         | <u>836.16</u>           |
| <b>Note 13</b>                                                             |                         |                         |
| <b>Other current assets</b>                                                |                         |                         |
| Balance with government authorities                                        | 807.71                  | 890.79                  |
|                                                                            | <u>807.71</u>           | <u>890.79</u>           |
| <b>Note 15</b>                                                             |                         |                         |
| <b>Other equity</b>                                                        |                         |                         |
| Capital Reserve                                                            | 5.68                    | 5.68                    |
| Capital Redemption Reserve                                                 | 997.59                  | 997.59                  |
| Securities Premium Account                                                 | 48,876.99               | 48,876.99               |
| Bond/Debt Redemption Reserve                                               | 1,222.83                | 1,222.83                |
| Equity component of compound financial instrument                          | 24.31                   | 24.31                   |
| Equity Instruments through OCI                                             | (4,556.31)              | (4,541.16)              |
| General Reserve                                                            | 16,801.48               | 16,801.48               |
| Retained Earnings*                                                         | <u>(1,40,237.41)</u>    | <u>(93,090.72)</u>      |
|                                                                            | <u>(76,864.84)</u>      | <u>(29,702.99)</u>      |

\*Includes (from earlier years) fair valuation impact of Land and Building ₹ 13,266.62 Million for March 31, 2020 and ₹ 13,266.62 Million in March 31, 2019. Such amounts are not available for distribution as dividend.



**Videcon Industries Limited**  
**Notes to financial statements for the year ended 31st March, 2020 (Contd.)**

**Capital Reserve**

Capital reserve represents subsidy received, reserves transferred on account of amalgamation.

**Capital Redemption Reserve**

Capital Redemption reserve represents amount set aside by the Company at the time of redemption of capital.

**Securities Premium Account**

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is to be utilised in accordance with the provisions of the Companies Act.

**Bond/Debt Redemption Reserve**

The Company had issued Foreign currency convertible bonds and as per the provisions of the Companies Act, 2013, is required to create debt redemption reserve out of the profits of the Company available for the payment of dividend.

**Equity component of compound financial instrument**

The account represents the equity component of Foreign Currency Convertible bonds calculated as per Ind AS 109.

**Equity instruments through OCI**

This account represents the fair value changes in the investments calculated at every reporting date as per Ind AS 109.

**General Reserve**

In earlier years, The Company had transferred a portion of the net profit of the Company to general reserve pursuant to the earlier provisions of Companies Act 1956.

**Retained Earnings**

This account includes the amount of profit and loss account transferred to the equity.

**Note:** Refer statement of changes in equity for details of movements in the balances of each Items of Reserves and Surplus and OCI under the head "Other Equity".

**Note 16**

**Provisions**

Provision for gratuity (Refer Note 35)  
 Provision for warranty and maintenance expenses  
 Provision for abandonment and site restoration costs

|  | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|--|-------------------------|-------------------------|
|  | 199.62                  | 178.42                  |
|  | 138.28                  | 138.28                  |
|  | 1,660.14                | 1,527.58                |
|  | 1,998.05                | 1,844.28                |

**Note 17**

**Deferred tax liabilities (net)**

Deferred tax liabilities (net) ( Also refer to Note No. 33)

|  |          |          |
|--|----------|----------|
|  | 1,382.54 | 1,386.18 |
|  | 1,382.54 | 1,386.18 |

**Note 19**

**Financial Liabilities- Current**

**Trade payables**

Total outstanding due to micro and small enterprises (Refer Note 42)  
 Total outstanding due to creditors other than micro and small enterprises

|  |           |           |
|--|-----------|-----------|
|  | 128.00    | 129.57    |
|  | 10,566.33 | 11,096.29 |
|  | 10,694.33 | 11,225.86 |

**Note 20**

**Financial Liabilities- Current**

**Others**

Bank overdraft as per books  
 Unclaimed dividend  
 Creditors for capital expenditure  
 Payable to related parties (Refer Note S2)  
 Other payables  
 Deferred guarantee income

|  |           |           |
|--|-----------|-----------|
|  | 0.03      | 0.02      |
|  | 6.23      | 6.21      |
|  | -         | -         |
|  | 25,779.85 | 25,783.38 |
|  | 3,869.82  | 4,109.77  |
|  | -         | -         |
|  | 29,655.93 | 29,899.39 |

**Note 21**

**Other current liabilities**

**Others**

|  |        |        |
|--|--------|--------|
|  | 953.66 | 554.30 |
|  | 953.66 | 554.30 |

**Note 22**

**Provisions**

Provision for gratuity (Refer Note 35)  
 Provision for leave encashment (Refer Note 35)  
 Provision for warranty and maintenance expenses

|  |        |        |
|--|--------|--------|
|  | 82.95  | 60.19  |
|  | 53.93  | 49.31  |
|  | 270.91 | 270.91 |
|  | 407.79 | 380.41 |

**Movement of Provision for warranty and maintenance expenses**

At the commencement of the year  
 Provision made during the year  
 Utilisation of Provisions  
 Discounting of non current provision  
 Unused amount reversed during the year  
 At the end of the year

|  |        |        |
|--|--------|--------|
|  | 409.19 | 546.10 |
|  | -      | 425.60 |
|  | -      | 359.51 |
|  | -      | 16.40  |
|  | -      | 186.60 |
|  | 409.19 | 409.19 |

**Provision for warranty and maintenance expenses**

The break-up/working of provisions for warranty and maintenance expenses as at 31.03.19 is not available with the Group Resources. Hence the provisions have been continued on as is basis for FY 19-20 while charging the actual cost incurred during FY 19-20 toward warranty and maintenance through profit & Loss statements.



**Videocon Industries Limited****Notes to financial statements for the year ended 31st March, 2020 (Contd.)****Note 14****Share capital****a) Details of the authorised, issued, subscribed and paid-up share capital as below:**

(₹ in Million)

|                                                                                              | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|----------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Authorised Capital</b>                                                                    |                         |                         |
| 1,300,000,000 (March 31, 2019: 1,300,000,000) equity shares of the par value of ₹ 10/- each. | 13,000.00               | 13,000.00               |
| 20,000,000 (March 31, 2019: 20,000,000) redeemable preference shares of ₹ 100/- each.        | 2,000.00                | 2,000.00                |
|                                                                                              | <b>15,000.00</b>        | <b>15,000.00</b>        |
| <b>Issued, Subscribed and fully Paid up</b>                                                  |                         |                         |
| 334,458,875 (March 31, 2019: 334,458,875) equity shares of ₹ 10/- each fully paid up.        | 3,344.59                | 3,344.59                |
|                                                                                              | <b>3,344.59</b>         | <b>3,344.59</b>         |

**b) Reconciliation of the number of shares outstanding at the beginning and end of the year:**

|                                                       | As at March 31, 2020 |                 | As at March 31, 2019 |                 |
|-------------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                       | Number               | ₹ in Million    | Number               | ₹ in Million    |
| Number of equity shares at the beginning of the year  | 3344,58,875          | 3,344.59        | 3344,58,875          | 3,344.59        |
| Add: Shares issued during the year                    |                      |                 |                      |                 |
| <b>Number of equity shares at the end of the year</b> | <b>3344,58,875</b>   | <b>3,344.59</b> | <b>3344,58,875</b>   | <b>3,344.59</b> |

**c) Particulars of shareholders holding more than 5% of shares held:**

|                                                                                                                                                                                                 | As at March 31, 2020     |              | As at March 31, 2019     |              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------|--------------------------|--------------|
| Name of Shareholder's                                                                                                                                                                           | No of Equity shares held | % of Holding | No of Equity shares held | % of Holding |
| Electroparts India (Private) Limited<br>(including Platinum Appliances Private Limited and<br>Shree Dhoot Trading and Agencies Ltd which were<br>amalgamated with Electroparts India (Private)) | 218,07,612               | 6.52         | 218,07,612               | 6.52         |
| Videocon Realty and Infrastructures Limited                                                                                                                                                     | 496,29,095               | 14.84        | 496,29,095               | 14.84        |
| Deutsche Bank Trust Company Americas<br>(As depository of Global Deposits Receipts)                                                                                                             | 350,59,979               | 10.48        | 350,59,979               | 11.61        |

**d) Rights, Preferences and restrictions attached to equity shares.**

The Company has a single class of equity shares referred to as equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to equal right of voting and dividend. The Company has not declared any dividend during the year.

Since the Company is currently under CIRP, the rights, preference and restrictions for the Equity Shareholders shall be subject to the provisions of Insolvency and Bankruptcy Code, 2016.



|                                        | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Note 18</b>                         |                         |                         |
| <b>Financial Liabilities - Current</b> |                         |                         |
| <b>Borrowings</b>                      |                         |                         |
| <b>a) Secured</b>                      |                         |                         |
| Loans from banks                       | 2,77,077.79             | 2,36,971.02             |
| Overdraft against fixed deposits       |                         |                         |
| Loans from financial institutions      | 12,819.04               | 11,060.89               |
| Loans from others                      | 17.03                   | 15.82                   |
| Foreign currency convertible bonds     | 6,233.25                | 5,607.53                |
| Working capital loans from banks       | 22,146.64               | 19,340.79               |
| Vehicle loan from banks                | 4.51                    | 4.62                    |
| <b>b) Unsecured</b>                    |                         |                         |
| Loans from banks                       | 14,988.40               | 12,843.66               |
|                                        | <b>3,33,286.65</b>      | <b>2,85,844.34</b>      |

**Details of borrowings:**

| Particulars                                       | ₹ Million          |                    | Carrying rate of interest |                |
|---------------------------------------------------|--------------------|--------------------|---------------------------|----------------|
|                                                   | March 31, 2020     | March 31, 2019     | March 31, 2020            | March 31, 2019 |
| <u>Principal amount of loan outstanding</u>       |                    |                    |                           |                |
| <u>Secured</u>                                    |                    |                    |                           |                |
| Term loans from banks/financial institutions      | 1,79,654.88        | 1,79,654.88        | 12.4% to 14.4%            | 12.4% to 14.4% |
| Vehicle loan from banks                           | 4.15               | 4.26               | 9.5% to 13.0%             | 9.5% to 13.0%  |
| Loans from others                                 | 13.39              | 13.39              | 12.0%                     | 12.0%          |
| Foreign currency convertible bonds                | 5,669.02           | 5,201.68           | 4.3%                      | 4.3%           |
| Working capital loans from banks                  | 16,583.72          | 16,583.72          | 12.7% to 15.8%            | 12.7% to 15.8% |
| <u>Unsecured</u>                                  |                    |                    |                           |                |
| Loans from banks                                  | 9,250.00           | 9,250.00           | 12% to 13.65%             | 12% to 13.65%  |
| Total Principal amount of loan outstanding        | 2,11,175.16        | 2,10,707.93        |                           |                |
| Add: Interest accrued and due/accrued but not due | 1,22,254.18        | 75,279.10          |                           |                |
| Less: Ind AS reclassification/adjustments         | 142.69             | 142.68             |                           |                |
|                                                   | <b>3,33,286.65</b> | <b>2,85,844.35</b> |                           |                |

**a) Details relating to term loans from banks and financial institutions**

Due to default in repayment of the secured loans from the banks and financial institutions, they have recalled the entire loans outstanding. Accordingly, these have been included under short term borrowings.

- i) The Company along with 12 other affiliates/entities (collectively referred to as 'Obligors' and individually referred to as 'Borrower') had in 2011 executed a facility agreement with consortium of then existing domestic rupee term lenders (RTL Lenders), in the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors got pooled together. The Borrower entities covered are Value Industries Limited, Videocon Industries Limited (VIL), Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited and Electroworld Digital Solutions Limited.

Further, CE India, which houses the valuable "Videocon" Brand under which the operations of the other Obligors were being carried on, became a Co-obligor for the loans under the RTL agreement by virtue of the indenture of mortgage dated March 20, 2013.

