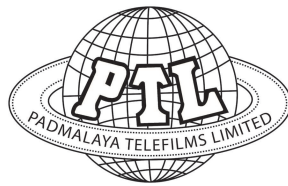


28th
ANNUAL REPORT
2018 – 19



Padmalaya

TELEFILMS LIMITED

Corporate Information

Board of Directors

| | | |
|------------------------|---|--------------------------------------|
| Sri. G.V.Narasimha Rao | - | Executive Director (DIN: 01763565) |
| Sri. S.Sreenivasa Rao | - | Director (DIN: 01691043) |
| Dr. D.V.N.Raju | - | Independent Director (DIN: 01887919) |
| Smt. N. Uma Devi | - | Additional Director (DIN: 08537674) |

Key Managerial Persons:

| | | |
|-------------------------|---|--------------------------|
| Sri. G.V.Narasimha Rao | - | CEO |
| Sri. MVRS Suryanarayana | - | CFO & Compliance Officer |

Registered & Administrative Office

Plot No. 138, H.No. 8-3-222/1/23,
Madhuranagar, Yousuf Guda,
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

Punjab National Bank
UTI Bank Limited
ING Vysya Bank

Share Transfer Agents

Karvy Computershare Pvt. Ltd.
Plot No.17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.
Ph : 040-44655000, Fax: 040-23420814
email : einward.ris@karvy.com

Listing

BSE Limited, Mumbai

Corporate Identification Number : L92111TG1991PLC013222

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NOTICE

Notice is hereby given that the 28th Annual General Meeting of M/s.Padmalaya Telefilms Limited will be held on Monday, the 30th day of September 2019 at 9.30 AM at Hotel Trishul Grand, Adj to Metro Pillar No. 35, Main Road, Madhapur, Hyderabad - 500 081 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, 2019 including audited Balance Sheet as at 31st March, 2019 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 Sri. S. Sreenivasa Rao who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS

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

Appointment of Smt. N. Uma Devi (DIN: 08537674), as Director of the Company

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Smt. N. Uma Devi (DIN: 08537674), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f 14th August 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company".

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".

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

Appointment of Smt. N. Uma Devi (DIN: 08537674), as Independent Director of the Company

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Smt. N. Uma Devi (DIN: 08537674), a non-executive independent director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 14th August 2019 for a period of Five Years."

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution

Appointment of Dr. DVN Raju (DIN: 01887919), as Independent Director of the Company for further period of Five Years

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Dr. DVN Raju (DIN: 01887919), a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby re-appointed as an Independent Director of the Company, for a further period of Five Years with effect from 30th September 2019.”

FURTHER RESOLVED THAT any one of the Directors of the Company be and is hereby authorized to do to file the forms with the Registrar of the Companies, Hyderabad and to do all such Acts, Deeds and execute all documents, things as required in the furtherance of this Resolution.”

Place : Hyderabad
Date : 2nd September, 2019

By Order of the Board of Directors

Sd/-
(G.V. Narasimha Rao)
CEO & Executive Director

Notes:

1. A Statement relating to re-appointment of Director 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 Tuesday, 24th September 2019 to Monday, 30th September 2019 (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 Directors seeking re-appointment under item no. 2, 3, 4 & 5, of this Notice are provided in the Annual Report.
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form, available on the website of the Share Transfer Agent of the Company. i.e. www.karvycomputershare.com, to M/s. Karvy Computershare Pvt. Ltd. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
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. 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 23rd September 2019, i.e. the date prior to the commencement of book closure date 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 Friday, 27th September 2019 and will end at 5.00 p.m. on Sunday, 29th September 2019. 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 E-VOTING

- I. The Company has entered into an arrangement with M/s Karvy Computershare Pvt. Ltd for facilitating e-voting to all the Share Holders of the company for AGM. The instructions for e-voting are as under:

The instructions for e-voting are as under:

A. In case a Member receiving an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participant(s)]:

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
- ii) Enter the login credentials (i.e., User ID and password mentioned below). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your 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 "EVENT" i.e., Padmalaya Telefilms Limited.
- 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 in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder 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) Shareholders holding multiple folios/Demat accounts shall choose the voting process separately for each folios/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 confirm, you will not be allowed to modify your vote. During the voting period, Members can login any numbers 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. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID: schid285@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_ EVENT NO.”
- B.** In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
- i)** User ID and initial password as provided below:
- ii)** Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C.** The e-voting period commences on the Friday, September 27th, 2019 at 10:00 a.m. and ends on Sunday, September 29th, 2019 at 5.00 p.m. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Monday, 23rd September, 2019, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.
- D.** In case of any query pertaining to e-voting, please visit Help & FAQ’s section of <https://evoting.karvy.com>. (Karvy’s website).
- E.** The voting rights of the Members shall be proportion to their shares of the paid up equity share capital of the Company as on the cut-off date being Monday, 23rd September, 2019.
- F.** The Company has appointed Mr. Puttaparthi Jagannatham, Advocate as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- G.** The Scrutinizer after conclusion of the e-voting period will unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer’s Report of the votes cast in favour or against, if any, to the Chairman of the Company.
- H.** The Results on resolutions shall be declared on or before 3rd October 2019 and the resolution will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- I.** The Results declared along with the Scrutinizer’s Report(s) will be available on the Service Provider’s website (<https://evoting.karvy.com>) within two (2) days of passing of the resolutions and communication of the same to the stock exchanges, where the equity shares of the company are listed.

