

CORPORATE INFORMATION

Board of Directors

Sri. Tammareddy Bharadwaja -	Chairman (DIN: 07332749)
Sri. G.V.Narasimha Rao -	Executive Director (DIN: 01763565)
Sri. S.Sreenivasa Rao -	Independent Director (DIN: 01691043)
Dr. D.V.N.Raju -	Independent Director (DIN: 01887919)
Smt. Uma Devi Narravula -	Independent Director (DIN: 08537674)

Key Managerial Persons:

Sri. G.V.Narasimha Rao -	CEO & Executive Director
Sri. MVR S Suryanarayana -	CFO
Ms. Sravanthi Badami -	Company Secretary & Compliance Officer

Registered & Administrative Office

Plot No. 138, H.No. 8-3-222/1/23,
Madhuranagar, YousufGuda,
Hyderabad – 500 038

Statutory Auditors

M/s. P C N & Associates.
Chartered Accountants
Plot No. 12, “N Heights”
Software Unit Layout, Cyberabad
Hyderabad – 500 081

Bankers

Union Bank of India, Film Nagar, Hyderabad

Share Transfer Agents

KFin Technologies Private Limited, (earlier known as KarvyFintech Private Limited)
 (“KFin” or “KFintech”)
Selenium Tower B, Plot Nos. 31 & 32 Financial District
Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India
P: +91 40 6716 2222
www.kfintech.com

Listing

BSE Limited, Mumbai

Corporate Identification Number

L92111TG1991PLC013222

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PADMALAYA TELEFILMS LIMITED

Regd. Office: H.NO.8-3-222/1/23, MADHURANAGAR, YUSUFGUDA , HYDERABAD, TELANAGANA-500038

NOTICE

Notice is hereby given that the 31st Annual General Meeting of M/s. Padmalaya Telefilms Limited will be held on Friday, the 30th day of September 2022 at 9.30 AM at State Gallery of fine arts, Road No.1, Kavuri Hills, Madhapur 500 033 to transact the following business:

ORDINARY BUSINESS

1. To Receive, Consider and Adopt the Financial Statements of the Company for the year ended 31st March, 2022 including audited Balance Sheet and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To appoint a director in place of Mr. GV Narasimha Rao (DIN No. 01763565), who retires by rotation and being eligible, offers himself for reappointment to the office of Director.
3. **To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-**

"RESOLVED THAT pursuant to the provisions of sections 139, 140, 141, 142 and other applicable provisions if any of the Companies Act 2013 and the applicable rules made thereunder, M/s. P Murali & Co., Chartered Accountants (FRN: 007257S) be and is hereby appointed as the Statutory Auditor of the Company, for a period of five years to hold the office from the conclusion of this Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company to be held in the year 2026.

RESOLVED FURTHER THAT M/s. P Murali & Co., Chartered Accountants (FRN: 007257S) be and is hereby appointed as the Statutory Auditor of the Company, in place of M/s. PCN & Associates, Chartered Accountants, existing Statutory Auditors who shall be completing their tenure of five years as statutory Auditors by the conclusion of this Annual General Meeting, and who has expressed their unwillingness to be re-appointed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix such remuneration as may be recommended by the Audit Committee of the Board, and further authorized to do all such acts, deeds and things as may be required to give effect to the resolution".

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act 2013 and the Rules made there-under (including any statutory modification(s) re-enactments thereof for the time being in force) read with Schedule V of the Companies Act, 2013, and subject to approval of the Central Government or other Government authority, if any, and pursuant to approval of the Board of Directors and subject to such other approvals and consents as may be necessary, approval of the members be and is hereby accorded to reappoint Sri. G.V. Narasimha Rao (DIN: 01763565) as Executive Director of the Company for a period of five years w.e.f. 1st October 2022 on existing remuneration and terms & conditions.

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

**By Order of the Board of Directors
PADMALAYA TELEFILMS LIMITED**

**Place: Hyderabad
Date: 5th September 2022**

**Sd/-
(G.V.Narasimha Rao)
CEO & Executive Director
(DIN: 01763565)**

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act 2013 relating to reappointment of Executive Director specified in Special Business to be transacted at the AGM is annexed hereto.
2. A Member Entitled to Attend and Vote Is Entitled to Appoint a Proxy to Attend and Vote on His / Her Behalf and the Proxy Need Not Be a Member of The Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September 2022 to Friday, 30th September 2022 (both days inclusive) for determining the names of members eligible for Voting at the General Meeting. The book closure dates have been fixed in consultation with the Stock Exchanges.
4. The relevant details of Director seeking re-appointment under item(s) no. 2 & 4 of this Notice are provided in the Annual Report.
5. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer at e-mail ID pjagan123@gmail.com with a copy marked to evoting@kfintech.com and to the Company at padmalayatelefilms@gmail.com, authorizing its representative(s) to attend and vote on their behalf at the Meeting, pursuant to Section 113 of the Act.
6. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in

electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

7. For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email-id padmalayatelefilms@gmail.com, at least 48 hours before the time fixed for the AGM mentioning their name, demat account no. /folio number, email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.
8. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 22nd September 2022, are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Share Transfer Agent of the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 10.00 a.m. on Tuesday, 27th September 2022 and will end at 5.00 p.m. on Thursday, 29th September 2022. The Company has appointed Mr. Puttaparthi Jagannatham, Advocate, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech , on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period commences Tuesday, September 27th, 2022 at 10:00 a.m. and ends on Thursday, September 29th, 2022 at 5.00 p.m.
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares

as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”

viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

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

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDEAS facility:</p> <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsd.com II. Click on the “Beneficial Owner” icon under “Login” under ‘IDEAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDEAS e-Services</p> <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsd.com II. Select “Register Online for IDEAS” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsd.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.Kfintech. V. On successful selection, you will be redirected to Kfintech e-Voting page for casting your vote during the remote e-Voting period.

Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFinTech where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, 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. III. Click on options available against company name or e-Voting service provider – KFinTech and you will be redirected to e-Voting website of KFinTech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 6975 followed by folio number.-In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., '6975' - AGM" and click on "Submit"
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id pjagan123@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to

einward.ris@kfintech.com.

ii Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

- i. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through voting system available during the AGM.
 - ii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- I. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact Ms. C Shobha Anand, at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.
- II. The Members, whose names appear in the Register of Members / list of Beneficial Owners as Thursday, 22nd September 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 1. Example for NSDL:
 2. MYEPWD <SPACE> IN12345612345678
 3. Example for CDSL:
 4. MYEPWD <SPACE> 1402345612345678
 5. Example for Physical:
 6. MYEPWD <SPACE> XXXX1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.
- IV. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED
Brief Details of Directors seeking re-appointment at this Annual General Meeting

I	Name	: Sri. GV Narasimha Rao
	Date of Birth (Age)	: 15 th August 1971 (51) Years
	Qualifications	: Graduation
	Profile / Experience	: He is having vast experience and wealth of knowledge production management and media negotiations. He Combined the spirit of youth and eagerness to foray into new terrains with professional grasp of media technologies. Sri. Ghattamaneni Venkata Narasimha Rao (DIN: 01763565), has been associated with the Company since its inception, and was appointed as Executive Directors since 2005 at a regular interval, with due compliances of the Companies Act. Later he was elevated as CEO & Executive Director since 30th May 2019. The services of Sri. Ghattamaneni Venkata Narasimha Rao (DIN: 01763565), are essential for the company at this juncture.
	Other Directorships / Partnerships	: Sri Geethika Mines and Minerals Private Limited Bedrock Films LLP

Explanatory Statement

Pursuant to Section 102(1) of the Companies Act 2013.

Item No. 4:

Re-Appointment of Sri. G.V. Narasimha Rao as Executive Director of the Company

Sri. G.V. Narasimha Rao (DIN: 01763565) was appointed as an Executive Director for a period of 5 years, in the 26th Annual General Meeting of the Company held on 29th September 2017, whose tenure expires on 30th September 2022. Pursuant to the provisions of Section 196, 197, 203 of the Companies Act 2013 and the Rules made thereunder and subject to approval of the Government authority (if any), Sri. G.V. Narasimha Rao (DIN: 01763565) is proposed to be re-appointed as an Executive Director of the Company for a period of five years w.e.f. 1st October 2022.

Hence, the above resolution at item no.4 is submitted to the meeting for the approval by the members of the Company.

The Board of Directors re-commends the above resolution at item no.4 for the members' approval in the Annual General Meeting.

None of the other Directors and Key Managerial Persons of the Company or their relatives except G.V. Narasimha Rao (DIN: 01763565) himself is in any way concerned or interested in this resolution. The board recommends the said resolution to be passed as a special resolution.

Additional Information regarding appointment of Auditors.

M/s. PCN & Associates, Chartered Accountants, the existing Statutory Auditors of the Company were appointed as Statutory Auditors of the Company by the Members in the 26th Annual General Meeting of the Company held on 29th September 2017, for a period of five years to hold the office until the conclusion of 31st Annual General Meeting.

By their letter dated 24th August 2022, M/s. PCN & Associates, Chartered Accountants, have informed the Company that they do not wish to continue & re-appointed as Statutory Auditors of the Company with effect from the conclusion of this Annual General Meeting proposed to be held on 30th September 2022. Accordingly, the ratification of their appointment at the ensuing 31st Annual General Meeting of the Company can not be considered by the Company.

At the meeting held on 5th September 2022, the Board of Directors has recommended the appointment of M/s. P Murali & Co., Chartered Accountants (FRN: 007257S), Hyderabad as Statutory Auditors of the Company, in place of M/s. PCN & Associates, Chartered Accountants, to hold the office as Statutory Auditors.

DIRECTORS' REPORT

To
The Members
PADMALAYA TELEFILMS LTD

Your directors have pleasure in presenting the 31st Annual Report on the business of your company and the Audited Financial Statements for the year ended on 31st March 2022 thereof. The Business and operations of the company over the last fiscal year are briefly encapsulated in this Annual Report.