Further Videocon Telecommunications Ltd. (VTL), had availed Rupee Term Loan facility from certain lenders pursuant to the terms and conditions of Rupee Facility Agreement dated May 31, 2010, as amended by the Agreement of Modification to the Rupee Facility Agreement dated August, 30, 2010 (collectively the "VTL Agreement"). It was agreed between the RTL Lenders and VTL Lenders to share the security available to the RTL Lenders under the RTL Agreement (including the receivables from each of the Obligors) with the VTL Lenders under the VTL Agreement (including the receivables from VTL) on a reciprocal first pari-passu charge basis.

VTL agreed by way of a Confirmation Agreement dated June 20, 2016 that it shall be deemed to be "Co-obligor" under the RTL Agreement and the RTL obligors also agreed that each of the RTL obligors shall be deemed to be a "Co-obligor" under the VTL Agreement. Thus, VTL is also inducted as co-obligor in the said facility agreement with the consortium of RTL Lenders.



**Videocon Industries Limited****Notes to financial statements for the year ended 31st March, 2020 (Contd.)**

Rupee Term Loans amounting to ₹ 163,122.93 Million (As at March 31, 2019 ₹ 163,122.93 Million) are secured amongst others by first pari-passu charge on all present and future tangible (both movable and immovable) /intangible assets (excluding the Identified Properties) of each of the Borrower, first pari-passu charge on the Trust and Retention Accounts of the Borrowers, second charge on Videocon Hydrocarbon Holdings Limited's (VHHL) subsidiaries' participating interest in the Production Sharing Contract (PSC) of the identified Assets through pledge of entire shareholding of VHHL in overseas subsidiaries, second charge on pledge of 100% shares of Videocon Oil Ventures Limited and VHHL, second pari-passu charge on VHHL's share of cash flows from Identified Assets and second pari-passu charge over current assets of each of the Borrower. The Rupee Term Loans are also secured by second ranking pledge of shares of VIL already pledged to the lenders in respect of various debts, first ranking pledge by the promoters over such number of fully paid equity shares of VIL, Value Industries and Trend Electronics held by them irrevocable and unconditional personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot, Mr. Rajkumar N. Dhoot and first pari-passu charge on 'Videocon' brand. (Also Refer Note 39).

Working Capital Term Loans by Bank of India Consortium amounting to ₹ 15,031.95 Million (As at March 31, 2018 ₹ 15,474.30 Million) are secured by first pari-passu charge on book debts of consumer electronics and home appliances division both present and future of all the borrowers which are not charged to bankers for securing working capital loans and first pari-passu charge on equitable mortgage of properties situated at 1) 17th floor, B Wing, Mittal Court, Nariman Point 2) Flats bearing No. 2301 and 2302, Thakkar tower, Tardeo, Mumbai owned by the Company and properties owned by other 6 entities namely Vissanji Estates Private Limited (VEPL), Videocon Realty & Infrastructures Limited (VRIL), Videocon Realty Private Limited (VRPL), Videocon SEZ Infrastructures Private Limited (VSIPL), U.S. Non Trading Association and Greenfield Appliances Private Limited (GAPL). The loans are further secured by personal guarantee of Mr. Venugopal N. Dhoot, Mr. RN Dhoot and Mr. Pradipkumar N. Dhoot and corporate guarantee of the above mentioned six entities whose properties have been mortgaged.

*Identified Properties would have the meaning as defined in the RTL agreement dated 08th August 2012*

Corporate loan from IDBI Bank amounting to ₹ 1,500.00 Million (As at March 31, 2018 ₹ 1,500.00 Million) is secured by exclusive mortgage and charge on immovable property owned by the Company (in the capacity of lessee) situated at GIDC Gandhinagar, negative lien undertaking for property owned by other entity and personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

**b) Details relating to vehicle loans**

Vehicle Loan from Banks are secured by way of hypothecation of Vehicles acquired out of the said loan. Vehicle Loan amount includes ₹ 3.58 Million against which the lender bank has re-possessed vehicles having carrying value of ₹ 3.61 Million.

**c) Details relating to loans from others**

Loans from others amounting to ₹ 13.39 Million (As at March 31, 2019: ₹ 13.39 Million) is secured against surrender value of keyman insurance policy.

**d) Details relating to foreign currency convertible bonds**

The Company had issued 4.30 per cent foreign currency convertible bonds (Bonds) of US\$ 97,200,000 during the year 2015. These Bonds were issued under the exchange offer to the holders of the Bonds of US\$ 194,400,000 due on December 16, 2015.

a) The Bonds are convertible at the option of the bondholders into shares, at a fixed exchange rate on conversion of ₹ 66.139 per US\$ 1.00 and at initial conversion price of ₹ 134.724 per share.

b) The Company has defaulted in repayment of FCCBs pursuant to exercise of Put Option on December 30, 2016. Accordingly, the bond holders declared it an event of default and the entire FCCBs became due and payable.

c) D B Trustees (Hong Kong) Limited, the trustee on the behalf of bond holders, have filed their claim with the RP under IBC.

d) The principal amount in respect of the FCCBs is still outstanding. Accordingly, the FCCBs are considered to be dilutive in nature in accordance with the terms and conditions of the FCCBs. Their treatment shall be subject to the provisions of the Insolvency and Bankruptcy Code, 2016.

**e) Details relating to working capital loans from banks**

Working capital loans from banks are secured by hypothecation of the Company's stock of raw materials, packing materials, stock-in-process, finished goods, stores and spares, book debts of glass shell division and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot and Mr. Rajkumar N. Dhoot.

**f) Details relating to unsecured loans from banks**

Loans amounting to ₹ 9,250.00 Million (As at March 31, 2019 ₹ 9,250.00 Million) is secured by exclusive charge over the land situated at Dist. Rewa, Madhya Pradesh owned by the Subsidiary Company viz. Prosperous Energy Private Limited, stake in PT. Gaung Alam Semesta's coal concession in Indonesia owned by other entities and personal guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.



9



**Videocon Industries Limited**
**Notes to financial statements for the year ended 31st March, 2020 (Contd.)**

(₹ in Million)

| Particulars                                                                          | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|--------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Note 23</b>                                                                       |                                      |                                      |
| <b>Revenue from operations</b>                                                       |                                      |                                      |
| Sale of products                                                                     | 7,304.07                             | 8,894.26                             |
| Income from services                                                                 | 30.25                                | 67.23                                |
| Other operating revenue                                                              | 1.85                                 | 104.48                               |
|                                                                                      | <b>7,336.17</b>                      | <b>9,065.97</b>                      |
| <b>Note 24</b>                                                                       |                                      |                                      |
| <b>Other income</b>                                                                  |                                      |                                      |
| Interest income - Interest on investments at amortized cost                          | 223.05                               | 192.00                               |
| Income from Investments and Securities Division                                      | 348.79                               | 379.30                               |
| Exchange rate fluctuation                                                            | 5.35                                 | -                                    |
| Profit on sale of fixed assets                                                       | 0.28                                 | 1.99                                 |
| Insurance claim received                                                             | -                                    | 0.53                                 |
| Gain on modification of financial instrument                                         | -                                    | -                                    |
| Guarantee commission                                                                 | -                                    | 42.96                                |
| Other non operating income                                                           | 50.78                                | 943.38                               |
|                                                                                      | <b>628.24</b>                        | <b>1,560.16</b>                      |
| <b>Note 25</b>                                                                       |                                      |                                      |
| <b>Cost of materials consumed</b>                                                    |                                      |                                      |
| Imported                                                                             | -                                    | -                                    |
| Indigenous                                                                           | 1,752.70                             | 8,786.78                             |
|                                                                                      | <b>1,752.70</b>                      | <b>8,786.78</b>                      |
| <b>Note 26</b>                                                                       |                                      |                                      |
| <b>Purchase of stock-in-trade</b>                                                    |                                      |                                      |
| Electrical and electronic items                                                      | 277.30                               | 538.89                               |
|                                                                                      | <b>277.30</b>                        | <b>538.89</b>                        |
| <b>Note 27</b>                                                                       |                                      |                                      |
| <b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b> |                                      |                                      |
| <b>Opening inventory</b>                                                             |                                      |                                      |
| Finished goods and stock-in-trade                                                    | 670.78                               | 3,524.99                             |
| Work-in-process                                                                      | 174.26                               | 1,294.92                             |
|                                                                                      | <b>845.05</b>                        | <b>4,819.91</b>                      |
| <b>Closing inventory</b>                                                             |                                      |                                      |
| Finished goods and stock-in-trade                                                    | 399.42                               | 670.78                               |
| Work-in-process                                                                      | 182.78                               | 174.26                               |
|                                                                                      | <b>582.21</b>                        | <b>845.05</b>                        |
| <b>Changes in inventory</b>                                                          | <b>262.84</b>                        | <b>3,974.86</b>                      |
| <b>Note 28</b>                                                                       |                                      |                                      |
| <b>Production and exploration expenses - Oil and Gas</b>                             |                                      |                                      |
| Production and exploration expenses                                                  | 731.51                               | 780.76                               |
| Royalty                                                                              | 294.29                               | 133.40                               |
| Cess                                                                                 | 381.87                               | 135.57                               |
| Production bonus                                                                     | 12.39                                | 23.83                                |
| Government share in profit petroleum                                                 | 1,536.70                             | 3,124.93                             |
| Insurance expenses                                                                   | 17.50                                | 11.50                                |
|                                                                                      | <b>2,974.25</b>                      | <b>4,209.99</b>                      |



**Videocon Industries Limited****Notes to financial statements for the year ended 31st March, 2020 (Contd.)**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                 | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Note 29</b>                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                      |                                      |
| Salary, wages and other benefits                                                                                                                                                                                                                                                                                                                                                                                                                            | 824.24                               | 1,100.44                             |
| Contribution to provident fund and other funds                                                                                                                                                                                                                                                                                                                                                                                                              | 30.59                                | 65.57                                |
| Staff welfare expenses                                                                                                                                                                                                                                                                                                                                                                                                                                      | 18.58                                | 21.87                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>873.41</b>                        | <b>1,187.88</b>                      |
| <b>Note 30</b>                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                      |                                      |
| <b>Finance costs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                      |                                      |
| Interest expense on financial liabilities measured at amortised cost                                                                                                                                                                                                                                                                                                                                                                                        | 43,111.31                            | 37,700.04                            |
| Unwinding of discount on warranty provision                                                                                                                                                                                                                                                                                                                                                                                                                 | -                                    | 16.40                                |
| Unwinding of discount on site restoration provision                                                                                                                                                                                                                                                                                                                                                                                                         | -                                    | 32.56                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>43,111.31</b>                     | <b>37,749.00</b>                     |
| Since the commencement of CIRP, there is a Moratorium in terms of section 14 of the Code towards repayment of debts subsisting as on CIRP commencement and interest thereon. However, pending the completion / final outcome of CIRP, the Company has continued to provide for the interest for full financial year, including the moratorium period. Payment towards such interest expenses are subject to the provisions of the Code and outcome of CIRP. |                                      |                                      |
| <b>Note 31</b>                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                      |                                      |
| <b>Other expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                      |                                      |
| Power, fuel and water                                                                                                                                                                                                                                                                                                                                                                                                                                       | 75.80                                | 94.89                                |
| Banking and other finance charges                                                                                                                                                                                                                                                                                                                                                                                                                           | 0.87                                 | 1,893.62                             |
| Freight and forwarding                                                                                                                                                                                                                                                                                                                                                                                                                                      | 221.04                               | 98.40                                |
| Vehicle running expenses                                                                                                                                                                                                                                                                                                                                                                                                                                    | 39.53                                | 106.30                               |
| Rent                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 18.24                                | 30.03                                |
| Rates and taxes                                                                                                                                                                                                                                                                                                                                                                                                                                             | 30.53                                | 46.65                                |
| Repairs to building                                                                                                                                                                                                                                                                                                                                                                                                                                         | -                                    | 0.07                                 |
| Repairs to plant and machinery                                                                                                                                                                                                                                                                                                                                                                                                                              | 4.10                                 | 7.44                                 |
| Other repairs and maintenance                                                                                                                                                                                                                                                                                                                                                                                                                               | 13.31                                | 18.44                                |
| Insurance                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 11.30                                | 20.02                                |
| Advertisement and publicity                                                                                                                                                                                                                                                                                                                                                                                                                                 | -                                    | 119.52                               |
| Sales promotion expenses                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1.17                                 | 0.90                                 |
| Payment to auditors*                                                                                                                                                                                                                                                                                                                                                                                                                                        | 3.48                                 | 6.20                                 |
| Directors' sitting fees                                                                                                                                                                                                                                                                                                                                                                                                                                     | -                                    | -                                    |
| Legal and professional charges                                                                                                                                                                                                                                                                                                                                                                                                                              | 54.00                                | 112.47                               |
| Royalty                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 5.00                                 | -                                    |
| Printing and stationery                                                                                                                                                                                                                                                                                                                                                                                                                                     | 3.33                                 | 2.37                                 |
| Warranty and maintenance                                                                                                                                                                                                                                                                                                                                                                                                                                    | 82.14                                | 219.95                               |
| Provision for doubtful debts                                                                                                                                                                                                                                                                                                                                                                                                                                | -                                    | 0.03                                 |
| Exchange Rate Fluctuation                                                                                                                                                                                                                                                                                                                                                                                                                                   | -                                    | 330.22                               |
| Office and general expenses                                                                                                                                                                                                                                                                                                                                                                                                                                 | 99.49                                | 796.75                               |
| Others Specific CIRP Related Costs                                                                                                                                                                                                                                                                                                                                                                                                                          | 80.64                                | -                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>743.97</b>                        | <b>3,904.27</b>                      |
| <b>*Payment to Auditors:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                |                                      |                                      |
| a) Statutory Audit Fees                                                                                                                                                                                                                                                                                                                                                                                                                                     | 3.48                                 | 4.80                                 |
| b) Tax Audit Fees                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                                    | 1.40                                 |
| c) Out of Pocket Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                   | -                                    | -                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>3.48</b>                          | <b>6.20</b>                          |
| <b>Note 32</b>                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                      |                                      |
| <b>Exceptional items</b>                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                      |                                      |
| Payment made towards settlement of obligation                                                                                                                                                                                                                                                                                                                                                                                                               | -                                    | -                                    |
| Expenses related to aborted project                                                                                                                                                                                                                                                                                                                                                                                                                         | -                                    | -                                    |
| Loans and advances written off                                                                                                                                                                                                                                                                                                                                                                                                                              | -                                    | 14,133.45                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                    | <b>14,133.45</b>                     |