| EVEN (E-Voting Event Number) | USER ID | PASSWORD / PIN |
|------------------------------|------------------|-------------------|
| 1209 | 1100001100016468 | Existing Password |

8. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Karvy Computershare Pvt. Ltd / Investor Service Department of the Company immediately.
9. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Karvy Computershare Pvt. Ltd / Investor Service Department of the Company.
10. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
11. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED

Brief Details of Directors seeking re-appointment at this Annual General Meeting

| | | |
|--|---|---|
| I | Name | : Smt. N. UMA DEVI |
| | Age | : 41 Years |
| | Qualifications | : Graduation |
| | Experience | : Having knowledge about the Financial & Audit Matters |
| | Other Directorships (in Public Companies) | : Nil |
| II | Name | : Dr. DVN Raju |
| | Age | : 79 Years |
| | Qualifications | : He holds Bachelor's Degree in Doctor & Medicine. |
| | Experience | : Having enormous experience in the field of Business |
| | Other Directorships (in Public Companies) | : Nil |
| Name of the Director | | Sri. S.Sreenivasa Rao |
| Date of Birth/Age | | 05/04/1970 (48 Years) |
| Education Qualification | | Diploma in Mechanical Engineering |
| Expertise in Specific functional areas | | In post Production Activity of the Films & Television Serials and Animation |
| List of Companies in which Directorships held as on 31.03.2019. | | 2 |
| Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2019. | | Nil |

Explanatory Statement

[Pursuant to Section 102 of the Companies Act, 2013]

Item No. 3 & 4

Appointment of Smt. N. Uma Devi as Director of the Company

Pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ("Act") Mrs. Uma Devi Narravula was appointed by the Board of Directors as an Additional Director of the Company w.e.f 14th August 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, she fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of her appointment, is available for inspection at the Registered Office of the Company during business hours on any working day.

Hence, the above resolution at item no.3 & 4 are submitted to the meeting for the approval by the members of the Company.

The Board of Directors re-commends the above resolutions at item no. 3 & 4 for the members' approval in the Annual General Meeting

None of the relatives of the proposed appointee is in the management of the Company or related to the business of the Company.

None of the Directors, Managers (if any) and Key Managerial Persons of the Company is concerned or interested (financial / otherwise) in this resolution.

Item No. 5:

Appointment of Dr. DVN Raju (DIN: 01887919), as Independent Director of the Company for further period of Five Years

Dr. DVN Raju was originally appointed on 26th December 2005, and as required under the Companies Act 2013, earlier appointed as Independent Directors of the Company in the 23rd Annual General Meeting held on 30th September 2014, for a period of five years i.e. till 29th September 2019. Now, it is proposed to re-appoint him again for another period of five years.

As per the provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Director, the Independent Director shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM. Accordingly, the Independent Director will serve for not more than two terms of five years each on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to re-appoint him as Independent Director on the Board of the Company, again, for another term upto five consecutive years, commencing from 30th September 2019. A brief profile of proposed Independent Director, including nature of their expertise, is provided in this Annual Report.

Notices have been received from Members proposing candidature of the above Director for the office of Independent Director of the Company. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Director, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Director for his respective appointment, is concerned or interested, financially or otherwise, in these Resolution. The Board recommends the Special Resolution as set out at items no. 5 for approval of the Members.

DIRECTORS' REPORT

To
The Members
PADMALAYA TELEFILMS LTD

Your Directors have pleasure in presenting the 28th Annual Report on the business of your company and the Audited Financial Statements for the year ended on 31st March 2019 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.

Business Performance Review

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

Outlook for the current year

Your Company has reviewed all its business divisions and, the performance of the 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 2019, 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 2015. 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: Nill

(d) Foreign exchange out go: Nill

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

STATUTORY AUDITORS

The provisions of Section 139(2) of the Companies Act 2013 and the Rules made there-under, mandated the Company to rotate its Statutory Auditors and Board of Directors of the Company (on recommendation of Audit Committee) in its meeting held on 1st September 2017, has, (which was ratified by the shareholders in the Annual General meeting held on 29th September 2017), approved the appointment of M/s. P C N & Associates., (FRN: 016016S), (formerly M/s. Chandra Babu Naidu & Co.), Chartered Accountants, as the Statutory Auditors of the Company.