Financial Results

Financial performance of the Company is elaborated in the Financial Statements annexed to this Annual Report.

Effect of COVID -19

The Company's proactive and compassionate response to the unprecedented challenges posed by the COVID-19 pandemic is very much in keeping with its founding principles. Our three-pronged approach to the pandemic includes ensuring the safety and well-being of our employees, supporting the health care system with innovative products and solutions, and supporting the underprivileged, who have been impacted the most by this crisis. Covid-19's ripple effect was felt when film bodies including Federation of Western Indian Cine Employees (FWICE) and Indian Film & Television Directors' Association (IFTDA) decided to halt shooting of movies, TV shows and web series.

Business Performance Review

During the year under review, the performance of the company is not as per the business standards set-up by the management due to various external, marketing & industry factors have affected the business. The Board and its Management has made the postmortem analysis on the performance and the Board of Directors assures you better performance in the years to come.

Outlook for the current year

Your Company is not as per the expectations inspite of continuous efforts to strengthen its stand in the market.

Dividend

The Board could not recommend dividend during the year under review in absence of profits.

BUSINESS RISK MANAGEMENT

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. The threats to the industry in which the company operates are -

Piracy: Piracy of the produced content, under the purview of intellectual property rights, can adversely affect revenues and profitability.

Mitigation: Industry members have set up an Antipiracy Society (AACT) to fight the menace.

DEPOSITS

The Company has not accepted deposits covered under Chapter V of the Companies Act, 2013 and accordingly, the disclosure requirements stipulated under the said Chapter are not applicable.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the company has not given any loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, except the remuneration to managerial personnel, there are no related party transactions to be disclosed.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith elsewhere in the Annual Report.

DEMAT SUSPENSE ACCOUNT UNCLAIMED SHARES

As on 31st March 2022, there were no Equity Shares of Shareholders were lying in the Escrow Account due to non-availability of the correct particulars.

CORPORATE GOVERNANCE

Your directors are happy to report that your Company is compliant with the Corporate Governance requirements as per the Provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations. A separate section on Corporate Governance together with a certificate from the Statutory Auditor's confirming compliance is set out in the Annexure forming part of this report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

A Management Discussion and Analysis Report, has been attached and forms part of the Annual Report.

ADDITIONAL INFORMATION AS REQUIRED U/ S 134(3)(m) OF THE COMPANIES ACT, 2013

(a) Conservation of Energy:

- (i) details of steps taken by the company for utilising alternate sources of energy, and
- (ii) the capital investment on energy conservation equipments, are -

The company is not engaged in manufacturing activities, and as such the particulars relating to

conservation of energy is not applicable. The company makes every effort to conserve energy as far as possible in its editing facilities, Production Floors, Office etc.

(b) (i) Technology Absorption, adaptation and innovation:-

The company is not engaged in manufacturing activities, and as such the particulars relating to Research, Development and technology absorption are not applicable.

(ii) Research and Development (R & D): No research and Development has been carried out.

(c) Foreign exchange earnings: Nil

(d) Foreign exchange out go: Nil

PARTICULARS OF EMPLOYEES

The Directors are to report that none of the employee was in receipt of remuneration exceeding the limit prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 .

AUDIT COMMITTEE:

Pursuant to the provisions of section 177 of the Companies Act, 2013 the company Company board constituted the Audit Committee with the following directors.

Sri Datla Venkata Narasimha Raju, Independent Director as Chairman.*

Sri Bharadwaja Thammareddy, Independent Director

Smt . Uma Devi Narravula, Non-Executive Non Independent Director.

STATUTORY AUDITORS

M/s. PCN & Associates, Chartered Accountants, the existing Statutory Auditors of the Company were appointed as Statutory Auditors of the Company by the Members in the 26th Annual General Meeting of the Company held on 29th September 2017, for a period of five years to hold the office until the conclusion of 31st Annual General Meeting.

By their letter dated 24th August 2022, M/s. PCN & Associates, Chartered Accountants, have informed the Company that they do not wish to continue & re-appointed as Statutory Auditors of the Company with effect from the conclusion of this Annual General Meeting proposed to be held on 30th September 2022. Accordingly, the ratification of their appointment at the ensuing 31st Annual General Meeting of the Company cannot be considered by the Company.

At the meeting held on 5th September 2022, the Board of Directors has recommended the appointment of M/s. P Murali & Co., Chartered Accountants (FRN: 0072575), Hyderabad as Statutory Auditors of the Company, in place of M/s. PCN & Associates, Chartered Accountants, to hold the office as Statutory

In this regard, the said Statutory Auditors has given the declaration that they meet the criteria to act as the Statutory Auditor and they are not disqualified to continue as the Statutory Auditors of the Company.

BOARD AND COMMITTEES PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Board has carried out an annual performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees.

NUMBER OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR AND THE DATES OF THE BOARD MEETINGS:

The Board met during the financial year 2021-22 as follows & the dates on which the above-Board meetings were held are as follows:

1st June 2021; 30th June 2021, 14th August 2021, 2nd September 2021, 13th November 2021, and 14th February 2022.

DIRECTORS AND INDEPENDENT DIRECTORS

Sri. G.V. Narasimha Rao (DIN: 01763565) was appointed as an Executive Director for a period of 5 years, in the 26th Annual General Meeting of the Company held on 29th September 2017, whose tenure expires on 30th September 2022. Pursuant to the provisions of Section 196, 197, 203 of the Companies Act 2013 and the Rules made thereunder and subject to approval of the Government authority (if any), Sri. G.V. Narasimha Rao (DIN: 01763565) is proposed to be re-appointed as an Executive Director of the Company for a period of five years w.e.f. 1st October 2022.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations 2015. The Company has received declarations from the Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and are available for inspection at the registered office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013, with respect to Director's responsibilities Statement it is hereby confirmed:

- a. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March, 2022 and of the profit and loss of the company for that period;
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. That the directors have prepared the annual accounts on a going concern basis.
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

POLICIES

Material Subsidiary

During the year ended March 31, 2022, the Company does not have any material listed/unlisted subsidiary companies as defined in SEBI (LODR) Regulations. The policy on determining material unlisted subsidiary of the Company is approved by the Board of Directors of the company.

Vigil Mechanism

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a vVigil Mechanism for directors and employees to report genuine concerns has been established. The cCompany has not denied access to any personnel to approach the management on any issue.

The Board of Directors of the company are committed to maintain the highest standard of honesty, openness and accountability and recognize that employees have important role to play in achieving the goal. As a public company the integrity of the financial matters of the Company and the accuracy of financial information is paramount. The stakeholders of the Company and the financial markets rely on this information to make decisions. For these reasons, the Company must maintain workplace where it can retain and treat all complaints concerning questionable accounting practices, internal accounting controls or auditing matters or concerning the reporting of fraudulent financial information to our shareholders, the Government or the financial markets. The employees should be able to raise these free of any discrimination, retaliation or harassment. Pursuant to the policy, employees are encouraged to report questionable accounting practices to Dr. DVN Raju (DIN: 01887919), Chairman of Audit Committee through email or by correspondence through post.

Details of Subsidiaries, Associate Companies, and Joint Venture Companies, including in the consolidated financial statements:

The Company do not have Subsidiaries, Associate Companies, and Joint Venture Companies. So, the financials of the Company do not require to be prepared on consolidated basis.

Material changes and commitments affecting the financial position.

During the period under review, there is no event & Material change and commitments affecting the financial position.

Company's policy on director's appointment & remuneration.

The company has a policy on Directors' appointment & Remuneration and the same will be implemented whenever the appointments take place.

Particulars of loans, Guarantees or investments.

During the period under review, there were no loans / Guarantees / Investments taken / provided by the Company.

Particulars of contract or arrangement with related party

During the period under review, there were no contract or arrangement with related party except as

provided in the Auditor's Report.

Annual evaluation of its own & Board committees' performance.

The company has a policy on Board & Committees' evolution & performance and the same is being reviewed on quarterly basis.

Implementation of risk management policy.

The company has a policy on risk management and the same is implemented by the Company to mitigate the risk in the business.

Policy on CSR initiatives

The Company need not have to make constitute a policy for CSR as the same is not applicable to the Company.

Post Balance Sheet events

There are no material events after the 31st March 2022 till the signing of this Annual Report, which has significant impact on the business of the Company.

Disclosure about Cost Audit

The requirement of maintaining the cost Audit Records is not applicable to the Company

Disclosure about ESOP and Sweat Equity Share

There are securities issued on ESOP basis / Sweat Equity.

Familiarisation programme for Independent Directors

Pursuant to the provisions of SEBI (LODR) Regulations, the Company has formulated a programme for familiarising the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc through various initiatives.

Key Managerial Personnel

Sri. GV Narasimha Rao (DIN: 01763565) – Executive Director of the Company is the Chief Executive Officer of the Company (CEO), Sri. MVR S Suryanarayana, Chief Financial Officer (CFO) of the Company, Mrs. Sravanthi Badami, Company Secretary of the Company shall act as the Compliance Officer, are the Key Managerial Personnel in accordance with the Section 203 of the Companies Act, 2013.

Related Party Transaction

Policy on dealing with Related Party Transactions is approved by the Board. No related party transactions were entered into during the financial year under review, except remuneration to managerial personnel, there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The same was discussed by

the Audit Committee as also the Board. The policy on Related Party Transactions as approved by the Board. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. Periodic audits are undertaken on a continuous basis covering all the operations i.e., manufacturing, sales & distribution, marketing, finance, etc. Reports of internal audits are reviewed by management from time to time and desired actions are initiated to strengthen the control and effectiveness of The System.