## Note 33

For the year ended for the year ended  
March 31, 2020 March 31, 2019

|                                                             |      |            |
|-------------------------------------------------------------|------|------------|
| Income taxes                                                |      |            |
| a) Amounts recognised in statement of profit and loss       |      |            |
| Current tax expense                                         |      |            |
| Current year                                                | -    | -          |
| Changes in estimates related to prior period                | -    | -          |
| Deferred tax expense                                        |      |            |
| Origination and reversal of temporary differences           | -    | (1,506.54) |
|                                                             | -    | (1,506.54) |
| Tax expense for the year                                    | -    | (1,506.54) |
| b) Amounts recognised in other comprehensive income         |      |            |
| Deferred tax on remeasurements of the defined benefit plans | 3.64 | (3.16)     |
|                                                             | 3.64 | (3.16)     |

Deferred tax assets and liabilities are attributable to the following:

| Particulars                                  | Net deferred tax asset / (liabilities) |                |
|----------------------------------------------|----------------------------------------|----------------|
|                                              | March 31, 2020                         | March 31, 2019 |
| Property, plant and equipment                | (9,425.11)                             | (9,425.11)     |
| Expenses allowable in future                 | 3,955.20                               | 3,955.20       |
| Unabsorbed depreciation and losses           | 4,134.50                               | 4,134.50       |
| Fair valuation of investments through OCI    | -                                      | -              |
| Borrowing Costs - EIR                        | (23.85)                                | (23.85)        |
| Site Restoration Liability                   | (58.31)                                | (58.31)        |
| FCCB                                         | 14.56                                  | 14.56          |
| Remeasurements of defined benefit obligation | 3.64                                   | -              |
| Corporate Guarantee                          | -                                      | -              |
| Others                                       | 16.83                                  | 16.83          |
| Total                                        | (1,382.54)                             | (1,386.18)     |

Movement in Temporary differences:

| Particulars                                  | Balance as at |                | Recognised in Profit and Loss during 2018-19 | Recognised in OCI during 2018-19 | Balance as at March 31, 2019 | Recognised in Profit and Loss during 2019-20 | Recognised in OCI during 2019-20 | Balance as at March 31, 2020 |                |
|----------------------------------------------|---------------|----------------|----------------------------------------------|----------------------------------|------------------------------|----------------------------------------------|----------------------------------|------------------------------|----------------|
|                                              | April 1, 2018 | March 31, 2020 |                                              |                                  |                              |                                              |                                  | March 31, 2020               | March 31, 2019 |
| Property, Plant and Equipment                | (11,505.84)   | (9,425.11)     | 2,080.73                                     | -                                | (9,425.11)                   | -                                            | -                                | (9,425.11)                   | (9,425.11)     |
| Expenses allowable in future                 | 5,869.89      | 3,955.20       | (1,914.69)                                   | -                                | 3,955.20                     | -                                            | -                                | 3,955.20                     | 3,955.20       |
| Unabsorbed depreciation and losses           | 2,928.97      | 4,134.50       | 1,205.53                                     | -                                | 4,134.50                     | -                                            | -                                | 4,134.50                     | 4,134.50       |
| Fair valuation of investments through OCI    | (47.42)       | 0.00           | 47.42                                        | -                                | 0.00                         | -                                            | -                                | 0.00                         | 0.00           |
| Borrowing Costs - EIR                        | (45.78)       | (23.85)        | 21.93                                        | -                                | (23.85)                      | -                                            | -                                | (23.85)                      | (23.85)        |
| Site Restoration Liability                   | (55.03)       | (58.31)        | (3.28)                                       | -                                | (58.31)                      | -                                            | -                                | (58.31)                      | (58.31)        |
| FCCB                                         | -             | 14.56          | 14.56                                        | -                                | 14.56                        | -                                            | -                                | 14.56                        | 14.56          |
| MAT credit entitlement                       | -             | -              | -                                            | -                                | -                            | -                                            | -                                | -                            | -              |
| Remeasurements of defined benefit obligation | -             | 3.16           | 3.16                                         | (3.16)                           | -                            | -                                            | 3.64                             | 3.64                         | 3.64           |
| Warranty provision                           | (18.26)       | 18.26          | 18.26                                        | -                                | -                            | -                                            | -                                | -                            | -              |
| Corporate guarantee                          | (34.39)       | 34.39          | 34.39                                        | -                                | -                            | -                                            | -                                | -                            | -              |
| Others                                       | 18.30         | 16.83          | (1.47)                                       | -                                | 16.83                        | -                                            | -                                | 16.83                        | 16.83          |
| Total                                        | (2,889.56)    | (1,382.54)     | 1,506.54                                     | (3.16)                           | (1,386.18)                   | -                                            | 3.64                             | (1,382.54)                   | (1,386.18)     |

Deferred Tax workings for FY ending Mar'19 were not handed over to the Group Resources by the erstwhile officials handling finance and accounts functions and hence the details are currently not available with the Company. Thus the company is unable to make adjustments in the Current FY. RP has already filed applications with NCLT under section 19 of the Code seeking co-operation from the promoters / erstwhile management of the company for providing the requisite data.



**Videocon Industries Limited****Notes to financial statements for the year ended 31st March, 2020 (Contd.)****Note 34****Earnings per share (EPS)**

Basic EPS calculated by dividing the Net profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

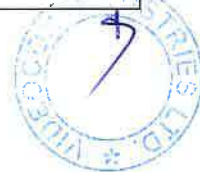
| Particulars                                                                          | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|--------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Basic and diluted earnings per share for ordinary shareholders</b>                |                                      |                                      |
| i. Profit/(Loss) attributable to equity holders (Rs in Million)                      | (47,139.91)                          | (67,607.55)                          |
| ii. Weighted Average Number of Equity Shares considered for calculation of Basic EPS | 3344,58,875                          | 3344,58,875                          |
| Weighted Average Number of Equity Shares considered for calculation of Diluted EPS   | 3713,76,223                          | 3713,76,223                          |
| iii. Basic earnings per share (Rs)                                                   | (140.94)                             | (202.14)                             |
| Diluted Earnings per Share (Rs)                                                      | (126.93)                             | (182.05)                             |
| iv. Nominal value of equity share (₹)                                                | 10.00                                | 10.00                                |

**Note**

1. Weighted average number of shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
2. The principal amount in respect of the FCCBs is still outstanding. Accordingly, the FCCBs are considered to be dilutive in nature in accordance with the terms and conditions of the FCCBs. Their treatment shall be subject to the provisions of the Insolvency and Bankruptcy Code, 2016. (Also refer to Note No. 49)



5



## Note 35

## Employee benefits

## a) Defined contribution plan

The contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company has recognised the following amounts in the statement of profit and loss for the year.

| Particulars                                        | (₹ in Million) |                |
|----------------------------------------------------|----------------|----------------|
|                                                    | March 31, 2020 | March 31, 2019 |
| Employer's contribution to Provident Fund and ESIC | 30.59          | 65.57          |
|                                                    | <b>30.59</b>   | <b>65.57</b>   |

## b) Defined benefit plan

## Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

| Particulars                            | (₹ in Million) |                |
|----------------------------------------|----------------|----------------|
|                                        | March 31, 2020 | March 31, 2019 |
| Defined benefit obligation             | 301.65         | 258.35         |
| Less: Fair value of plan assets        | 19.07          | 19.74          |
| <b>Net defined benefit obligations</b> | <b>282.57</b>  | <b>238.61</b>  |

## Fair value of the plan assets and present value of the defined benefit liabilities:

The amount included in the Balance sheet arising from the Company's obligations and plan assets in respect of its defined benefit schemes is as follows:

| Particulars                                         | (₹ in Million) |                |
|-----------------------------------------------------|----------------|----------------|
|                                                     | March 31, 2020 | March 31, 2019 |
| <b>i) Movement in defined benefit obligations:</b>  |                |                |
| At the beginning of the year                        | 258.35         | 281.48         |
| Liabilities assumed on business combination         | -              | 0.53           |
| Current service cost                                | 18.93          | 18.33          |
| Interest cost                                       | 17.45          | 18.94          |
| Past Service Cost                                   | -              | (2.29)         |
| Actuarial (gains)/losses on obligations -           | 10.86          | (9.04)         |
| Benefit paid                                        | (3.94)         | (49.60)        |
| <b>At the end of the year</b>                       | <b>301.65</b>  | <b>258.35</b>  |
| <b>ii) Movement in fair value of plan assets:</b>   |                |                |
| At the beginning of the year                        | 19.74          | 63.02          |
| Interest income                                     | 0.86           | 3.70           |
| Expected Return on Plan Assets                      | 0.45           | (1.96)         |
| Employer contributions                              | -              | 0.55           |
| Benefit paid                                        | (1.98)         | (45.57)        |
| <b>At the end of the year</b>                       | <b>19.07</b>   | <b>19.74</b>   |
| <b>iii) Recognised in profit or loss</b>            |                |                |
| Current service cost                                | 18.93          | 18.33          |
| Interest expense                                    | 17.45          | 18.94          |
| Interest income                                     | 0.86           | 3.70           |
| <b>For the year</b>                                 | <b>35.52</b>   | <b>33.57</b>   |
| <b>iv) Recognised in Other Comprehensive Income</b> |                |                |
| Actuarial (gains)/losses on obligations             | 10.86          | (9.04)         |
| Actuarial (gains)/losses on plan assets             | -              | -              |
| <b>For the year</b>                                 | <b>10.86</b>   | <b>(9.04)</b>  |