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 2018-2019 as follows & the dates on which the above Board meetings were held are as follows:

30th May 2018; 10th July 2018, 13th July 2018, 14th August 2018, 1st September 2018; 14th November 2018; 14th February 2019.

DIRECTORS AND INDEPENDENT DIRECTORS

Mr. Bijay Kumar Khemka, Director of the Company has resigned from the office of the Director w.e.f 10th June 2019. Smt. N. Uma Devi was appointed as the Additional Director w.e.f 14th August 2019 to comply with the corporate governance clause relating to woman Director and she has consented for the regularization as the Director, and also as Independent Director.

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 Directors 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, 2019 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, 2019, the Company does not have any material listed/unlisted subsidiary companies as defined in SEBI (LODR) Regulations 2015. The policy on determining material unlisted subsidiary of the Company is approved by the Board of Directors of the company.

Vigil Mechanism

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, 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 required 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.

There are securities issued on ESOP basis / Sweat Equity.

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 record 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

Sd/-

(G.V. NARASIMHA RAO)
CEO & Executive Director

Place : Hyderabad
Date : 2nd September, 2019

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31ST 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members 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 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- v. Other Specifically applicable laws to the Company:
 - Up linking / down linking policy /guidelines issued by ministry of information and Broadcasting
 - The Cable Television Network (Regulations) Act, 1995 and rules framed there under;
 - Intellectual Property Rights related laws;
 - (Amendment) Regulations, 2013 issued by Telecom Regulatory Authority of India;
 - The Telecommunication (Broadcasting and cable services) interconnection (Digital Addressable Cable Television Systems) Regulations, 2012

- Approvals from the AP/ Telangana Chamber of Commerce
- Approvals from Central Board of Film Certification

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreement(s) entered into by the Company with Stock Exchange(s)

We further 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. The Company Secretary and CFO have not been appointed as required by the applicable laws.
2. There was no renewal of term of Mr. Sreenivasa Rao Sakhamuri as Director – Works, on expiry of his term. However no form has been filed by the company and disclosure on Stock exchange
3. Disclosures have not been made on the website of the Company.
4. There were instances of non-filing/delay in filing of compliances with the Stock Exchange with respect to Board Meeting held during the Financial year.

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.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

Place : Hyderabad
Date : 2nd September, 2019

For Puttaparthi Jagannatham &Co

Sd/-
Navajyoth Puttaparthi
Practicing Company

FCS : 9896; CP No : 16041

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

ANNEXURE A'

To
The Members of Padmalaya Telefilms Limited
Hyderabad.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Hyderabad
Date : 2nd September, 2019

For Puttaparthi Jagannatham &Co

Sd/-
Navajyoth Puttaparthi
Practicing Company

FCS : 9896; CP No : 16041

Annexure-2
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2019

[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 : Plot No. 138, 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 : Karvy Computershare Pvt. Ltd.
Plot No.17-24, VittalRaoNagar, Madhapur, Hyderabad - 500 081.
Ph : 040-44655000, Fax: 040-23420814
email : einward.ris@karvy.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 - NIL

| Sl.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-2018] | | | | No.of Shares held at the end of the year [As on 31-March-2019] | | | | % Change during the year |
|--------------------------|--|----------|-------|------------|--|-----------------|-------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total | Demat | Physical Shares | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 62455 | 25000 | 87455 | 0.51 | 62455 | 25000 | 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) | 1750474 | 25000 | 1775474 | 10.44 | 1750474 | 25000 | 1775474 | 10.44 | --- |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | --- |
| b) Banks / FI | | | | | | | | | --- |
| c) Central Govt | | | | | | | | | --- |
| d) State Govt(s) | | | | | | | | | |
| e) Venture Capital Funds | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | |
| g) FIs | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (specify) | | | | | | | | | |
| Sub-total (B)(1):- | | | | | | | | | --- |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 728438 | 618100 | 1346538 | 18.51 | 842575 | 2418100 | 3260675 | 19.19 | 0.68 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 8121145 | 46851 | 8167996 | 48.05 | 7223726 | 47951 | 7271677 | 42.77 | (5.28) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 2013761 | 1335000 | 3348761 | 19.70 | 2792076 | 1335000 | 4127076 | 24.28 | 4.58 |
| c) Others (specify) | 524054 | 0 | 524054 | 3.08 | 524054 | 0 | 524054 | 3.08 | --- |
| Non Resident Indians | 36454 | 0 | 36454 | 0.21 | 39933 | 0 | 39933 | 0.23 | 0.02 |
| Overseas Corporate Bodies | | | | | | | | | |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | 723 | 0 | 723 | 0.01 | 1111 | 0 | 1111 | 0.01 | --- |
| Trusts | | | | | | | | | |
| Foreign Bodies - D R | | | | | | | | | |
| Sub-total (B)(2):- | 11423475 | 3801051 | 15224526 | 89.56 | 11423475 | 3801051 | 15224526 | 89.56 | --- |