DEPOSITORY SYSTEM

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). As per the SEBI (Listing Obligations & Disclosure Requirements) (Fourth Amendment) Regulations, 2018, vide Gazette notification dated 8th June 2018 & 30th November, 2018 mandated that Share transfer shall be mandatorily carried out in dematerialized form only w.e.f. from 1st April 1, 2019. In view of the numerous advantages offered by the Depository System, members are requested to avail the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid.

CORPORATE GOVERNANCE REPORT:

Your Company has taken adequate steps to adhere to all the stipulations laid down in 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. A report on the Corporate Governance is included as a part of this report. Certificate from the Secretarial Auditors of the company M/s. Puttaparthi Jagannatham & Co, Company Secretaries, Hyderabad, confirming the compliance with the conditions of Corporate Governance as stipulated under above regulations is included as parts of this report.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report in Form MR-3 is obtained by the company from Puttaparthi Jagannatham & Co., Practising Company Secretaries, Hyderabad and forms part of this Annual report.

Explanation to the qualifications mentioned in the Secretarial Audit Report in Form MR-3 obtained from Puttaparthi Jagannatham & co., Practising Company Secretaries, Hyderabad:

1. Form DIR-12 for appointment of Company secretary has not been filed and other few forms were filed late with additional fees
2. There were instances of non-filing/delay/non disclosure in filing of compliances with the Stock Exchange during the financial year;
3. DIN of Uma Devi Narravula is deactivated on MCA portal due to non-filing of DIR-3 KYC.

Disclosures pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The details of remuneration paid to the Managerial Personnel are as under -

1. The Disclosures pursuant to sub-rule (1) of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forms part of the Board's Report.
2. The Disclosures pursuant to sub-rule (2) of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company forms part of the Board's Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details pertaining to criteria for determining qualifications, positive attributes and independence of a Director and remuneration policy have been provided in Section of the attached Corporate Governance Report.

Significant and Material Orders Passed by the Regulators or Courts

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

Reply to the Qualifications / Reservation in the Audit Report / Secretarial Audit Report

Statutory Auditors of the Company, has made the following qualification / reservations on the financial statements for the period ended on 31st March 2022, and the reply of management is as follows:

1. *The Company has not paid the GST liability of Rs. 56.04/- (in lakhs) upto 31st March 2022.*

Management's Response:

The GST liability as on 31st March 2022, could not be paid due to the suspension of the registration of the GST registration. The company made appeal and it is under active consideration of the department for restoration of the same. On resolving of the issue, the company will proceed to affect the payments.

2. *The Company has not submitted the physical verification reports of inventory aggregating to Rs. 13,13.14/- (in lakhs) as at 31st March 2022, and no provision for impairment has been made therein. In the absence of alternative corroborative evidence, we are unable to comment on carrying value of inventory and realizable value of the same.*

Management's Response:

The amount has been spent by the company over the past years and the company does not have any inventory to be valued as on date as the inventory pertains to the production of films in the past and it is not practically verifiable at this point of time due to practical difficulties involved in the typical film production.

3. *The Company has not submitted the confirmations of Trade Payables and Trade Receivables of Rs. 36.00/- (in lakhs). In the absence of alternative corroborative evidence, we are unable to comment on the extent to which such balances are payable or receivable.*

Management's Response:

The company as per customary practice has issue letters to the trade creditors as well as to the Trade debtors and no response has been received and as such the company is not able to confirm the

The Secretarial Auditors i.e., Puttaparthi Jagannatham & Co. has made qualifications in their Secretarial Audit Report, regarding the instances of non-filing/delay in filing of compliances with the Stock Exchange during the financial year; The delay filing was pertains to Fourth Quarter of the Financial Year and the Company shall be cautious in future in this regard, and shall adhere to the Compliance. The Company has set in place the compliance adherence mechanism and is reviewed quarterly to achieve 100% compliance status.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal committee has been set up to redress the complaints received regarding sexual harassment at workplace. All employees including trainees are covered under this policy.

PERSONNEL

The relationship between the management and the staff was very cordial throughout the year under review. Your directors take this opportunity to record their appreciation for the cooperation and loyal services rendered by the employees.

ACKNOWLEDGEMENTS

Your directors place on records their appreciation of the continuous assistance and co-operation extended to your Company by the valued customers, bankers, Reserve Bank India, SEBI, Bombay Stock Exchange Limited & National Stock Exchange of India Limited and all other regulatory Authorities. The Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company.

By Order of the Board of Directors

Place: Hyderabad
Date: 5th September 2022

Sd/-
G.V.Narasimaha Rao
CEO & Executive Director
DIN: 01763565

Sd/-
MVRS Suryanarayana
Chief Financial Officer

ANNEXURE I

FORM NO.MR-3

[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]

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

To
The Members of Padmalaya Telefilms Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Padmalaya Telefilms Limited (here in after called "the Company"). Secretarial Audit was conducted in a manner that provided us are as on able basis for evaluating the corporate conducts/statutory compliance sand expressing my opinion thereon. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable during the period under review;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits)

Regulation, 2014; Not Applicable during the period under review;

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the period under review;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable during the period under review;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable during the period under review;
- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

VI. Other specific laws as applicable to the company are:

- a) Up linking / down linking policy /guidelines issued by ministry of information and Broadcasting
- b) The Cable Television Network (Regulations) Act, 1995 and rules framed there under;
- c) Intellectual Property Rights related laws;
- d) (Amendment) Regulations, 2013 issued by Telecom Regulatory Authority of India;
- e) The Telecommunication (Broadcasting and cable services) interconnection (Digital Addressable Cable Television Systems) Regulations, 2012
- f) Approvals from the AP/ Telangana Chamber of Commerce
- g) Approvals from Central Board of Film Certification

We have also examined compliance with the applicable Clauses of:

- a) The Listing Agreement(s) entered into by the Company with Stock Exchange(s);
- b) Secretarial Standards issued by The Institute of Company Secretaries of India, to the extent applicable under the Companies Act 2013.

We further report that the Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

We report that:

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law, and environmental laws.

The Compliance by the Company of applicable financial laws like direct and indirect laws has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.

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

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

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

During the period under review the company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except as mentioned below:

1. Form DIR-12 for appointment of Company secretary has not been filed and other few forms were filed late with additional fees
2. There were instances of non-filing/delay/non disclosure in filing of compliances with the Stock Exchange during the financial year;
3. DIN of Uma Devi Narravula is deactivated on MCA portal due to non-filing of DIR-3 KYC.

We further report that 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.

Place: Hyderabad
Date: 03rd September, 2022

For Puttaparthi Jagannatham & Co.
Sd/-
CS Navajyoth Puttaparthi,
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896D000907364

Note: This report is to be read with our letter of even date which is annexed as "Annexure" and forms integral part of this report.

Appendix A:

To
The Members of Padmalaya Telefilms Limited
Hyderabad

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

Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on the secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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: Hyderabad
Date: 03rd September, 2022

For Puttaparthi Jagannatham & Co.
Sd/-

CS Navajyoth Puttaparthi,
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896D000907364

ANNEXURE - 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on
31st March 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	:	L92111TG1991PLC013222
ii.	Registration Date	:	17/09/1991
iii.	Name of the Company	:	PADMALAYA TELEFILMS LIMITED
iv.	Category / Sub-Category of the Company	:	Indian – Non- Govt. Company
v.	Address of the Registered office and contact details	:	H.NO.8-3-222/1/23, Madhura Nagar, YusufGuda, Hyderabad – 500038
vi.	Whether listed company Yes / No	:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	KFin Technologies Private Limited, (earlier known as Karvy Fintech Private Limited) (“KFin” or “KFintech”) Selenium Tower B, Plot Nos. 31 & 32 Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India P: +91 40 6716 2222 www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

The particulars of Segment reporting were mentioned in the financials enclosed to this Annual Report.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate
1	NA		

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2021]				No. of Shares held at the end of the year [As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% Of Total Shares	Demat	Physical	Total	% Of Total Shares	
A. Promoter s									---
(1) Indian									---
a) Individual/ HUF	87455	0	87455	0.51	87455	0	87455	0.51	---
b) Central Govt									---
c) State Govt(s)									---
d) Bodies Corp.	1688019	0	1688019	9.93	1688019	0	1688019	9.93	---
e) Banks / FI									---
f) Any other									---
(2) Foreign									---
a) Individual									---
b) Bodies Corp.									---
c) QIB									---
Total shareholding of Promoter (A)	1775474	0	1775474	10.44	1775474	0	1775474	10.44	---
B. Public Shareholding									

Sub-total (B)(2): -	11927125	3297401	15224526	89.56	11927125	3297401	15224526	89.56	---
Total Public Shareholding (B)=(B)(1) + (B)(2)	11927125	3297401	15224526	89.56	11927125	3297401	15224526	89.56	---
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	13702599	3297401	17000000	100	13702599	3297401	17000000	100	---

ii) Change in Promoters' Shareholding (please specify, if there is no change): NO CHANGE

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% Of total shares of the company	No. of shares	% Of total shares of the company
	At the beginning of the year	1775474	10.44	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
	At the end of the year	1775474	10.44	Na	NA

(iii) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

The Details are provided elsewhere in the Annual Report	
---	--

Note: Above transactions are on-line transactions and there is no allotment / physical transfer / bonus/ sweat equity.

V. INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
i) Principal Amount Rs. In Lakhs	Detailed Explanation was given elsewhere in the Annual Report				
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii) Rs. In Lakhs					
Change in Indebtedness during the financial year					
* Addition					
* Reduction					
Net Change					
Indebtedness at the end of the financial year					
i) Principal Amount Rs. In Lakhs					
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii) Rs. In Lakhs					

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
1	Gross salary	--	--	--
		--	--	--
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
		--	--	--
3	Sweat Equity	--	--	--
		--	--	--
4	Commission - as % of profit - others, specify...	--	--	--
		--	--	--
5	Others, please specify	--	--	--

Total (A)	--	--	--
Ceiling as per the Act	--	--	--

B. Remuneration to other directors: NIL

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

SN	Particulars of Remuneration	Key Managerial Personnel				Total
		Sri.GV Narasimha Rao (CEO)	Venkata Rama Satya Suryanarayana Meduri (CFO)	CS Sravanthi Badami		
1	Gross salary	6,00,000	4,80,000	1,62,000	12,42,000	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	----	----	----	----	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----	----	----	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	----	----	----	----	
2	Stock Option	----	----	----	----	
3	Sweat Equity	----	----	----	----	
4	Commission	----	----	----	----	
	- as % of profit	----	----	----	----	
	Others, specify...	----	----	----	----	
5	Others, please specify	90,000	----	----	90,000	
	Total	6,90,000	4,80,000	1,62,000	13,32,000	

II. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**MEDIA AND ENTERTAINMENT INDUSTRY OVERVIEW**

As per the Indian Brand Equity Foundation Report, the Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. The Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenues. The industry has been largely driven by increasing digitisation and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people.

COMPANY'S PERFORMANCE**Business Performance Review and Out-look for the current year**

During the year under review, the Company has reviewed all its business divisions and the company could not reach to the expected level despite of all its efforts to strengthen its stand in the market. And your company's performance will be based on the economy of the country in the years to come.

PRINCIPAL RISKS AND UNCERTAINTIES

Piracy: Piracy of the produced content, under the purview of intellectual property rights, can adversely affect revenues and profitability.

Mitigation: Industry members have set up an Antipiracy Society (AACT) to fight the menace.

REPORT ON CORPORATE GOVERNANCE

Padmalaya Telefilms Limited is committed to the standards of corporate governance in all activities. Pursuant to SEBI (LODR) Regulations 2015, your directors present below a detailed Report on Corporate Governance.

1. Company's Philosophy on code of Governance

Your company believes in providing highest transparency and ethical value in Corporate Governance. Your Company also believes in taking into confidence all the stakeholders viz., Shareholders, Employees, Creditors, Customers etc. Your company is committed to take the torch of Corporate Governance forward, so that every stakeholder of the company synchronies and synergies their efforts in their growth of their company.

2. Board of Directors

a. Composition of the Board

During the period under review, i.e. as on 31st March 2022, total number of the Directors on the Board are 5, comprises of 1 (One) Executive, Four Non-Executive Independent Directors. Chairman of the Company is Non-Executive Independent Director of the Company. The independent Directors are drawn from persons with experience in Business, Finance, Management, Marketing and Industry.

In this Record of Corporate Governance, we provide the details, only as on 31st March 2022.

b. Other Directorship / Committee Memberships held: -

S. No	Name of Director	Category	Designation	Director Ship in other Companies	
				Director	Committee Member
1	Tammareddy Bharadwaja	Independent	Chairman	3	Nil
2	G.V.Narasimha Rao	Promoter	Executive Director	2	Nil
3	Dr D.V.N.Raju	Independent	Director	Nil	Nil
4	S.Srinivasa Rao	Independent	Director	3	Nil
5	N Umadevi	Independent	Director	Nil	Nil

c. Board Meetings held During the Year

S. No	Date of Board Meeting
1.	01/06/2021
2.	30/06/2021
3.	14/08/2021
4.	02/09/2021
5.	13/11/2021
6.	14/02/2022

d. Attendance of Directors at Board Meetings and Last Annual General Meeting :

Name of The Director	No of Board Meetings Attended	Attendance at Last AGM
Tammareddy Bharadwaja	6	Yes
G. V. Narasimha Rao	6	Yes
Dr D. V. N. Raju	6	Yes
S. Srinivasa Rao	2	Yes
N Umadevi	6	Yes

3. Audit Committee
a) Terms of Reference

The Audit Committee Provides the Board with additional Assurance as to the adequacy of the Company's internal control systems and financial disclosures. The Audit committee acts as a link between the Management, Statutory Auditors, and the Board of Directors. The composition, powers and functions of the Audit committee meet the requirements of the SEBI (LODR) Regulations, and Section 177 of the Companies Act, 2013. The Broad terms of reference of the Audit committee are to review with the Management and/or Statutory Auditors in the following areas.

- I. Overview of Company's financial reporting process and financial disclosures.
- II. Review with Management, external and internal audits, the adequacy of internal control systems.
- III. Review the adequacy and effectiveness of accounting and financial controls of the company, compliance with the company's policies and applicable laws and regulations.
- IV. Review with Management, the Annual financial statement before submission to the Board.
- V. Recommending the appointment/removal of external auditors, fixation of Audit fees.

b) Composition, names of the members and chairman

The Audit Committee comprises three Members and the composition of Audit Committee was as under:

1. Dr D.V.N. Raju - Chairman
2. Tammareddy Bharadwaja - Member
3. N Umadevi - Member

c) Meetings and Attendance during the year

Name of Director	No. of Meetings held	No. of Meetings Attended
Dr. DVN Raju	5	5
Tammareddy Bharadwaja	5	5
N Umadevi	5	5

d) Audit Committee Meetings held During the Year

S. No	Date of Board Meeting
1.	30/06/2021
2.	14/08/2021
3.	02/09/2021
4.	13/11/2021
5.	14/02/2022

4. Remuneration Committee

The Committee consists of the following members:

The Remuneration Committee recommends the company policy on all elements of remuneration of Executive Directors.

The Remuneration Committee comprises the following Directors:

Dr D.V.N. Raju	-	Chairman
Tammareddy Bharadwaja	-	Member
N Umadevi	-	Member

Details of Remuneration to the Executive Directors, Key Managerial Person(s), paid/ payable for the financial year 2021-22 is as follows:

(Rs.lakhs)

Particulars	G.V. Narasimha Rao (Executive Director & CEO)	Venkata Rama Satya Suryanarayana Meduri (CFO)	Sravanthi Badami (Company Secretary & Compliance officer)
Salary	6.00	4.80	1.62
HRA	0.90	0.00	0.00
Total	6.90	4.80	1.62

5. Share Holders /Investors Grievance Committee

As a measurement of Good Corporate Governance and to focus on the shareholder's grievance and towards strengthening investor relations, an Investor's Grievance Committee has constituted as subcommittee of the Board.

In Pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations (Duly Amended), the Board has approved the "Code of Conduct for Prevention of Insider Trading" and authorized the Committee to implement and monitor the various requirements as set out in the code.

The Board has designated the Executive Director, as the Compliance Officer.

a) The function of the Committee include:

To specifically look into redressing investor's grievance pertaining to:

1. Transfer of shares
2. Dividend
3. Dematerialisation of Shares
4. Replacement of lost/stolen/mutilated share certificates.
5. Non-receipt of rights/bonus/split shares certificates
6. Any other related issues

b) Re- Constitution and composition

Your company has re-constituted the investor's grievance committee, with three directors under the Chairmanship of Non-Executive Director, as follows

Dr D.V.N.Raju	-	Chairman
Tammareddy Bharadwaja	-	Member
G V Narasimha Rao	-	Member

c) Mr. MVRS Suryanarayana, CFO of the Company is acting as compliance officer

6. Investor Complaints Received and resolved during the Year 2021-22

Nature of Complaints	Received	Resolved	Pending
A. Non-receipt of Dividend Warrants	Nil	Nil	Nil
B. Non receipt of Annual Reports	10	10	Nil
C. Non-Receipt of share Certificates	Nil	Nil	Nil

7. General Body Meetings

AGM No.	Financial Year	Date	Time	Venue
30 th	31.03.2021	30.09.2021	9.30 a.m.	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033
29 th	31.03.2020	30.09.2020	9.30 a.m.	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033
28 th	31.03.2019	30.09.2019	9.30 a.m.	Hotel Trishul Grand, Adj to Metro Pillar No. 35, Main Road, Madhapur, Hyderabad - 500 081

a) Details of Location and time of the last three Annual General Meetings of the Company.

- b) No Special Resolutions passed during the previous year
- c) During the year no Extra-ordinary General Meetings were held.
- d) During the year no resolutions were passed through postal ballot.

8. Disclosures

- 1) The Executive Director and Vice President (F&A) have given a certificate to the Board as contemplated in SEBI (LODR) Regulations, and is enclosed at the end of the report.

- 2) During the Financial year 2021-22, there is no related party transaction as required to be disclosed under the provisions of companies Act 2013, except payment of remuneration to managerial personnel.
- 3) There was delay in filing the requirements of regulatory authorities on capital market and there were penalties for delay filings have been imposed against it in the last three years.

9. Means of Communication

Pursuant to the SEBI (LODR) Regulations, Financial Results are generally published in National newspapers and in Regional Language newspapers. As the results of the company are published in newspapers and submitting to the stock exchanges immediately after the Board Meeting, the same are not send to each household of shareholder.

General Share Holders Information

1. **Annual General Meeting** :
 - Date : 30.09.2022
 - Time : 9.30 AM.
 - Venue : State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033
2. **Financial Calendar** : 1st April to 31st March (2022-23)
 - Financial Reporting for:
 - Quarter ending June, 30 2022 : **on 13th August 2022 (held)**
 - Quarter ending September, 30 2022 : Second Week of November, 2022
 - Quarter ending December, 31 2022 : Second Week of February, 2023
 - Quarter ending March, 31 2023 : Last Week of May, 2023
 - Annual General Meeting (Next year) : Last week of September, 2023
3. **Date of Books Closure** : Friday, 23rd September 2022 to Friday, 30th September 2022 (Inclusive of both days)
4. **Listing on Stock Exchanges** : BSE Limited, Mumbai
5. **Listing Fee** : Listing fee for the year 2022-2023 has been paid.
6. **Stock Code** : BSE :- 532350 ,
7. **Market Price Data:** Monthly High and Low quotations of shares traded on the BSE Limited, from 1st April, 2021 to 31st March, 2022 are as stated hereunder.