**Videocon Industries Limited**
**Notes to financial statements for the year ended 31st March, 2020 (Contd.)**

v) Plan assets for this Fund are insurance funds. (100%)

vi) The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

| Particulars                      | March 31, 2020                                    | March 31, 2019                                    |
|----------------------------------|---------------------------------------------------|---------------------------------------------------|
| Rate of increase in salaries (%) | 5% to 7% per annum                                | 5% to 7% per annum                                |
| Discount rate (%)                | 6.95% to 7.75% per annum                          | 6.95% to 7.75% per annum                          |
| Employee turnover rate           | 5% at younger ages reducing to 1% at older ages   | 5% at younger ages reducing to 1% at older ages   |
| Mortality rate during employment | Indian Assured Lives Mortality (2006-08) Ultimate | Indian Assured Lives Mortality (2006-08) Ultimate |

vii) Sensitivity of the defined benefit obligation

(₹ in Million)

| Particulars                                   | March 31, 2020 |          | March 31, 2019 |          |
|-----------------------------------------------|----------------|----------|----------------|----------|
|                                               | Increase       | Decrease | Increase       | Decrease |
| Discount rate (0.50% movement)                | (294.91)       | 308.75   | (251.78)       | 264.32   |
| Rate of increase in salaries (0.50% movement) | 308.16         | (295.42) | 263.95         | (251.98) |
| Rate of employee turnover (0.50% movement)    | (302.00)       | 301.32   | (258.45)       | 257.29   |

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to other. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

viii) Expected contributions to gratuity fund for the year ended March 31, 2021 is ₹ 30.79 million. (Based on accrued liability as at valuation date)

ix) The expected future cash flows as at March 31, were as follows:

(₹ in Million)

| Particulars                                     | Up to 1 year | Between 1-2 years | Between 2-5 years | More than 5 years | Total  |
|-------------------------------------------------|--------------|-------------------|-------------------|-------------------|--------|
| Defined benefit obligations (Gratuity - funded) |              |                   |                   |                   |        |
| March 31, 2020                                  | 30.79        | 20.25             | 83.74             | 114.69            | 249.47 |
| March 31, 2019                                  | 21.75        | 21.85             | 54.50             | 108.33            | 206.43 |

The entire Note No 35 is based on actuarial valuation report. Since the company is into CIRP, the assumptions considered in the computations made above and the resultant outcomes may change basis the outcome of CIRP



## Note 36

## Financial instruments - Fair values and risk management

## A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

(₹ in Million)

| March 31, 2020                                                                     | Carrying Amount |           |                |             | Fair Value |             |           |             |
|------------------------------------------------------------------------------------|-----------------|-----------|----------------|-------------|------------|-------------|-----------|-------------|
|                                                                                    | FVTPL           | FVOCI     | Amortised Cost | Total       | Level 1    | Level 2     | Level 3   | Total       |
| <b>Financial assets</b>                                                            |                 |           |                |             |            |             |           |             |
| <b>Non-current financial assets</b>                                                |                 |           |                |             |            |             |           |             |
| Investments in equity of subsidiaries and joint venture - Unquoted                 | -               | 94,752.76 | -              | 94,752.76   | -          | -           | 94,752.76 | 94,752.76   |
| Investments in equity shares other than subsidiaries and joint ventures - Unquoted | -               | 487.73    | -              | 487.73      | -          | -           | 487.73    | 487.73      |
| Investments in equity shares other than subsidiaries and joint ventures - Quoted   | -               | 46.63     | -              | 46.63       | 46.63      | -           | -         | 46.63       |
| Investments in Preference shares                                                   | -               | -         | 1,055.18       | 1,055.18    | -          | 1,055.18    | -         | 1,055.18    |
| Loans                                                                              | -               | -         | 1,05,520.25    | 1,05,520.25 | -          | 1,05,520.25 | -         | 1,05,520.25 |
| Others                                                                             | -               | -         | 5.74           | 5.74        | -          | 5.74        | -         | 5.74        |
| <b>Current financial assets</b>                                                    |                 |           |                |             |            |             |           |             |
| Trade receivables                                                                  | -               | -         | 10,098.58      | 10,098.58   | -          | -           | -         | -           |
| Cash and cash equivalents                                                          | -               | -         | 3,179.41       | 3,179.41    | -          | -           | -         | -           |
| Bank balances                                                                      | -               | -         | 1,586.40       | 1,586.40    | -          | -           | -         | -           |
| Loans                                                                              | -               | -         | 31,424.04      | 31,424.04   | -          | -           | -         | -           |
| Others                                                                             | -               | -         | 1,319.40       | 1,319.40    | -          | -           | -         | -           |
|                                                                                    | -               | 95,287.12 | 1,54,189.00    | 2,49,476.13 | 46.63      | 1,06,581.17 | 95,240.49 | 2,01,868.29 |
| <b>Financial liabilities</b>                                                       |                 |           |                |             |            |             |           |             |
| <b>Current financial liabilities</b>                                               |                 |           |                |             |            |             |           |             |
| Borrowings                                                                         | -               | -         | 3,33,286.65    | 3,33,286.65 | -          | -           | -         | -           |
| Trade payables                                                                     | -               | -         | 10,694.33      | 10,694.33   | -          | -           | -         | -           |
| Others                                                                             | -               | -         | 29,655.93      | 29,655.93   | -          | -           | -         | -           |
|                                                                                    | -               | -         | 3,73,636.91    | 3,73,636.91 | -          | -           | -         | -           |

## B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Interest risk

## Risk management framework

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operations and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operation.

Corporate Insolvency Resolution Process (CIRP) has been initiated in case of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stand vested with the Resolution Professional (RP) appointed by the NCLT. The RP continues to take business decisions, in consultation with the CoC wherever required, to mitigate risks if any.

The current risks associated with financial management activities are as under :

## i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

## a) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions.

The following table provides information about the exposure to credit risk for trade receivables:

(₹ in Million)

|                              | Gross carrying amount |                 |
|------------------------------|-----------------------|-----------------|
|                              | March 31, 2020        | March 31, 2019  |
| <b>Past due not impaired</b> |                       |                 |
| Less than 30 days            | 549.58                | 1,149.03        |
| Past due 31 to 60 days       | 418.77                | 16.38           |
| Past due 61 to 90 days       | 298.31                | 794.13          |
| Past due 91 to 120 days      | 873.29                | 147.79          |
| Past due 121 to 180 days     | 434.01                | 1,172.43        |
| More than 180 days           | 7,524.03              | 6,677.79        |
| <b>Total</b>                 | <b>10,097.98</b>      | <b>9,957.55</b> |

**b) Cash and cash equivalents and Other bank balances**

The Company held cash and cash equivalents and other bank balances of ₹ 4,765.81 Million at March 31, 2020 (March 31, 2019: ₹ 2714.15 Million). The cash and cash equivalents are held with bank and financial institutions.

**c) Investments**

Post CIRP commencement, no new investment have been made.

**d) Other financial assets**

Other than trade and other receivables, the Company has no other financial assets that are past due not impaired.

**ii) Liquidity risk**

The Company is under CIRP. The Company depends upon timely receipt from sales and delay in sales realisation as well as vendor payments can severely impact the current level of operation. Since the commencement of CIRP, there is a Moratorium in terms of section 14 of the Code towards repayment of existing debts and interest thereon. Thus it is not required to meet any loan or interest obligation till the completion of CIRP.

Liquidity risk is the financial risk that is encountered due to uncertainty resulting in difficulty in meeting its obligations. An entity is exposed to liquidity risk if markets on which it depends are subject to loss of liquidity for any reason; extraneous or intrinsic to its business operations, affecting its credit rating or unexpected cash outflows. A position can be hedged against market risk but still entail liquidity risk. Prudence requires liquidity risk to be managed in addition to market, credit and other risks as it has tendency to compound other risks. It entails management of asset, liabilities focused on a medium to long-term perspective and future net cash flows on a day-by-day basis in order to assess liquidity risk.

**iii) Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

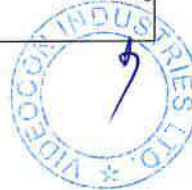
The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.



|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | (₹ in Million) |                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | March 31, 2020 | March 31, 2019 |
| <b>Note 37</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                |                |
| <b>Contingent liabilities and commitments (to the extent not provided for)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                |                |
| <b>Commitments</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                |                |
| Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 804.60         | 804.60         |
| <b>Contingent Liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                |                |
| i) Letters of Guarantees                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2,61,912.80    | 2,61,912.80    |
| ii) Letters of Credit opened (including Standby Letters of Credit and Letter of Comfort)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | -              | -              |
| iii) Claims against the Company not acknowledged as debts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |                |
| a) Custom Duty demands and penalties under dispute<br>[Amount paid under protest ₹ 3.09 Million (As at March 31, 2019 ₹ 0.17 Million)]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 4,656.11       | 4,656.11       |
| b) Income Tax demands under dispute                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3,034.80       | 3,034.80       |
| c) Excise Duty and Service Tax demands and penalties under dispute<br>[Amount paid under protest ₹ 102.52 Million (As at March 31, 2019 ₹ 107.58 Million)]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 2,034.84       | 2,034.84       |
| d) Sales Tax demands under dispute<br>[Amount paid under protest ₹ 64.57 Million (As at March 31, 2019 ₹ 74.89 Million)]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 4,587.07       | 4,587.07       |
| e) Others<br>[Amount paid under protest ₹ 50.00 Million (As at March 31, 2019 ₹ 50.00 Million)]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2,204.98       | 2,204.98       |
| Contingent liability - towards service tax litigation from CESTAT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                |                |
| f) Show Cause Notices (SCNs) have been served on the Operator of the Ravva Oil & Gas Field Joint Venture (Ravva JV) for non-payment of Service Tax and Educational Cess on various services for the period July 2003 to June, 2017. The amount involved relating to Ravva Block is ₹ 363.17 Million (As at March 31, 2019 ₹ 263.72 Million).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                |                |
| The Operator is contesting the SCNs/demands before Commissioner of Service Tax and has filed appeal before CESTAT, Bangalore and writ petition before Hon'ble High Court of Madras challenging service tax demands on some of the services and believes that its position is likely to be upheld. During the FY 2019-20 the Operator of Ravva JV had settled some of the SCNs under SVLDRS scheme notified by CBIC and made payment of tax dues. The ultimate outcome of the matter cannot be identified presently and therefore, no provision for any liability, that may arise, have been made in the accounts as the same is subject to outcome of proceedings before the judicial forums.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                |                |
| Besides above, the Madras High Court has granted stay on imposing service tax on royalty required to be paid or deposited under the provision of the Oilfields (Regulation and Development) Act, 1948. Presently the SLP by the department against the HC order is pending before the Supreme Court.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                |                |
| Should the above ultimately become payable, the Company's share in service tax demand as per the participating interest would be ₹ 121.34 Million (As at March 31, 2019 ₹ 65.93 Million).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |                |
| g) The Supreme court of India in the case of Regional Provident Fund Commissioner Vs. Vivekananda Vidya Mandir and Others [LSI-62-SC-2019(NDEL)] has rendered a decision dated February 28, 2019 with reference to the Employees Provident Fund and Miscellaneous Provisions Act, 1952 on a common question of law as to whether special allowance paid by an establishment to its employees would fall within the expression of 'basic wages' under section 2(b)(ii) read with section 6 of the Act for the purpose of computation of deduction towards provident fund. The Supreme Court has held that in order to exclude the allowance from the ambit basic wages, there must be evidence to show that the workman concerned has become eligible to get the extra amount beyond the normal work which he was otherwise required to put in. The test laid down by the Supreme Court will now have to be applied to each and every allowance to examine whether the allowance is excluded from the purview of wages or not. If the test for exclusion is met, then the said allowance would not form part of wages for the purpose of contribution under the Act. Pending necessary clarifications on the subject, no provision has been made. |                |                |
| Breakup/details pertaining to contingent liability as at 31st Mar 2019 were not handed over to the Group Resources by the erstwhile officials handling accounts function. Thus, in the absence of underlying data, the company has relied on the opening balances without evaluating if any changes are required to such opening balances during the year. RP has already filed applications with NCLT under section 19 of the Code seeking co-operation from the promoters / erstwhile management of the company for providing the requisite data.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                |                |
| Further, since CIRP commencement, the Company continues to be under the protection of moratorium in terms of section 14 of the Code, prohibiting, inter alia, the institution of suits or continuation of pending suits or proceedings against the Company including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                |
| <b>Note 38</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                |                |
| There are certain disputes with the Government of India ("GOI") with respect to the earlier Production Sharing Contract dated October 28, 1994 ("Ravva PSC") now extended upto October 2029 vide RAVVA PSC extension dated October 24, 2019 pertaining to Ravva Oil & Gas Field which were referred to more than one international arbitration for resolution. The respective International Arbitral Tribunals have issued their respective Awards from time to time substantially in favour of the Company. However, the GOI has preferred to challenge few of the Awards in various Courts in India and overseas but has not succeeded so far in any of the Courts. Presently as of the BS date the issue as to the recovery of GOI's alleged claims totaling US\$ 118 Million are being heard in the Supreme Court of India ("SC").                                                                                                                                                                                                                                                                                                                                                                                                           |                |                |
| The disputes, totaling to US\$ 118 Million, mainly revolved around three matters (i) ONGC Carry Cost for US\$ 71 Million (ii) BDC Cost for US\$ 32 Million & (iii) Short Payment for US\$ 15 Million.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                |
| With regard to dispute towards ONGC Carry cost, the partial award was passed by the Tribunal on March 31, 2005, upholding that no further amounts are due from the Claimants i.e. in the Company's favour. GOI's challenge of the final award has been dismissed by the Malaysian High Court and the next appellate court in Malaysia i.e. Malaysian Court of Appeal. GOI then filed an appeal at Federal Court of Malaysia. The matter was heard on February 28, 2019 and the Federal Court dismissed GOI's leave to appeal. The matter is presently pending before the Arbitral Tribunal for quantification of claims/counter claims by the parties.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                |                |
| With regard to dispute towards Base Development Cost ("BDC") and under payment of Profit Petroleum, Joint venture partners initiated the arbitration proceedings and Arbitration Tribunal published the Award allowing claimants (including the Company) to recover the development costs spent to the tune of ₹ 19,229.62 Million (US\$ 278 Million) and disallowed over run of ₹ 1521.77 Million (US\$ 22 Million) spent in respect of BDC along with 50% legal costs. The High Court of Kuala Lumpur as well as Court of Appeal dismissed GOI's application of setting aside the part of the Award. GOI challenge to the same before the Federal Court of Malaysia was also dismissed by the Federal Court on May 17, 2016. The Company has filed an application for enforcement of award before Delhi High Court. As of BS date the SC has awarded an order dated September 16, 2020 in favour of the company enforcing the Arbitration Award in this matter upholding the earlier HC order dated February 19, 2020 and dismissing the GOI appeal.                                                                                                                                                                                           |                |                |
| With regard to dispute towards the short payment of profit petroleum, which the GOI had claimed in its alleged demand notice dated October 22, 2018 the company has clarified and submitted time and again with the GOI/DGH and reiterated its stand that the company is not liable to pay such amounts to GOI. As this is also a part of the matter being presently heard in the SC the company is awaiting the outcome of such matter from the relevant courts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                |                |



9



**Videocon Industries Limited****Notes to financial statements for the year ended March 31, 2020 (Contd.)**

Since the GOI's invocation of the claim of USD 118 mn and pending final resolution, all sales revenue of VIL on account of sale of oil & gas to oil marketing companies (GOI owned companies) have been diverted to GOI and are not received by VIL since November 2019. Pending final resolution of the above mentioned disputes, certain amounts of the company's share in revenues from RAVVA Oil & Gas sales have been excess recovered, deducted or short paid by the GOI and / or its Nominees which have been challenged by the Company in the past and present and the Company is seeking recovery of amounts excessively recovered, deducted or short paid by the GOI and/or its Nominees, now that the above matters are being presently heard in the SC and the proceedings are ongoing and awaiting outcome. Any further sum required to be paid by the Company or recoverable by the Company in respect of any of these disputes in accordance with the award of the Hon'ble Arbitral Tribunal/relevant judicial forum in this regard shall be accounted for on the final outcome in those matters.

**Note 39**

The Company along with 12 other affiliates/entities (collectively referred to as 'Obligors' and individually referred to as 'Borrower') had in 2011 executed a facility agreement with consortium of then existing domestic rupee term lenders (RTL Lenders), in the obligor/co-obligor structure, wherein all the Rupee Term Loans of the Obligors got pooled together. The Borrower entities covered are Value Industries Limited, Videocon Industries Limited (VIL), Trend Electronics Limited, KAIL Limited, Millennium Appliances India Limited, AppliComp (India) Limited, Sky Appliances Limited, Techno Electronics Limited, Century Appliances Limited, PE Electronics Limited, Techno Kart India Limited, Evans Fraser and Co. (India) Limited and Electroworld Digital Solutions Limited.

Further, CE India, which houses the valuable "Videocon" Brand under which the operations of the other Obligors were being carried on, became a Co-obligor for the loans under the RTL agreement by virtue of the indenture of mortgage dated March 20, 2013.

Further Videocon Telecommunications Ltd. (VTL), had availed Rupee Term Loan facility from certain lenders pursuant to the terms and conditions of Rupee Facility Agreement dated May 31, 2010, as amended by the Agreement of Modification to the Rupee Facility Agreement dated August, 30, 2010 (collectively the "VTL Agreement"). It was agreed between the RTL Lenders and VTL Lenders to share the security available to the RTL Lenders under the RTL Agreement (including the receivables from each of the Obligors) with the VTL Lenders under the VTL Agreement (including the receivables from VTL) on a reciprocal first pari-passu charge basis.

VTL agreed by way of a Confirmation Agreement dated June 20, 2016 that it shall be deemed to be "Co-obligor" under the RTL Agreement and the RTL obligors also agreed that each of the RTL obligors shall be deemed to be a "Co-obligor" under the VTL Agreement. Thus, VTL is also inducted as co-obligor in the said facility agreement with the consortium of RTL Lenders.

As per the said Facility Agreement, the Company is agent of the Obligors and has been referred to as 'Obligor Agent'. The Rupee Term Loans have to be utilised for the purpose mentioned in the Facility Agreement which is mainly for refinancing of existing Rupee Term Loans of the Obligors. As the Company is a co-obligor, it is contingently liable in respect of the borrowings of other Obligors/Borrowers to the extent of outstanding balance of Rupee Term Loans as on March 31, 2020 of ₹ 49,173.91 Million (As at March 31, 2019 ₹ 49,173.91 Million).

**Note 40**

The Consortium of various banks have sanctioned the Letter of Comfort (LoC)/Stand-by Letters of Credit (SBLC) facility to the Company and its subsidiary VOVL Limited (VOVL) (collectively referred to as 'Obligors') to secure the foreign currency facility raised by Videocon Hydrocarbon Holdings Limited (VHHL), an overseas subsidiary, from its lenders. The LoC/SBLC facility is secured by first ranking pledge of 100% shares of VOVL, VHHL and shares of certain subsidiaries of VHHL and IBV Brasil Petroleo Limitada (a 50:50 joint venture of a subsidiary of VHHL) over which rupee lenders will have second charge, charge over fixed assets of certain subsidiaries of VHHL, VHHL's share of cash flows from identified oil & gas assets through escrow of receivables, first ranking / exclusive charge on specified accounts for the benefit of the LoC/SBLC lenders, exclusive charge on oil & gas facility servicing account of Obligors set-up under the onshore Trust and Retention Accounts, negative lien on shares of other subsidiaries of VHHL viz. Videocon JPDA 06-103 Limited and Videocon Australia WA-388-P Limited, first pari-passu charge on Videocon brand along with rupee lenders and personal guarantee of Mr. Venugopal N. Dhoot, Mr. Pradipkumar N. Dhoot and Mr. Rajkumar N. Dhoot.

During the year 2016-17, some of the LoC/SBLC Lenders released the Company from its obligations, as an obligor/co-obligor under the LoC/ SBLC facility. In turn, the Company issued a corporate guarantee in favour of such lenders. Accordingly, the Company is contingently liable in respect of the LoC/SBLC facility of VOVL to the extent of Rs. Nil (As at March 31, 2019: Nil and As at March 31, 2018 Rs. 1,165.59 Million).

**Note 41**

The Directorate of Revenue Intelligence, Mumbai Zonal Unit ('DRI') has issued Show Cause Notice(s) ('SCN') dated September 10, 2014 and December 30, 2014 to the Company in connection with import of Colour Picture Tubes ('CPTs') by the Company and other concerns. Vide SCNs, the Company was called upon amongst others as to why the declared value of CPTs imported should not be rejected and the same should not be re-determined and why the amount of anti-dumping duty of ₹ 1,657.21 Million and penalty thereon should not be recovered under the extended period under the provisions of the Customs Act, 1962.

The Company had filed application with the Adjudication Authority who vide order dated April 20, 2017 determined that the declared value of the Company is liable to be rejected and re-determined under Customs Valuation Rules read with Section 14 of the Customs Act, 1962 and the Company is liable for payment of anti-dumping duty amounting to ₹ 687.49 Million which is payable on the import of CPTs and the penalty of equivalent amount along with interest thereon under Section 114A of the Customs Act, 1962. Further, the Adjudication Authority imposed a penalty of ₹ 0.50 Million on the Company on High Sea Sales under Section 112(a) of the Customs Act, 1962. Subsequently, the Company has filed an appeal against the Order passed by Adjudication Authority before The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) and the same is pending before the said CESTAT. Since the matter pertains to the pre CIRP period, no provision has been made in the financial statements, as it shall be treated as per the provisions of the Code.

**Note 42**

**Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 :**

| Particulars                                                                                                                                                                                                                                                                                                          | (₹ in Million) |                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                                                                                                                                                                                                      | March 31, 2020 | March 31, 2019 |
| i) Principle amount remaining unpaid as at the end of the year                                                                                                                                                                                                                                                       | 128.00         | 129.57         |
| ii) Interest due thereon as at the end of the year                                                                                                                                                                                                                                                                   | 53.81          | 24.51          |
| iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year                                                                                           |                | 90.45          |
| iv) Interest due and payable for the year of delay in making payment                                                                                                                                                                                                                                                 | 1.04           | 9.10           |
| v) Interest accrued and remaining unpaid at the end of the year                                                                                                                                                                                                                                                      | 53.81          | 24.51          |
| vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. |                |                |

Note: This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such vendors/parties have been identified on the basis of information available with the Company.

**Note 43****Corporate social responsibility**

The Company in light of losses incurred in the past years is not required to spend any amount towards Corporate Social Responsibility for the year ended March 31, 2020.



**Note 44**

**Capital management**

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings, less cash and cash equivalents and bank deposits. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is as follows:

| Particulars                                | March 31, 2020 | March 31, 2019 |
|--------------------------------------------|----------------|----------------|
| Total borrowings                           | 3,33,286.65    | 2,85,844.34    |
| Less: Cash and cash equivalents            | 3,179.41       | 1,108.86       |
| Less: Bank deposits                        | 1,586.40       | 1,505.33       |
| Adjusted net debt                          | 3,28,520.84    | 2,83,130.15    |
| Total equity                               | (73,520.25)    | (26,358.41)    |
| Adjusted net debt to adjusted equity ratio | (4.47)         | (10.74)        |

**Note 45**

**Segment Reporting**

Since only Standalone Financials Statements are being finalized as of now, the Company is disclosing segmental reporting on Standalone basis.

The Company primarily operates into two segments (i) Consumer Electronics & Home Appliances (incl. Rental Income from Assets) and (ii) Oil & Natural Gas.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting

A) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Others/Unallocable".

B) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, as related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Others/Unallocable".