Year 2021-22	BSE Ltd	
	High Price	Low Price
Apr-21	2.88	2.35
May-21	2.68	2.13
Jun-21	2.90	2.18
Jul-21	2.99	2.39
Aug-21	2.88	2.24
Sep-21	2.62	2.19

Oct-21	2.50	2.05
Nov-21	2.50	2.05
Dec-21	3.18	2.24
Jan-22	4.28	3.18
Feb-22	4.00	2.59
Mar-22	3.15	2.28

*The Scrip of the Company has been voluntarily delisted from the National Stock Exchange of India Limited.

8. Distribution Schedule & Shareholding Pattern of the Company is enclosed elsewhere in the Annual Report

9. Share Transfer Agents :

KFin Technologies Private Limited,
 (Earlier known as Karvy Fintech Private Limited)
 ("KFin" or "KFintech")
 Selenium Tower B, Plot Nos. 31 & 32 Financial District
 Nanakramguda, Serilingampally Mandal, Hyderabad – 500032,
 India; P: +91 40 6716 2222
www.kfintech.com

10. Share Transfer System

The Share Transfers, both physical and demat form, are done by the Registrar and Share Transfer Agents i.e., M/s. KFin Technologies Private Limited, (earlier known as Karvy Fintech Private Limited) ("KFin" or "KFintech"), Hyderabad. The requests received for transfer of shares in physical form are generally completed within the stipulated time.

11. Certificate From Company Secretary in Practice

M/s. Puttaparthi Jagannatham & Co., Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this section as Annexure A.

12. Dematerialisation of Shares and Liquidity

As per notification issued by SEBI, Trading in Equity Shares of the company is permitted only in dematerialised form for all categories of investors.

The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is ISIN Number ISIN 243B01016.

Details of Shares Dematerialised as on 31/03/2022

Particulars	No. of Shares	% Of Share Capital
NSDL	89,75,417	52.80
CDSL	47,27,182	27.80
Physical	32,97,401	19.40
TOTAL	1,70,00,000	100.00

13. Outstanding GDR/warrants and Convertible or Any Convertible Instruments

Not Applicable

14. Works Location

Integrated Television, Shooting Studio : Plot No – 138, H.No.8-3-222/1/23
2D/3D Animation Studio Madhuranagar, Yousufguda
Hyderabad – 500 038

Feature Film Distribution Offices

- a) Kolkata : 48, Chitranjan Avenue,
Kolkata – 700 012
- b) Vijayawada : # 26-9-23, Bhagyachandra Towers,
Ramarao Street, Gandhi Nagar,
Vijayawada – 520 002

15. Address for Correspondence : Padmalaya Telefilms limited
Regd & Corporate Office,
Plot No – 138, H.No.8-3-222/1/23
Madhuranagar, Yousufguda
Hyderabad – 500 038
Ph: 040-23738955
E-Mail – padmalayatelefilms@gmail.com

16. SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

By Order of the Board of Directors

Place: Hyderabad
Date: 5th September 2022

Sd/-
G.V.Narasimaha Rao
CEO & Executive Director
DIN: 01763565

Sd/-
MVRS Suryanarayana
Chief Financial Officer

Sd/-
Sravanthi Badami
Company Secretary & Compliance Officer

CERTIFICATE OF 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
Padmalaya Telefilms Limited
H.No.8-3-222/1/23, Madhuranagar Yusufguda
Hyderabad-500038, Telangana, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Padmalaya Telefilms Limited having CIN L92111TG1991PLC013222 and having registered office at 7 H.No. 8-3-222/1/23, Madhuranagar Yusufguda, Hyderabad-500038, Telangana (hereinafter referred to as 'the Company'), produced before us by the Company 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.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that *except one of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Sri Sreenivasa Rao Sakhamuri	01691043	22nd January, 2007
2	Sri Ghattamaneni Venkata Narasimha Rao	01763565	17th September, 1991
3	Datla Venkata Narasimha Raju	01887919	26th December, 2005
4	Bharadwaja Thammareddy	07332749	30th September, 2019
5	Uma Devi Narravula*	08537674	14th August, 2019

* *DIN of Uma Devi Narravula is deactivated on MCA portal due to non-filing of DIR-3 KYC.*

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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.

Place: Hyderabad
Date: 03rd September, 2022

For Puttapparthi Jagannatham & Co.
Sd/-
CS Navajyoth Puttapparthi,
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896D000907287

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, G. V. Nasimaha Rao, Executive Director & Chief Executive Officer (CEO) and MVRS Suryanarayana – Chief Financial Officer (CFO) of M/s. PADMALAYA TELEFILMS LIMITED, hereby certify to the Board that :

- a) We have reviewed financial statements and the Cash Flow statement for the year and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement for the year or omit any material fact or contain statements that might be misleading:
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls in the Company and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operations of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee As:
 - i) There is no changes in internal control during the year,
 - ii) There is no changes in accounting policies during the year,
 - iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
- e) We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct)
- f) We further declare that all Board Members and designated Senior Management have performed compliance with the Code of Conduct for the current year.

Place: Hyderabad

Date: 5th September 2022

Sd/-

G.V.Narasimaha Rao
CEO & Executive Director
DIN: 01763565

Sd/-

MVRS Suryanarayana
CFO

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members,
Padmalaya Telefilms Limited
Hyderabad

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate governance of M/s Padmalaya Telefilms Limited ("the company") for the year ended 31st March, 2022.

The compliance of the conditions of the Corporate Governance is examined in the manner described in the Guidance note on Certification of Corporate governance" issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has complied with the conditions of Corporate Governance.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Hyderabad
Date: 5th September 2022

Sd/-
G.V.Narasimaha Rao
CEO & Executive Director
DIN: 01763565

Sd/-
MVRS Suryanarayana
Chief Financial Officer

Sd/-
Sravanthi Badami
Company Secretary & Compliance Officer

INDEPENDENT AUDITOR'S REPORT**To the Members of****M/S PADMALAYA TELEFILMS LIMITED****Report on the Audit of the Ind AS Financial Statements****Qualified Opinion**

We have audited the accompanying Ind AS Financial Statements of **M/s. Padmalaya Telefilms Limited** ("the company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the '**Basis for Qualified Opinion**' section of our report, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The company has not paid the GST Liability of Rs. 56.04/- (in lakhs) up to 31-03-2022.
2. The company has not submitted physical verification reports of inventory aggregating to Rs. 13,13.14/- (in lakhs) as at 31st March 2022 and no provision for impairment has been made therein. In the absence of alternative corroborative evidence, we are unable to comment on carrying value of inventory and realizable value of the same.
3. The company has not submitted the confirmations of Trade Receivables of Rs. 36.00/- (in lakhs). In the absence of alternative corroborative evidence, we are unable to comment on the extent to which such balances are payable or receivable.

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except the matters discussed in the Qualified Opinion paragraph, there are no other key audit matters 2022 be discussed.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud error.

In preparing the Ind AS 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the points discussed in the Qualified Opinion Paragraph.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the points given in the Qualified Opinion Paragraph.
 - 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 account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued there under except for the

matters discussed in the Qualified Opinion Paragraph.

- e) On the basis of the written representations received from the directors as on March 31, 2022 take non record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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 to the best of our information and according to the explanations given to us, during the year, the Company has not paid /provided managerial Remuneration.
- h) 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:
 - i. The Company does not have pending litigations which impacts its IND AS financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

For P C N & Associates
Chartered Accountants
FRN: 016016S

Sd/-
K. Gopal Krishna
Partner
Membership No: 0203605
UDIN No: 22203605AJWAPN4707

Place: Hyderabad
Date: 30-05-2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Padmalaya Telefilms Limited of even date)

Annexure referred to in Independent Auditors Report to the Members of M/s. Padmalaya Telefilms Limited on the Ind AS Financial Statements for the year ended 31st March 2022, we report that:

- i. The Company has no Property, Plant and Equipment and Intangible Assets.
- ii. a) As per the information given by the management, the physical verification of inventory has not been conducted during the year. Hence in the absence of corroborative evidence, we are unable to comment upon the inventory shown in the balance sheet as at 31 March 2022 (the same can be referred to Basis for Qualified Opinion Paragraph).
b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Act.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company.
- vii. In respect of statutory dues:
 - (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues. The company has not paid GST which is qualified in our report and has been given in the Qualified Opinion Paragraph.
There are undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues in arrears as at 31st March 2022 for a period of more than 6 months from the date they became payable including GST as given in the Qualified Opinion Paragraph.

Name of the Statute	Due amount (In Rs. Lakhs)	Nature of Dues
1. Income Tax Act, 1961	0.37/-	TDS
2. Income Tax Act, 1961	0.56/-	Statutory Liabilities
3. Goods and Service Tax	16.69/-	Provision for GST
4. Goods and Service Tax	39.35/-	Exceptional item GST Payable

- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Goods and Service Tax and customs duty which have not been deposited with appropriate authorities on account any dispute.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year.
(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) The Company does not have any subsidiaries, associates or joint ventures.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally)
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) As represented to us by the management, there are now whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
(b) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The company has incurred cash losses in the in the current and immediately preceding financial year and the amount of cash loss is as following:

Financial year	Amount of cash loss (Rs. In lakhs)
2021-22	25.84
2020-21	6.66

- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) The Company is not covered under the provisions of Section 135 of the Companies Act, 2013.

For P C N & Associates
Chartered Accountants
FRN: 016016S

Sd/-
K. Gopal Krishna
Partner
Membership No: 0203605
UDIN No: 22203605AJWAPN4707

Place: Hyderabad
Date: 30-05-2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Padmalaya Telefilms Limited of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s. **Padmalaya Telefilms Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS 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 the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system

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 Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Ind AS Financial Statements in accordance with generally accepted principles, and that receipts and expenditures are being made only in accordance with authorization of management and directors 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 Ind AS Financial Statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal financial controls over financial reporting as at March 31, 2022.