**a) Primary Segment Information**

**Videcon Standalone Financial Statement - Segment Reporting IndAS-108**

| Particulars                                                         | Consumer Electronics and Home Appliances<br>Year ended March 31, 2020 | Crude Oil and Natural Gas<br>Year ended March 31, 2020 | Unallocable<br>Year ended March 31, 2020 | Total<br>Year ended March 31, 2020 |
|---------------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------|------------------------------------|
| <b>I) Segment Revenue</b>                                           |                                                                       |                                                        |                                          |                                    |
| External Turnover                                                   | 2,64,615                                                              | 4,730.02                                               | -                                        | 7,336.17                           |
| Inter-Segment Turnover                                              | -                                                                     | -                                                      | -                                        | -                                  |
| Value of Sales and Services (Revenues)                              | 2,64,615                                                              | 4,730.02                                               | -                                        | 7,336.17                           |
| Less: GST Recovered                                                 | -                                                                     | -                                                      | -                                        | -                                  |
| Revenue from Operations (Net of GST)                                | 2,64,615                                                              | 4,730.02                                               | -                                        | 7,336.17                           |
| <b>II) Segment Result before Finance Cost and Taxes</b>             |                                                                       |                                                        |                                          |                                    |
| Less: Finance Cost                                                  | -                                                                     | -                                                      | -                                        | -                                  |
| Add: Interest Income                                                | -                                                                     | -                                                      | -                                        | -                                  |
| Profit/(Loss) before Tax and Extraordinary Items                    | -                                                                     | -                                                      | -                                        | (4,656.84)                         |
| Less: Exceptional Items (Net of Tax)                                | -                                                                     | -                                                      | -                                        | 43,111.31                          |
| Profit before Tax                                                   | -                                                                     | -                                                      | -                                        | 628.24                             |
| Less: Current Tax                                                   | -                                                                     | -                                                      | -                                        | (47,139.91)                        |
| Less: Deferred Tax                                                  | -                                                                     | -                                                      | -                                        | (47,139.91)                        |
| Profit after Tax (before adjustment for Non-Controlling Interest)   | -                                                                     | -                                                      | -                                        | -                                  |
| Add: Share of Profit/(Loss) transferred to Non-Controlling Interest | -                                                                     | -                                                      | -                                        | 1,506.54                           |
| Profit after Tax (after adjustment for Non-Controlling Interest)    | -                                                                     | -                                                      | -                                        | (53,474.10)                        |
| <b>III) Other Information</b>                                       |                                                                       |                                                        |                                          |                                    |
| Segment Assets                                                      | -                                                                     | -                                                      | -                                        | (53,474.10)                        |
| Segment Liabilities                                                 | -                                                                     | -                                                      | -                                        | -                                  |
| Capital Expenditure                                                 | -                                                                     | -                                                      | -                                        | 3,04,902.79                        |
| Depreciation/Amortization and Depletion Expense                     | -                                                                     | -                                                      | -                                        | 3,78,423.04                        |
|                                                                     |                                                                       |                                                        |                                          | 5,106.54                           |
|                                                                     |                                                                       |                                                        |                                          | 5,255.10                           |

**B) Secondary Segment Information**

| Particulars                                   | Year ended March 31, 2020 | Year ended March 31, 2019 |
|-----------------------------------------------|---------------------------|---------------------------|
| <b>1. Segment Revenue - External Turnover</b> |                           |                           |
| Within India                                  | 7,336.17                  | 9,065.97                  |
| Outside India                                 | -                         | -                         |
| Total                                         | 7,336.17                  | 9,065.97                  |
| <b>2. Non-Current Assets</b>                  |                           |                           |
| Within India                                  | 2,53,377.18               | 2,56,664.32               |
| Outside India                                 | 143.10                    | 148.10                    |
| Total                                         | 2,54,125.28               | 2,58,812.42               |



**Videocon Industries Limited**  
**Notes to financial statements for the year ended March 31, 2020 (Contd.)**

**Note 46**

The Company has received Grant from Ozone Cell, Ministry of Environment & Forests, Government of India for financing the machinery under the Ozone Project. As per the accounting policy followed by the Company, the Grant received for Ozone Project has been treated as "deferred income" to be recognised in the Statement of Profit and Loss over the useful life of the assets under the Ozone Project.

**Note 47**

**C.I.F. Value of Imports, Expenditure and Earnings in Foreign Currency:**

(₹ in Million)

| Particulars                                     |  |  | For the year ended |                |
|-------------------------------------------------|--|--|--------------------|----------------|
|                                                 |  |  | March 31, 2020     | March 31, 2019 |
| a) C.I.F. Value of Imports:                     |  |  |                    |                |
| Raw Materials                                   |  |  | -                  | 65.27          |
| Capital Goods (including advances)              |  |  | -                  | -              |
| b) Expenditure incurred in Foreign Currency:    |  |  |                    |                |
| Interest and Bank Charges                       |  |  |                    | 156.62         |
| Royalty                                         |  |  | -                  | -              |
| Travelling                                      |  |  | -                  | 0.44           |
| Others                                          |  |  | -                  | -              |
| c) Other Earnings/Receipts in Foreign Currency: |  |  |                    |                |
| F.O.B. Value of Exports                         |  |  | -                  | 84.03          |
| Others (including reimbursement of Expenses)    |  |  | -                  | -              |

**Note 48**

Share of the Company in remaining reserves on proved and probable basis (as per Operator's Reserves estimates report dated April 18, 2020) in Ravva Oil & Gas field (Unincorporated) Joint Venture, relied upon by the auditors, being technical evaluation/matter.

| Particulars | Unit of measurement   |  | March 31, 2020 | March 31, 2019 |
|-------------|-----------------------|--|----------------|----------------|
| Crude Oil   | Million Metric Tonnes |  | 2.90           | 9.75           |
| Natural Gas | Million Cubic Metres  |  | 277.40         | -              |

**Note 49**

Based on the Financial Statements of previous years, Financial Institutions have a right to convert, at their option, the whole outstanding amount of term loans or a part not exceeding 20% of defaulted amount of loan, whichever is lower, into fully paid up Equity Shares of the Company at par on default in payments/repayments of three consecutive installments of principal and/or interest thereon or on mismanagement of the affairs of the Company. Since the Company is into CIRP, such conversions would be subject to the provisions of the Insolvency and Bankruptcy Code, 2016.

**Note 50.1**

**Unincorporated Joint Ventures:**

The Financial Statements reflect the share of the Company in the assets and the liabilities as well as the income and the expenditure of Joint Venture Operations on a line-by-line basis. The Company incorporates its share in the operations of the Joint Venture based on statements of account received from the Operator. The Company has, in terms of Significant Accounting Policy No.13 (E), recognised abandonment costs based on the technical assessment of current costs as cost of producing properties and has provided depletion thereon under 'Unit of Production' method as part of Producing Properties in line with Guidance Note on Accounting of Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India.

The Company has participating interest of 25% in Ravva Oil and Gas Field Joint Venture (JV) through a Production Sharing Contract (PSC). Other members of the JV are Oil and Natural Gas Corporation Limited, Vedanta Limited (erstwhile Cairn India Limited) and Ravva Oil (Singapore) Pte. Limited. The parties have pursuant to the PSC, entered into a Joint Operating Agreement. Vedanta Limited is the Operator.

The Government of India has granted its approval for a ten-year extension of PSC for Ravva Block with effect from October 28, 2019, subject to certain conditions. The extension has been granted with a 10% increase in GOI share of profit petroleum. The Company does not expect any material adjustment to the financial statements on account of the aforesaid matters.

**Note 50.2**

**Incorporated Jointly Controlled Entities:**

- Videocon Infinity Infrastructures Private Limited is a 50 : 50 Joint Venture Company incorporated in India, with Infinity Infotech Parks Limited to carry on the business of infrastructure development like construction of IT/ITES Parks, Biotech Parks etc.
- No additional details (including financial statements of the JV) are currently available with the company.



## Note 51

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Mumbai ("NCLT" / "Adjudicating Authority") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC" / "the Code") against Videocon Industries Limited ("Corporate Debtor") / "the Company", the Adjudicating Authority had admitted the application for the initiation of the corporate insolvency resolution process ("CIRP") of the Corporate Debtor vide an order dated June 6, 2018 and appointed Mr. Anuj Jain as the insolvency resolution professional.

Thereafter, separate applications were filed by State Bank of India (on behalf of all the financial creditors) and Mr. Venugopal Dhoot (one of the promoters of the Videocon group) for the consolidation of the Corporate Debtor along with other group companies. The Adjudicating Authority, vide its order dated August 8, 2019, allowed State Bank of India's application by, inter alia, (i) allowing the consolidation of the CIRP of the Corporate Debtor with that of 12 other Videocon group companies namely, Value Industries Limited, Videocon Telecommunications Limited, Evans Fraser & Co. (India) Limited, Millennium Appliances India Limited, Applicomp (India) Limited, Electroworld Digital Solutions Limited, Techno Kart India Limited, Century Appliances Limited, Techno Electronics Limited, PE Electronics Limited, CE India Limited and Sky Appliances Limited; collectively referred to as the "Corporate Debtors" / "Videocon Group Entities" and (ii) appointing Mr. Mahender Khandelwal as the insolvency resolution professional for the Videocon Group Entities.

Subsequently, the first meeting of the Consolidated Committee of Creditors of the Corporate Debtors (CoC) was held on September 16, 2019. At the first meeting of the CoC, the CoC approved the name of Mr. Abhijit Guhathakurta as the Resolution Professional for the Videocon Group Entities, including the Corporate Debtor in place of Mr. Mahender Khandelwal. Mr. Abhijit Guhathakurta's appointment as the Resolution Professional of the Videocon Group Entities ("Resolution Professional / RP") was approved by the Adjudicating Authority vide its order dated September 25, 2019. A copy of the said order of the Adjudicating Authority was made available to the Resolution Professional on September 27, 2019 when the same was uploaded on the website of the Adjudicating Authority.

On and from the date of publication of the aforesaid order, the powers of the board of directors of the Corporate Debtor stand vested in the Resolution Professional.

Thereafter, CoC had approved the resolution plan submitted by Twin Star Technologies Limited (the "Resolution Plan"), by passing the requisite resolution with 95.09% majority/voting share in accordance with the provisions of Section 30(4) of the Code. The said Resolution Plan, as approved by the CoC, had been filed with the NCLT in accordance with the Section 30(6) of the Code for its approval on December 15, 2020. Further, NCLT vide order dated June 08, 2021 ("Approval Order"), approved the resolution plan submitted by Twin Star Technologies Limited ("Approved Plan").

In terms of the Approved Plan, a steering committee had been constituted ("Steering Committee"). The Steering Committee in its meeting held on June 18, 2021 had appointed the Resolution Professional, Mr. Abhijit Guhathakurta, as the Interim manager of the Corporate Debtors ("Interim Manager"), for undertaking the management and control the Company, from the date of Approval Order till the completion of the implementation process on the Closing Date (as provided under the Approved Plan).

However, pursuant to the appeals filed by three dissenting financial creditors (among others) before the Hon'ble National Company Law Appellate Tribunal, New Delhi (the "NCLAT"), the Hon'ble NCLAT, vide its order dated July 19, 2021 in the said Appeals (the "Stay Order"), inter-alia stayed the operation of the NCLT Approval Order till the next date of hearing and ordered the maintenance of status quo ante as before passing of the NCLT Approval Order. Further, as per the Stay Order, the Resolution Professional was directed to continue to manage the 13 Videocon Group Entities as per the provisions of the Code till the next date of hearing.

Later on, the NCLAT vide its final order dated January 05, 2022 set aside the Approval Order and remitted back the matter to the CoC for completion of the process relating to CIRP in accordance with the provisions of the Code (the, "NCLAT Final Order"). Subsequently, pursuant to the NCLAT Final Order, the CoC in their meeting held on January 12, 2022, decided to invite afresh expressions of interest for submission of a consolidated resolution plan for Corporate Debtors in accordance with IBC and CIRP Regulations.

However, Twin Star Technologies Limited challenged the NCLAT Final Order in Civil Appeals bearing numbers 509, 512 and 894 of 2022 before the Hon'ble Supreme Court ("SC Appeals"). The SC Appeals were listed on February 14, 2022, on which date, the Hon'ble Supreme Court made oral remark to the Resolution Professional and CoC to not proceed further with the CIRP of the Corporate Debtors till any further orders in subsequent hearings. Pursuant to these oral remarks of the Hon'ble Supreme Court, the status quo is being preserved in the current CIRP of Consolidated Corporate Debtors till further orders/directions of the Hon'ble Supreme Court. Therefore, the Resolution Professional continues to manage the Videocon Group Entities (including the Company), as per the provisions of the Code. As a result, the powers of board of directors of the Corporate Debtor are being exercised by the Resolution Professional in terms of provisions of Section 25 of the Code.



## Note 52.1

**Related Party Disclosure**

Pursuant to the requirements of IND-AS 24 on "Related Party Disclosures", the disclosure of transactions with related parties (to the extent possible, keeping in view the Company is under CIRP) are given below:

## 1. List of Related Parties

**A. In relation to CIRP**

As explained before, with the commencement of CIRP of the company, Mr. Anuj Jain was appointed as the interim resolution professional/resolution professional. Further, pursuant to consolidation of CIRP of 13 Videocon Group Entities w.e.f. 8th August, 2019, Videocon Group Entities vest(ed) under common the management of the same Insolvency Professional, i.e. first under Mr. Mahendra Khandelwal w.e.f. 8th August 2019 to 26th September, 2019, and thereafter under the control of the Resolution Professional, Mr. Abhijit Guhathakurta.

List of 13 Videocon Group Entities is as follows : (i) Videocon Industries Limited; (ii) Value Industries Limited; (iii) Videocon Telecommunications Limited; (iv) Techno Electronics Limited; (v) Century Appliances Limited; (vi) Millennium Appliances India Limited; (vii) AppliComp (India) Limited; (viii) Sky Appliances Limited; (ix) PE Electronics Limited; (x) Techno Kart India Limited; (xi) Evans Fraser and Co. (India) Limited; (xii) Electroworld Digital Solutions Limited; (xiii) CE India Limited

**B. Directors and Key Managerial Personnel****I. At the start of CIRP commencement**

Mr. Venugopal N Dhoot - Chairman, Managing Director and CEO

Mr. Subhash S Dayama - Director

Mr. Sarita Surve - Director

Mr. Mandar Chintaman Joshi - Company Secretary

**II. Appointments made post CIRP commencement**

Mr. Kaustubha Arun Sahasrabudhe - Company Secretary (appointment date 13th August, 2018)

Mr. Rajneesh Gupta - Chief Finance Officer (appointment date 2nd April, 2019)

Ms. Samridhi Kumari - Company Secretary (appointment date 1st April, 2019)

Mr. Satish Motilal Totala - Whole-time Director (appointment date 5th Oct, 2020)

**III. List of Directors and KMPs available as on date of signing of these financial statements**

Mr. Satish Motilal Totala - Whole-time Director and Occupier of the factory located at Aurangabad

Mr. Venugopal N Dhoot - Director and CEO

**C. Other entities**

Based on the latest available audited financials for year ended March 31, 2019, the following entities are being reported as related parties under the provisions of Companies Act, 2013 and AS-18 as at March 31, 2020

| Sr. No. | Name of the Entity /Individual                                                                     | Relationship                                           |
|---------|----------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| 1       | Pipavav Energy Private Limited                                                                     | Subsidiary                                             |
| 2       | Prosperous Energy Private Limited                                                                  | Subsidiary                                             |
| 3       | Videocon Electronics (Shenzhen) Limited (Chinese Name - Weiyokang Electronic (Shenzhen) Co., Ltd.) | Subsidiary                                             |
| 4       | Videocon Global Limited                                                                            | Subsidiary                                             |
| 5       | VOVL Limited and its subsidiaries                                                                  | Subsidiary                                             |
| 6       | Videocon Hydrocarbon Holdings Limited                                                              | Subsidiary                                             |
| 7       | Videocon JPDA 06-103 Limited                                                                       | Subsidiary                                             |
| 8       | Videocon Indonesia Nunukan Inc.                                                                    | Subsidiary                                             |
| 9       | Videocon Energy Brazil Limited                                                                     | Subsidiary                                             |
| 10      | Videocon Australia WA-398-P Limited                                                                | Subsidiary                                             |
| 11      | Videocon Mauritius Energy Limited                                                                  | Subsidiary                                             |
| 12      | Videocon Brasil Petroleo Ltda                                                                      | Subsidiary                                             |
| 13      | Electroworld Digital Solutions Limited                                                             | Subsidiary                                             |
| 14      | Jumbo Techno Services Private Limited                                                              | Subsidiary                                             |
| 15      | Senior Consulting Private Limited                                                                  | Subsidiary                                             |
| 16      | Videocon Telecommunications Limited                                                                | Subsidiary                                             |
| 17      | Videocon Easypay Private Limited                                                                   | Subsidiary                                             |
| 18      | Videocon Energy Limited                                                                            | Subsidiary                                             |
| 19      | Radium Appliances Private Limited                                                                  | Associate - 26%                                        |
| 20      | VISPL LLP                                                                                          | Associate of Videocon Telecommunications Limited - 50% |
| 21      | Videocon Infinity Infrastructure Private Limited                                                   | Joint Venture- 50%                                     |
| 22      | IBV Brasil Petroleo Limitada                                                                       | 50% Joint Venture of Videocon Energy Brazil Limited    |

It may be noted that no fresh assessment is made w.r.t. nature of relationship with these entities as on the date of this report. Similarly, no fresh assessment is made w.r.t. nature of relationship with other entities of whom certain ledger balances remain outstanding as on the date of this report, except for those with whom transactions have been entered into post assumption of office of the Resolution Professional.



**B) Transactions with Related Parties during the year:**

Pursuant to the provisions of Section 28 of the Code, the Company can enter into transactions with related parties (as defined under the provisions of the Code) during CIRP period only after the approval of the Committee of Creditors ("CoC").

During the year under consideration, the RP had after his assumption of office taken requisite approvals from the CoC, wherever required, for entering into transactions with related parties as defined under section 5(24)(j) the Code.

Further, since Videocon Group Entities are under a group insolvency, for enhancement of value of the Videocon Group Entities as a whole, it was agreed in the 3rd consolidated CoC by all CoC members that the funds of Videocon Industries Limited (VIL) should be used for meeting shortfall in the fixed costs of the other 12 companies (including the Company) under consolidated CIRP as well as for meeting operational gap for productive business activities. The members of CoC had unanimously authorized the RP to utilize funds of VIL on a need-based basis for meeting the shortfall in fixed costs of other 12 group companies (including the Company) and also for meeting any operational requirements for carrying out business / manufacturing activities in these companies with an overall objective to maintain going concern nature, ensure continued business operations and in order to maximize value of the assets of Videocon Group Entities. However, this should not be treated as the additional financing/borrowing(s) in terms of the provisions of the Companies Act, 2013.

There are no other related party transactions made by the Company post assumption of office of the resolution professional which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholder.

Considering the aforesaid background, the following transactions undertaken during the year have been reported as related party transactions:

1. Transactions between and amongst Videocon Group Entities after the assumption of office of the Resolution Professional
2. Transactions with certain other parties where approval of the CoC was taken (for entering into such transaction) after the assumption of office of the Resolution Professional pursuant to the requirements under section 28 of the Code.
3. Transactions with Directors and KMPs during the year.

**Related Party Transaction****1. Transactions entered by the Company with remaining Videocon Group Entities after the assumption of office of the Resolution Professional**

₹ in Millions

| Name of the entity                     | Sales / Services provided (Income) | Purchases / services received (Expenses) | Funds transferred from the Company to | Funds received by the Company from |
|----------------------------------------|------------------------------------|------------------------------------------|---------------------------------------|------------------------------------|
| Videocon Industries Limited            | -                                  | -                                        | -                                     | -                                  |
| Value Industries Limited               | 3.35                               | 56.03                                    | 102.24                                | -                                  |
| Videocon Telecommunications Limited    | -                                  | -                                        | 3.61                                  | -                                  |
| Techno Electronics Limited             | 216.15                             | 666.00                                   | 403.74                                | 0.14                               |
| Century Appliances Limited             | 1.68                               | -                                        | -                                     | 3.19                               |
| Millennium Appliances India Limited    | -                                  | -                                        | 7.44                                  | -                                  |
| Applicomp (India) Limited              | -                                  | 13.30                                    | 9.08                                  | -                                  |
| Sky Appliances Limited                 | -                                  | -                                        | 0.49                                  | -                                  |
| PE Electronics Limited                 | 0.03                               | -                                        | -                                     | -                                  |
| Techno Kart India Limited              | 0.01                               | -                                        | -                                     | -                                  |
| Evans Fraser and Co. (India) Limited   | -                                  | -                                        | -                                     | -                                  |
| Electroworld Digital Solutions Limited | -                                  | -                                        | 0.16                                  | -                                  |
| CE India Limited                       | -                                  | 5.40                                     | 5.40                                  | -                                  |

Note : Entries towards provisional interest charged by VIL against other co-obligor companies (on pre-CIRP balances) are not covered above.

2. There were no transactions with other parties during the year, after the assumption of office of the Resolution Professional, where approval of CoC was required (for entering into such transaction) pursuant to the requirements under section 28 of the Code.

₹ in Millions

| Name of the entity              | Sales | Purchases / services taken |
|---------------------------------|-------|----------------------------|
| Infodart Technologies India Ltd | -     | 13.23                      |
| Swavalamb HR India Ltd          | -     | 37.81                      |

**3. Transactions with Directors and KMPs during the year**

| Designation (Individual Name)            | Remuneration paid during the year |
|------------------------------------------|-----------------------------------|
| M.S.SAMRIDDHI KUMARI (Company Secretary) | 0.95                              |

**Note 52.2**

The Company has pledged 100% equity shares of VOVL Limited with the SBICAP Trustee Company Limited ("Trustee") for the benefit of lenders of the LOC/SBLC Facility by way of a first charge and for the benefit of lenders of Rupee Term Loan facility by way of second ranking pledge. In early 2018, consequent to event of default, these shares were invoked by the Trustee and are held in trust for the benefit of the lender Pending appropriation consequent to invocation, VOVL Limited is continued to be shown as 'Subsidiary' of the Company. It may also be noted that VOVL Limited is currently undergoing CIRP proceedings under IBC.



**Videocon Industries Limited****Notes to financial statements for the year ended March 31, 2020 (Contd.)****Note 53**

The Resolution Professional has filed applications with Hon'ble NCLT under section 19 of the Code seeking co-operation from promoters and erstwhile management of the company, for providing various data, Primarily pertaining to pre-CIRP period & certain additional data that is required for preparing financial statements, and data requested by various investigating agencies. In the absence of relevant data, these financial statements have now been prepared on the basis of available data on best effort basis. However, it is clarified that these financial statements are in agreement with the relevant books of accounts presently available/maintained by the company.

**Note 54**

An independent Transaction Review Audit was conducted as required under section 43-66 of IBC for identification of Preferential, Undervalued, Extortionate, and Fraudulent transactions as defined and explained under IBC. The resultant observations from the Audit had indicated that there may be certain questionable accounting entries and/or transactions entered into before commencement of CIRP. In this regard, RP in compliance of his duties under the IBC has filed an application with NCLT to declare such transactions as void and be set aside. Adjustments, if any, for such transaction(s) may be made upon further directions from NCLT and/or upon any order being passed by NCLT.

**Note 55**

There are ongoing investigations against Videocon Group Entities by different government agencies, including SFIO and Directorate of Enforcement. Merely by affixation of signatures by RP on these financial statements, RP cannot be said to have any cognizance or knowledge of matters contained herein that pertain to the period prior to assumption of his office. RP is signing these financial statements, fully relying in good faith upon these financial statements as prepared by Group Resources. Accordingly, merely by affixation of signatures by RP on these financial statements in good faith, no proceedings can be initiated nor RP be implicated in ongoing proceedings for matters contained herein which relate to period prior to his incumbency.