1. Balances of trade receivable, borrowings and other liabilities are subject to confirmation.
2. Statutory dues payments of GST are delayed and making provision for the same has been delayed hence the company needs to strengthen internal control system in this regard.
3. Inventory Verification has not been conducted by the company during the year.

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.

In our opinion, except for the effects/ possible effects of the material weakness described above under qualified opinion paragraph on the achievement of the objectives of the control criteria, the company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 based on the internal financial controls

over financial reporting criteria established by the company considering essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

We have determined material weakness, identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of Ind AS Financial Statements of the company and these material weaknesses affect our opinion on Ind AS Financial Statements of the company for the year ended 31st March, 2022.

For P C N & Associates
Chartered Accountants
FRN: 016016S

Sd/-
K. Gopal Krishna
Partner
Membership No: 0203605
UDIN No. 22203605AJWAPN4707

Place: Hyderabad
Date: 30-05-2022

PADMALAYA TELEFILMS LIMITED			
Balance Sheet as at 31st March 2022			
All Amounts(Rs.) in lakhs except EPS & Share data			
Particulars	Notes	As At 31 March,22	As At 31 March,21
I. ASSETS:			
1. Non Current Assets:			
a) Property, Plant and Equipment			
b) Capital Work in Progress			
b) Financial Assets			
i) Non Current Investments			
ii) Loans			
iii) Other Non Current Financial Assets	2	50.00	50.00
c) Deferred Tax Asset			
d) Other Non Current Assets	3	0.64	0.64
Total Non-Current Assets		50.64	50.64
2. Current Assets:			
a) Inventories	4	1,313.14	1,313.14
b) Financial Assets			
i) Investments			
ii) Trade Receivables	5	36.00	36.00
iii) Cash and Cash Equivalents	6	0.20	0.09
iv) Other Balances with Bank			
v) Loans			
vi) Other Financial Assets			
c) Other Current Assets	7	598.80	598.80
Total Current Assets		1,948.14	1,948.03
TOTAL ASSETS		1,998.78	1,998.67
II. EQUITY AND LIABILITIES:			
Equity			
a) Equity Share Capital	8	1,699.76	1,699.76
b) Other Equity	9	(26.38)	(0.54)
Total Equity		1,673.38	1,699.22
Liabilities			
1. Non Current Liabilities:			
a) Financial Liabilities			
i) Borrowings			
ii) Other Financial Liabilities			
b) Provisions	10	3.19	3.19
c) Deferred Tax Liabilities (Net)	11	17.77	17.77
d) Other Non Current Liabilities			
Total Non-Current Liabilities		20.96	20.96
2. Current Liabilities:			
a) Financial Liabilities			
i) Borrowings	12	4.97	-
ii) Trade Payables		-	-
iii) Other Financial Liabilities			
b) Provisions	13	62.32	61.33
c) Other Current Liabilities	14	237.16	217.16
Total Current Liabilities		304.45	278.49
TOTAL EQUITY & LIABILITIES		1,998.78	1,998.67
Summary of Significant Accounting Policies		1	
The Accompanying notes are an Integral Part of the Financial Statements			
As per our Report of Even Date			
For P C N & Associates,		For Padmalaya Telefilms Limited	
Chartered Accountants,			
Firm Registration no: 0160165			
Sd/-	Sd/-	Sd/-	
K.Gopala Krishna	CEO & Executive Director	Director	
Partner			
M.No: 203605			
Udin: 22203605AJWAPN4707	Sd/-	Sd/-	
	CFO & Authorised Signatory	CS & Compliance Officer	
Place: Hyderabad			
Date: 30/05/2022			

PADMALAYA TELEFILMS LIMITED			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022			
All Amounts(Rs.) in lakhs except EPS & Share data			
Particulars	Notes	As At 31 March,22	As At 31 March,21
INCOME			
Revenue from Operations		-	-
Other income	15	17.86	16.90
TOTAL INCOME		17.86	16.90
EXPENSES			
Cost of materials consumed		-	-
Employees benefit Expenses	16	8.16	6.64
Finance Costs	17	0.03	0.02
Depreciation and Amortisation Expenses		-	-
Other Expenses	18	35.51	16.90
TOTAL EXPENSES		43.70	23.56
Profit/(Loss) before exceptional items and tax		(25.84)	(6.66)
Exceptional Items		-	-
Profit/(Loss) before tax		(25.84)	(6.66)
Tax Expenses:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Total		(25.84)	(6.66)
Profit (Loss) after Tax for the period		(25.84)	(6.66)
Other Comprehensive Income			
A. (i) Items that will not be reclassified subsequently to Profit or Loss			
(ii) Income Tax relating to items that will not be reclassified to profit or loss			
B. (i) Items that will be reclassified subsequently to Profit or Loss			
(ii) Income Tax relating to items that will be reclassified to profit or loss			
Total (Net of Tax)			
Total Comprehensive Income for the year		(25.84)	(6.66)
Earnings Per Share:			
a) Basic (Rs.)		(0.000002)	(0.004)
b) Diluted (Rs.)		(0.000002)	(0.004)
Face Value per Equity Share		10/-	10/-
Summary of Significant Accounting Policies 1			
The Accompanying notes are an Integral Part of the Financial Statements			
As per our Report of Even Date			
For P C N & Associates,		For Padmalaya Telefilms Limited	
Chartered Accountants,			
Firm Registration no: 016016S			
Sd/-		Sd/-	
K.Gopala Krishna		CEO & Executive Director	
Partner		Sd/-	
M.No: 203605		Director	
Udin: 22203605AJWAPN4707		Sd/-	
		CFO & Authorised Signatory	
		Sd/-	
		CS & Compliance Officer	
Place: Hyderabad			
Date: 30/05/2022			

PADMALAYA TELEFILMS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

All Amounts(Rs.) in lakhs except EPS & Share data

Particulars	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	(25.84)	(6.66)
Adjustments for:		
Depreciation and Amortization Expenses		
Profit/Loss on Sale of Fixed Assets (Net)		
Finance Costs	0.03	0.02
Interest Income		
Adjustments for Ind AS (Deferred Tax)		
Cash Operating Profit before working capital changes	(25.81)	(6.64)
Adjustments for (increase)/decrease in operating assets		
Trade receivables		-
Inventories		-
Other Current Assets	0.00	191.11
Short Term Loans & Advances	4.97	
Other Non Current Financial Assets	0.00	72.52
Other Non Current Assets	-	0.65
Adjustments for increase/(decrease) in operating liabilities	(20.84)	257.64
Borrowings	-	(94.50)
Short Term Provisions	0.99	4.00
Trade Payables	-	(21.56)
Other Financial Liabilities	-	-
Other Non Current Liabilities	-	-
Other Short Term Liabilities	20.00	(147.57)
Cash Generated from Operations		
Direct Taxes - Refund / (paid)	-	-
Net Cash Generated From Operating Activities (A)	0.15	(1.99)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets (net)		
Sale of Fixed Assets		
Dividend Income		
Interest Income		-
Net Cash Generated/Used In Investing Activities (B)		
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Financing Charges	(0.03)	(0.02)
Proceeds from Share Capital		
Proceeds/ (Repayment) from Long Term Borrowings		
Proceeds/ (Repayment) from Short Term Borrowings		
Net Cash Generated/Used In Financing Activities (C)	(0.03)	(0.02)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	0.11	(2.01)
Opening Cash and Cash Equivalents as at 31st March,2021	0.09	2.10
Closing Cash and Cash Equivalents as at 31st March, 2022	0.20	0.09

Summary of Significant Accounting Policies

The Accompanying notes are an Integral Part of the Financial Statements

1

As per our Report of Even Date

For P C N & Associates,
 Chartered Accountants,
 Firm Registration no: 016016S

For Padmalaya Telefilms Limited

Sd/-
K.Gopala Krishna
 Partner
 M.No: 203605
 Udin: 22203605AJWAPN4707

Sd/-
 CEO & Executive
 Director

Sd/-
 Director

Sd/-
 CFO & Authorised
 Signatory

Sd/-
 CS & Compliance
 Officer

Place: Hyderabad
Date: 30/05/2022

PADMALAYA TELEFILMS LIMITED
Statement Of Changes In Equity For The Year Ended 31st March,2022

All Amounts(Rs.) in lakhs except EPS & Share data

A. Equity Share Capital
(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,699.76	-	-	-	1,699.76

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
1,699.76	-	-	-	1,699.76

B. Other Equity

All Amounts(Rs.) in lakhs except EPS & Share data

(1) Current reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves And Surplus						Items of Other Comprehensive Income						Moneys received against share warrant	Total	
			Securities premium reserve	Investment Allowance Reserve	Subsidy	Capital Reserve	General Reserves	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign	Other Items of Other Comprehensive Income (specify nature)			
Balance at the end of March 31, 2021	-	-	7,566.09	-	-	-	882.84	(8,449.47)	-	-	-	-	-	-	-	-	(8.54)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	-	-	-	-	(25.84)	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of March 31, 2022	-	-	7,566.09	-	-	-	882.84	(8,475.31)	-	-	-	-	-	-	-	-	(24.38)

(2) Previous reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves And Surplus						Items of Other Comprehensive Income						Moneys received against share warrant	Total	
			Securities premium reserve	Investment Allowance Reserve	Subsidy	Capital Reserve	General Reserves	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign	Other Items of Other Comprehensive Income (specify nature)			
Balance at the end of March 31, 2020	-	-	7,566.09	-	-	-	882.84	(8,442.81)	-	-	-	-	-	-	-	-	6.11
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Total Comprehensive Income for the period	-	-	-	-	-	-	-	(6.86)	-	-	-	-	-	-	-	-	(6.66)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Balance at the end of March 31, 2021	-	-	7,566.09	-	-	-	882.84	(8,449.67)	-	-	-	-	-	-	-	-	(8.54)