**Note 56**

Since the Company is under CIRP and various Prospective Resolution Applicants ("PRAs") were conducting their independent due diligence for submitting a resolution plan, it was material to ensure that any change in books of the Corporate Debtor on account of revaluation of assets, impairment assessment, ascertainment of Fair Market Value of assets etc. does not provide any indicative pricing on the assets of the Corporate Debtor to the PRAs. Thus, in the interest of value maximization under CIRP for all stakeholders, certain assets like property plant and equipment, unquoted investments, loan & advances, inventories etc. have been recorded at their carrying values after relevant adjustments for actual transactions undertaken during the financial year. Also, no additional provision has been made on outstanding receivables.

**Note 57**

Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for financial, operational and other creditors.

**Note 58**

Considering the Company is being run as a going concern under CIRP, the financial statements have been prepared on going concern basis.

**Note 59**

Previous year figures have been reclassified/regrouped wherever necessary to confirm to the classification of the current year.

**Note 60**

a) Pursuant to Consolidation of CIRP of Videocon Group Entities, due to limited availability of resources, the accounting and secretarial compliances of Videocon Group Entities (including the Corporate Debtor) are being collectively managed by employees, officials and consultants of Videocon Group Entities (hereinafter referred to as "Group Resources").

b) The financial statements of the Company have been prepared by the Group Resources and accordingly, basis the confirmation provided by the Group Resources of the veracity and reliability of these financial statements, these financial statements have been taken on record and signed by Mr. Abhijit Guhathakurta, the resolution professional of the Company and Ms. Samridhi Kumari, Company Secretary of the Company ("CS"), subject to the following disclaimers:

i. The RP has assumed control of Corporate Debtor from with effect from September 27, 2019 and therefore was not in control of the operations or the management of the Corporate Debtor for the period prior to his assumption of office. On this account, RP does not have any visibility as to the matters that transpired prior to the date of his assumption of office as the RP of the Company, and is not in a position to independently verify or ascertain the matters as stated or reported in the said financial statements and/ or accompanying documents in respect of matters prior to the date of his assumption.

ii. These financial statements are being furnished in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of IBC; Further, pursuant to Regulation 39(7) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP Regulations"), RP should be protected against any actions of the Corporate Debtor prior to assumption of his office. RP disclaims any liability whatsoever on account of signing these financial statements.

iii. No statement, fact, information or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including his authorized representatives and advisors.

iv. These financial statements have been prepared solely on the basis of confirmations, representations and statements made by the Group Resources. The RP has assumed that all information and data as provided by Group Resources in the financial statements are in conformity with applicable laws with respect to the preparation of the financial statements, and is true and correct. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements. In any case, considering that the said financial statements relate to certain matters prior to RP's incumbency, RP is not in a position to either independently verify such matters as stated herein nor to make any representation or warranty in relation to these aspects.

v. The Group Resources and the RP (including his team) have relied on the opening Balance Sheet and the balances reflected in available accounts / ledgers/ trial balance as on 31st March, 2019, without going into the merits of such balances outstanding. Since these matters pertain to period prior to assumption of his office, the RP is constrained to rely on these materials on as is basis, without being able to independently verify or ascertain matters in relation to the same. No adjustments have been made to such accounts / balances except for giving effect to the transactions entered during the year.

Further, insofar as the balances reflected as on 31 March 2019 are in corollary to the balances reflected as on insolvency commencement date/ 31 March 2018 (i.e. pre-CIRP), which cannot anyway be independently verified or ascertained by RP and in respect of which, application has also been filed by RP against the promoters and erstwhile management under Section 19 of the Code to seek requisite cooperation and data (which has not yet been provided to RP or Company), the balances outstanding as on 31 March 2019 could not have been verified on this account as well.

vi. These financial statements have been prepared and are being finalized solely for the purposes of compliance of the Company in terms of applicable law. Considering that the pre-CIRP director is not co-operating with the RP, the RP is signing these financial statements merely for this limited purpose of achieving compliance status of the Company in terms of applicable law. Similarly, CS is signing these financial statements pursuant to the requirements of section 134 of Companies Act, 2013.

The accompanying notes are integral part of these financial statements

As per our report of even date  
For KVA & Company  
Chartered Accountants  
(Firm's Registration No. 017771C)

VIMAL KISHORE AGRAWAL  
Partner  
ICAI Membership No: 510915

Place : New Delhi  
Date : April 27, 2023

For and behalf of the Board

ABHIJIT GUHATHAKURTA  
Resolution Professional  
No.: IBB/IBA-003/IP-N000103/2017-18/11158

SAMRIDHI KUMARI  
Company Secretary  
Membership No. ACS 54714

**VIDEOCON****ATTENDANCE SLIP****VIDEOCON INDUSTRIES LIMITED**

CIN: L99999MH1986PLC103624

**Registered Office:** 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan  
District: Aurangabad - 431 105 (Maharashtra)**Tel. No.:** +91-2431-251552/5**E-mail id:** secretarialvg.in@gmail.com **Website:** www.videoconindustriesltd.com**30<sup>th</sup> ANNUAL GENERAL MEETING – Monday, 26<sup>th</sup> August, 2024**

30<sup>th</sup> Annual General Meeting for the financial year 2019-20 to be held on Monday, August 26, 2024 at 09:00 a.m. at the Registered office of the Company at 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad - 431 105 (Maharashtra)

Name of the Member(s).....

Name of the Proxy/Authorized Representative\*.....

Registered Address: .....

.....

E-mail ID: .....

Folio No/ DP ID – Client ID : .....

Number of shares held: .....

I certify that I am a registered shareholder/Proxy/Authorized Representative for the registered Shareholder of the Company and I hereby record my presence at the 30<sup>th</sup> Annual General Meeting of the Company held on Monday, August 26, 2024 at 09:00 a.m. at the Registered Office of the Company situated at 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad - 431 105 (Maharashtra).

.....  
Signature of shareholder.....  
Authorized Representative/proxy holder(s)

Note: Please fill this attendance slip and hand it over at the entrance of the meeting venue.

\*Applicable in case Proxy/Authorized Representative is attending the meeting.

**VIDEOCON INDUSTRIES LIMITED****Registered Office**

14KM Stone, Aurangabad-Paithan Road,  
Village Chittegaon, Taluka Paithan, District  
Aurangabad – 431 105 India

**New Delhi Office**

Videocon Tower, Eleventh Floor, Rani  
Jansi Marg, E-1 Jhandewa Ion Extn, New  
Delhi – 110055 India

**Correspondence Address**

171 Mittal Court, 17<sup>th</sup> Floor, 'B- Wing', Plot-  
224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

Email ID: secretarialvg.in@gmail.com

www.videoconindustriesltd.com

CIN: L99999MH1986PLC103624

**Form No. MGT-11****Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

**VIDEOCON INDUSTRIES LIMITED**

CIN: L99999MH1986PLC103624

**Registered Office:** 14 K.M. Stone, Aurangabad – Paithan Road, Village: Chittegaon, Taluka: Paithan  
District: Aurangabad - 431 105 (Maharashtra)

**Tel. No.:** +91-2431-251552/5**E-mail id:** secretarialvg.in@gmail.com **Website:** www.videoconindustriesltd.com**30<sup>th</sup> ANNUAL GENERAL MEETING – Monday, 26<sup>th</sup> August, 2024**

Name of the Member(s):  
Registered Address:  
Email:  
Folio no. / Client ID:  
DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: ..... Email Id: .....  
Address: .....

Signature: ....., or failing him/her

2. Name: ..... Email Id: .....  
Address: .....

Signature: ....., or failing him/her

3. Name: ..... Email Id: .....  
Address: .....

Signature: ....., or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company to be held on **Monday, August 26, 2024 at 09:00 a.m.** at the Registered Office of the Company at 14 K.M. Stone, Aurangabad – Paithan Road, Village:

**VIDEOCON INDUSTRIES LIMITED****Registered Office**

14KM Stone, Aurangabad-Paithan Road,  
Village Chittegaon, Taluka Paithan, District  
Aurangabad – 431 105 India

**New Delhi Office**

Videocon Tower, Eleventh Floor, Rani  
Jansi Marg, E-1 Jhandewa Ion Extn, New  
Delhi – 110055 India

**Correspondence Address**

171 Mittal Court, 17<sup>th</sup> Floor, 'B- Wing', Plot-  
224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

**Email ID:** secretarialvg.in@gmail.com**www.videoconindustriesltd.com****CIN:** L99999MH1986PLC103624

**VIDEOCON**

Chittegaon, Taluka: Paithan, District: Aurangabad - 431 105 (Maharashtra) and at any adjournment thereof in respect of such resolutions as are indicated below:

| Res. No.                  | Resolution                                                                                                                                                                                                                                                                                   | For | Against |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|
| <b>Special Business:</b>  |                                                                                                                                                                                                                                                                                              |     |         |
| 1.                        | To ratify appointment and remuneration of statutory auditors of the Company on account of casual vacancy caused due to resignation of erstwhile Auditors                                                                                                                                     |     |         |
| 2.                        | To appoint of Mr. Mr. Babubhai Dolatsinh Vaghela (DIN: 10301042) as a Whole-Time Director of the Company                                                                                                                                                                                     |     |         |
| 3.                        | To appoint of Mr. Sanjay Kumar Palecha (DIN: 10301038) as a Whole-Time Director of the Company                                                                                                                                                                                               |     |         |
| 4.                        | To appoint of Mr. Amol Ashok Mandlik (DIN: 10367846) as a Whole-Time Director of the Company                                                                                                                                                                                                 |     |         |
| 5.                        | To appoint of Mr. Kalidas Vishnu Jadhav (DIN: 10367847) as a Whole-Time Director of the Company                                                                                                                                                                                              |     |         |
| 6.                        | To consider and ratify the remuneration of Cost Auditors for FY 2019-20                                                                                                                                                                                                                      |     |         |
| <b>Ordinary Business:</b> |                                                                                                                                                                                                                                                                                              |     |         |
| 7.                        | To receive, consider and adopt the Audited Statement of Profit and Loss, the Audited Balance Sheet, and the Cash Flow Statement and notes and annexures thereto for the financial year ended on 31 <sup>st</sup> March, 2020 together with the report of the Directors and Auditors thereon. |     |         |

Signed this \_\_\_\_ day of \_\_\_\_\_ 2024

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

\_\_\_\_\_  
Signature of Proxy holder(s)

\_\_\_\_\_  
Signature of Proxy holder(s)

### VIDEOCON INDUSTRIES LIMITED

#### Registered Office

14KM Stone, Aurangabad-Paithan Road,  
Village Chittegaon, Taluka Paithan, District  
Aurangabad – 431 105 India

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Email ID: [secretarialvg.in@gmail.com](mailto:secretarialvg.in@gmail.com)

[www.videoconindustriesltd.com](http://www.videoconindustriesltd.com)

CIN: L99999MH1986PLC103624

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The Proxy need not to be a Member.
3. It is optional to put (v) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. For Resolution and Note please refer to the Notice of 30<sup>th</sup> Annual General Meeting.
5. The Company reserves its right to ask for identification of the Proxy.
6. The proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company.

**VIDEOCON INDUSTRIES LIMITED****Registered Office**

14KM Stone, Aurangabad-Paithan Road,  
Village Chittagaon, Taluka Paithan, District  
Aurangabad – 431 105 India

**New Delhi Office**

Videocon Tower, Eleventh Floor, Rani  
Jansi Marg, E-1 Jhandewa Ion Extn, New  
Delhi – 110055 India

**Correspondence Address**

171 Mittal Court, 17<sup>th</sup> Floor, 'B- Wing', Plot-  
224, Jamanalal Bajaj Marg, Nariman Point,  
Mumbai, -400021

ROUTE MAP FOR THE VENUE OF THE ANNUAL GENERAL MEETING

**Distances -** From Airport - 22 KM  
From Central Bus Stand - 14 KM  
From Railway Station - 10 KM