Summary of Significant Accounting Policies

The Accounting notes are an Integral Part of the Financial Statements

As per our Report of Even Date

For P.C.N & Associates, Chartered Accountants, Firm Registration no: 016016S

 For Padmalaya Telefilms Limited
 Sd/-
 K. Gopala Krishna
 Partner
 M.No: 203605
 Udn: 22203605AJWAPN4707

 Sd/-
 Director

 Sd/-
 CFO & Authorized Signatory

 Sd/-
 CS & Compliance Officer

Place: Hyderabad

Date: 30/05/2022

All Amounts(Rs.) in lakhs except EPS & Share data

Note No 2 : Other Non Current Financial Assets

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Advances to others Rosaiah- 50,00,000/-	50.00	50.00
Total Other Non Current Assets	50.00	50.00

Note No 3: Other Non Current Assets

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Security Deposit - Rent deposit	0.64	0.64
Total Other Non Current Assets	0.64	0.64

Note No 4 : Inventories

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Closing Stock	333.82	333.82
Software under Production	733.85	733.85
Projects on Hand	245.46	245.46
a) production No 42: Rs.9849840/-		
b) Production No 50: 54,37,970/-		
c) production No 58:92,58,329/-		
Total Inventory	1,313.14	1,313.14

All Amounts(Rs.) in lakhs

Note No 5: Trade Receivables

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Current - Unsecured		
Considered Good	36.00	36.00
Bad Debts Written Off		-
Total Trade Receivables	36.00	36.00

Trade receivables ageing schedule for the year ended as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good			36.00			
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
Less: Allowance for credit loss						
Total Trade Receivables			36.00			

Trade receivables ageing schedule for the year ended as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good				36.00		
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
Less: Allowance for credit loss						
Total Trade Receivables				36.00		

Note No 6: Cash and Cash Equivalents

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Balances with Banks :		
On Current Accounts	0.001	0.07
Cash on Hand	0.19	0.02
Total Cash and Cash Equivalents	0.20	0.09

Note No 7 : Other Current Assets

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Loan Receivables	566.10	566.10
Other Advances	32.70	32.70
Total Other Current Assets	598.80	598.80

All Amounts(Rs.) in lakhs except EPS & Share data

Note No 8 : Share Capital

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Authorised Share Capital		
2,00,00,000 Equity Shares of Rs.10/- each (31st March, 2022: 2,00,00,000 Equity Shares of Rs.10/- each) (1st April, 2021: 2,00,00,000 Equity Shares of Rs.10/- each)	2,000.00	2,000.00
Issued Share Capital		
1,70,00,000 Equity Shares of Rs.10/- each (31st March, 2022: 1,70,00,000 Equity Shares of Rs.10/- each) (1st April, 2021: 1,70,00,000 Equity Shares of Rs.10/- each)	1,700.00	1,700.00
Subscribed and Fully Paid up		
1,69,65,200 Equity Shares of Rs.10/- each (31st March, 2022: 1,69,95,200 Equity Shares of Rs.10/- each) (1st April, 2021: 1,69,95,200 Equity Shares of Rs.10/- each)	1,699.52	1,699.52
Subscribed and Not Fully Paid up		
4,800 Equity Shares of Rs.10/- each (31st March, 2022 : 4,800 Equity Shares of Rs.10/- each) (1st April, 2021: 4,800 Equity Shares of Rs.10/- each)	0.24	0.24
Total Equity Share Capital	1,699.76	1,699.76

Note No 9: Other Equity

Particulars	Reserves & Surplus			
	General Reserve	Securities Premium Reserve	Retained Earnings	Total
Balance as at 31st March,2020	882.84	7,566.09	(8,442.81)	6.11
Profit For The Year			(6.66)	
Balance as at 31st March 2021	882.84	7,566.09	(8,449.47)	(0.54)
Profit For The Year			(25.84)	
Balance as at 31st March 2022	882.84	7,566.09	(8,475.31)	(26.38)

All Amounts(Rs.) in lakhs

Note No 10 : Provisions

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Provision for Employee Benefits		
Gratuity	0.98	0.98
Others	2.21	2.21
Total Provisions	3.19	3.19

Note No 11 : Deferred Tax Liability (Net)

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Opening Balance	17.77	17.77
Add/(Less): Provision of Deferred tax charge / (Credit) for the year	-	-
Add/(Less): Adjustment Due to Ind AS		
Closing Balance	17.77	17.77

Note No 12 : Borrowings

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Unsecured		
From hari	4.97	-
Total Borrowings	4.97	-

Note No 13 : Provisions

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Provision for Employee Benefits		
PF & ESI Payable	0.10	-
Rent Payable	1.68	0.86
Salaries Payable	1.68	1.59
Electricity and Others		
Statutory Liabilities	0.56	0.56
TDS Payable	0.38	0.38
Provision for Audit Fees payable	1.87	1.87
Provision for GST	16.70	16.70
Exceptional item CST Payable	39.36	39.36
Total Provisions	62.32	61.33

Note No 14 : Other Current Liabilities

Particulars	As At	As At
	31.03.2022	31.03.2021
	Rs.	Rs.
Other Payables	163.16	163.16
Advance Received from MM Movies	74.00	54.00
Total Other Current Liabilities	237.16	217.16

All Amounts(Rs.) in lakhs

Note No 15 : Other Income

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Rs.	Rs.
Other Non Operating Income		
Other Income	17.86	16.90
Total	17.86	16.90

Note No 16 : Employee Benefit Expenses

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Rs.	Rs.
Salaries,Wages and bonus	7.86	6.28
Contribution to Provident & Other Funds	0.30	0.36
Total	8.16	6.64

Note No 17 : Finance Costs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Rs.	Rs.
Bank Charges	0.03	0.02
Total	0.03	0.02

Note No 18: Other Expenses

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Rs.	Rs.
Operating Expenses	3.50	-
Rent	4.77	1.98
Printing and Stationery	-	0.06
Conveyance	1.46	1.62
Office Maintenance	1.06	1.27
Business Promotion Expenses	-	0.15
Postage & Telephones	-	0.17
Professional & Consultancy Fee	1.44	-
Power and fuel	0.15	0.19
AGM & EGM Expenses	2.95	4.15
Secretarial Fee	1.13	-
Kifin tech service fee	10.00	-
License Fees	3.54	3.54
csdl charges	0.61	-
Miscellaneous Expenses	-	1.91
Nsdl charges	3.57	-
Water Expenses	0.08	-
Payment to Auditors:		
(i) As Audit fee	1.27	0.59
(ii) For Taxation Matters	-	0.48
(iii) For Other Services	-	0.19
Internal Auditors Remuneration	-	0.60
Total	35.51	16.90

M/S PADMALAYA TELEFILMS LIMITED
NOTES TO ACCOUNTS:

19. The company is operating in a single segment of Film Production and distribution, hence IND-108, segment reporting is not applicable for the company.
20. The company is in the GST Registration Renewal process, and has made provision for the entire liability of GST from the FY 2019-20. The company is in the process of discharging the entire outstanding liability of GST during the current year.
21. The inventory of the company consists of Movie Rights and CD's. However, there is no market for those movies at present. Hence the company has not conducted inventory valuation for the same.

22. Disclosure of Remuneration to Auditors:

Particulars	FY-2021-22 Amount (Rs. In Lakhs)	FY-2020-21 Amount (Rs. In Lakhs)
Statutory Audit Fees	1.27	0.59
Tax Audit Fess	-	0.48
Other Services	-	0.19
Total	1.27	1.27

23. Earnings Per Share:(in Rs)

Particulars	FY 2021-22	FY 2020-21
Basic EPS	(0.000002)	(0.004)
Dilute EPS	(0.000002)	(0.004)

24. The company has not recognized any Deferred Tax Asset during the year under consideration.
25. The company has not received any intimation for non-payment of dues to MSME made the payments to units covered Micro, small and Medium Enterprises Development act, 2006 in due time. There are no outstanding balances due to these units at the closure of the accounting year.
26. Previous year figures have been regrouped and rearranged wherever found necessary, to be in confirmative with current year classification.
27. Closing Balances of Debtors / Creditors / Loans & Advances are subjected to confirmation from the parties.

28. Additional Regulatory Information

- i. The company does not own any land or buildings wither in its name or any other name and hence there are no title deeds for submission.
- ii. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and other related parties.
- iii. The Company does not hold any Benami Property. Thus, there are no proceedings initiated or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- iv. The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- v. The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- vi. The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.
- vii. There are no charges or satisfactions yet to be registered with ROC beyond the statutory period by the Company.
- viii. The Company does not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.

ix. Key Financial Ratios

Particulars	Numerator	Demonimator	March, 2022	March, 2021	Variance
Current Ratio	Current Assets	Current Liabilities	6.40	7.00	-8.52%
Debt-Equity Ratio	Total Debt - Deferred Tax Liabilities	Shareholders Equity	0.18	0.17	5.44%
Debt Service Coverage Ratio	Earnings available for debt services	Interest+ Installments	NA	NA	NA
*Return on Equity Ratio	Net Profits After Tax	Shareholders funds	-0.02	-0.00	293.72%
Inventory Turnover Ratio	Sales	Average Inventory	NA	NA	NA
Trade Receivables Turnover Ratio	Credit Sales	Average Trade receivables	NA	NA	NA
Trade Payables Turnover Ratio	Annual Net Credit Purchases	Average Trade Payables	NA	NA	NA
Net Capital Turnover Ratio	Sales	Working Capital	NA	NA	NA
Net Profit Ratio	Net profit after tax	Sales	NA	NA	NA
*Return on Capital employed	Earning before interest and taxes	Capital Employed = Total Assets - Current Liabilities	-0.02	-0.00	293.64%
*Return on Investment (Assets)	Total Comprehensive Income	Average Total Assets	-0.01	-0.00	313.55%

*Eventual increase in other operating and general expenses has caused the net loss to escalate effectively having a negative impact on ROE, ROCE & ROI.

- x. There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- xi. (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing

or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- xii. The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- xiii. The provisions of section 135 of the Companies Act, 2013 for constitution of CSR committee is not applicable to the Company.
- xiv. The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.
29. Previous year figures have been regrouped and rearranged wherever necessary to conform to this years' classification.

SIGNATURE TO NOTES 1 To 29

**For P C N & Associates,
Chartered Accountants,
Firm Registration no: 0160165**

For M/s Padmalaya Telefilms Limited

Sd/-
K.Gopala Krishna
Partner
M.No:0203605

Sd/-
CEO & Executive Director

Sd/-
Director

Sd/-
CFO & Authorized Signatory

Sd/-
CS & Compliance Officer

Place: Hyderabad
Date:30/05/2022
Udin: 22203605AJWAPN4707

M/S PADMALAYA TELEFILMS LIMITED**SIGNIFICANT ACCOUNTING POLICIES:**

The below are the significant accounting policies adopted by the company:

a. Basis of preparation:

For all periods, up to and including the year ended 31 March 2022, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements for the year ended 31 March 2022 have been prepared in accordance with Indian Accounting Standards ("Ind-AS") consequent to the notification of The Companies (Indian Accounting Standards) Rules, 2015 (the Rules) issued by the MCA.

The financial statements have been prepared on a historical cost basis.

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company considers 12 months to be its normal operating cycle.

b. Revenue Recognition

Revenue is recognized, net of sales related taxes, when persuasive evidence of an arrangement exists, the fees are fixed or determinable, the product is delivered or services have been rendered and collectability is reasonably assured. The Company considers the terms of each arrangement to determine the appropriate accounting Treatment. The following additional criteria apply in respect of various revenue streams within filmed entertainment: Theatrical - Contracted minimum guarantees are recognized on the theatrical release date. The Company's share of box office receipts in excess of the minimum guarantee is recognized at the point they are notified to the Company. Television - License fees received in advance which do Not meet the revenue recognition criteria are included in deferred income until the above criteria is met. Other - DVD, CD and video distribution revenue is recognized on the date the product is delivered or if licensed in line with the revenue recognition criteria. Provision is made for physical returns where applicable. Digital and ancillary media revenues are recognized at the earlier of when the content is accessed or declared. Visual effects, production and other fees for services rendered by the Company and overhead recharges are recognized in the period in which they are earned and in certain cases, the stage of production is used to determine the proportion recognized in the period.

c. Other income:

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interstate applicable.

d. Property, plant and equipment and depreciation

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes etc. up to the date the asset is ready for its intended use. Depreciation is provided under written down value method at the rates and in the manner prescribed under Schedule II to the Companies Act, 2013.

e. Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost with any difference between the proceeds (net of transaction costs) and the redemption value recognised in the Statement of profit and loss within finance costs over the period of the borrowings using the effective interest method. Finance costs in respect of film productions and other assets which take a substantial period of time to get ready for use or for exploitation are capitalized as part of the assets. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

f. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligations and can be reliably measured. Provisions are measured at Management's best estimate of the expenditure required to settle the obligations at the statement of financial position date and are discounted to present value where the effect is material.

g. Financial Assets:

Financial assets are divided into the following categories:

- i. Financial assets carried at amortised cost
- ii. Financial assets at fair value through other comprehensive income
- iii. Financial assets at fair value through profit and loss;

Financial assets are assigned to the different categories by management on initial recognition, depending on the nature and purpose of the financial assets. The designation of financial assets is re-evaluated at every reporting date at which a choice of classification or accounting treatment is available. Financial Assets like Investments in Subsidiaries are measured at Cost as allowed by Ind-AS 27 – Separate Financial Statements and hence are not fair valued. Financial assets carried at amortised cost. A financial asset is subsequently measured at amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These are non-derivative financial assets that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank and cash balances) are measured subsequent to initial recognition at amortized cost using the effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognized in the Statement of profit and loss. In accordance with Ind AS 109: Financial Instruments, the Company recognizes impairment loss allowance on trade receivables and content advances based on historically observed default rates.

Impairment loss allowance recognized during the year is charged to Statement of profit and loss. Financial assets at fair value through other comprehensive income financial assets at fair value through other comprehensive income are non-derivative financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss a financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. It includes non-derivative financial assets that are either designated as such or do not qualify for inclusion in any of the other categories of financial assets. Gains and Losses arising from investments classified under this category is recognized in the Statement of profit and loss when they are sold or when the investment is impaired. In the case of impairment, any loss previously recognized in other comprehensive income is transferred to the Statement of profit and loss.

Impairment losses recognized in the Statement of profit and loss on equity instruments are not reversed through the Statement of profit and loss. Impairment losses recognized previously on debt securities are reversed through the Statement of profit and loss when the increase can be related objectively to an event occurring after the impairment loss was recognized in the Statement of profit and loss.

When the Company considers that fair value of financial assets can be reliably measured, the fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Company applies its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. Equity instruments measured at fair value through profit or loss that do not have a quoted price in an active market and whose fair value cannot be reliably measured are measured at costless impairment at the end of each reporting period.

An assessment for impairment is undertaken at least at each balance sheet date. A financial asset is derecognized only where the contractual rights to the cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for de-recognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Company retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

A financial asset that is transferred qualifies for de-recognition if the Company transfers substantially all the risks and rewards of ownership of the asset, or if the Company neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

h. Financial liabilities:

Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'. Financial liabilities are subsequently measured at amortized cost using the effective interest method or at fair value through profit or loss.

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading such as a derivative, except for a designated and effective hedging instrument, or if

upon initial recognition it is thus designated to eliminate or significantly reduce measurement or recognition inconsistency or it forms part of a contract containing one or more embedded derivatives and the contract is designated as fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value. Any gains or losses arising of held for trading financial liabilities are recognized in Statement of profit and loss. Such gains or losses incorporate any interest paid and are included in the "other gains and losses" line item.

Other financial liabilities (including borrowing and trade and other payables) are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or a shorter period, to the net carrying amount on initial recognition.

A financial liability is derecognized only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires. Changes in liabilities' fair value that are reported in profit or loss are included in the Statement of profit and loss within finance costs or finance income.

i. Taxes

Taxation on profit and loss comprises current tax and deferred tax. Tax is recognized in the Statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income in which case tax impact is also recognized inequity or other comprehensive income.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date along with any adjustment relating to tax payable in previous years.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws. Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax.

MAT credit entitlement 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 specified period, which is the period for which MAT credit is allowed to be carried forward.

Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

j. Earnings per share:

Basic earnings per share are computed using the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is computed by considering the impact of the potential issuance of ordinary shares, on the weighted average number of shares outstanding during the period except where the results would be antidilutive.

k. Cash and cash equivalents:

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments which are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Deposits held with banks as security for overdraft facilities are included in restricted deposits held with bank.

l. Inventories:

Inventories are valued at cost or net realizable value whichever is lower after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Cost includes the aggregate of all expenditure incurred in bringing the inventories to the present condition and situation.

PADMALAYA TELEFILMS LIMITED

Regd. Office: Plot No.138, H. No.8-3-222/1/23, Madhuranagar,
Yousufguda, Hyderabad – 500 038.

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L92111TG1991PLC013222*Name of the company:* **PADMALAYA TELEFILMS LIMITED***Registered office:* Plot No.138, H. No.8-3-222/1/23, Madhuranagar, Yousufguda, Hyderabad – 500 038

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being Member /Members of : **PADMALAYA TELEFILMS LIMITED**

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual general meeting of the company, to be held on the Friday, 30th September 2022 at 9.30 A.M at State Gallery of fine arts, Road No.1, Kavuri Hills, Madhapur 500 033 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2022 the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon
2.	To appoint a director in place of Sri. GV Narasimha Rao (DIN: 01763565), who retires by rotation and being eligible offers himself for re-appointment
3.	Appointment of M/s. P Murali & Co., Chartered Accountants as Statutory Auditors of the Company for a period of five years
Special Business	
4.	Re-Appointment of Sri. GV Narasimha Rao as Executive Director of the Company for a further period of five years

Signed this _____ day of _____ 2022

Affix
Revenue
Stamp

Signature of Shareholder _____

Signature of Proxy holder (s) _____

Note:

- Proxy need not be a member of the Company.
- The Proxy Form duly filled in and signed by the Member(s) across the revenue stamp should reach the Company's Registered Office at least 48 hours before the commencement of the meeting.
- corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.

PADMALAYA TELEFILMS LIMITED

Plot No.138, H. No.8-3-222/1/23, Madhuranagar, Yousufguda, Hyderabad – 500 038

31st Annual General Meeting – Friday, 30th September 2022***Attendance Slip*****Folio no. / DPID and Client ID no:****No. of shares**

Name and address of First/sole shareholder:

I, hereby record my presence at the 31st Annual General Meeting of the Company to be held on Friday, 30th September, 2022 at 9.30 A.M at State Gallery of fine arts, Road No.1, Kavuri Hills, Madhapur 500 033.

Name of the Member/Proxy
(Block Letters)

Signature of the Member/Proxy

Notes:

- a. Only Member/Proxy can attend the Meeting. No minors would be allowed at the Meeting.
- b. Member/Proxy who wish to attend the Meeting must bring this attendance slip to the Meeting and hand over at the entrance duly filled in and signed.
- c. Member/Proxy should bring his/her copy of the Annual Report for reference at the Meeting.