| | | | | | | | | | |
|---|-----------------|----------------|-----------------|--------------|-----------------|----------------|-----------------|--------------|-----|
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 11423475 | 3801051 | 15224526 | 89.56 | 11423475 | 3801051 | 15224526 | 89.56 | --- |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 13173949 | 3826051 | 17000000 | 100 | 13173949 | 3826051 | 17000000 | 100 | --- |

ii) Shareholding of Promoter:

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year |
|----|-----------------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|---|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 1. | Yamuna Enterprises Pvt Ltd | 1673019 | 9.84 | 0 | 1673019 | 9.84 | 0 | --- |
| 2. | G Ramesh Babu | 50000 | 0.29 | 0 | 50000 | 0.29 | 0 | --- |
| 3. | JayadevGalla | 25000 | 0.15 | 0 | 25000 | 0.15 | 0 | --- |
| 4. | Krishna Productions Pvt Ltd | 15000 | 0.09 | 0 | 15000 | 0.09 | 0 | --- |
| 5. | G Durgamba | 12000 | 0.07 | 0 | 12000 | 0.07 | 0 | --- |
| 6. | P Aparna | 305 | 0.00 | 0 | 305 | 0.00 | 0 | --- |
| 7. | G Parvathi Devi | 150 | 0.00 | 0 | 150 | 0.00 | 0 | --- |

iii) 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 Share holding 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 |

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| SN | Shareholder's Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | Share holding at the end of the year | |
|-----|-----------------------------------|---|----------------------------------|---|----------------------------------|--------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1. | Lime Light Projects India Pvt Ltd | 835000 | 4.91 | 0 | 0 | 835000 | 4.91 |
| 2. | SM Rao | 835000 | 4.91 | 0 | 0 | 835000 | 4.91 |
| 3. | Tabla Entertainment Pvt Ltd | 830000 | 4.88 | 0 | 0 | 830000 | 4.88 |
| 4. | SJ Studio Ltd | 750000 | 4.41 | 0 | 0 | 750000 | 4.41 |
| 5. | Reliance Capital Ltd | 511000 | 3.01 | 0 | 0 | 511000 | 3.01 |
| 6. | MVRS Suryanarayana | 126400 | 0.74 | 0 | 0 | 126400 | 0.74 |
| 7. | Surendra Kancheti | 111206 | 0.65 | 0 | 0 | 111206 | 0.65 |
| 8. | Raj Kumar Pasricha | 0 | 0 | 106150 | 0.62 | 106150 | 0.62 |
| 9. | Vandanapu Rajendra Kumar | 104751 | 0.62 | 0 | 0 | 104751 | 0.62 |
| 10. | Krishna Kumari Mande | 0 | 0 | 100206 | 0.59 | 100206 | 0.59 |

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 | 0 | 94.50 | 0 | 94.50 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) Rs. In Lakhs | 0 | 94.50 | 0 | 94.50 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 0 | 0 | 0 | 0 |
| * Reduction | 0 | 0 | 0 | 0 |
| Net Change | 0 | 0 | 0 | 0 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount Rs. In Lakhs | 0 | 94.50 | 0 | 94.50 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) Rs. In Lakhs | 0 | 94.50 | 0 | 94.50 |

vi) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount (Rs.) |
|-----|---|-------------------------|--|--------------------|
| | | Mr. GV Narasimha Rao | | |
| 1 | Gross salary | 6,00,000 | | 6,00,000 |
| | (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 (A) | 6,90,000 | | 6,90,000 |
| | 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 | | | |
|----|---|--------------------------|------|------|-------|
| | | CEO | CS | CFO | Total |
| 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 | ---- | ---- | ---- | ---- |
| | (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 | ---- | ---- | ---- | ---- |
| | Total | ---- | ---- | ---- | ---- |

vii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| 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 | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | NIL | | |
| 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 synchronise and synergise 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 2019, total number of the Directors on the Board are 4, comprises of 1 (One) Executive, One Non-Executive Non-Independent, and 2 Non Executive Independent Directors. But on 10th June 2019, one of the Non Executive Independent Director has resigned from the Board, and in his place, another Non Executive Independent Director was appointed w.e.f. 14th August 2019. 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 2019.

b. Other Directorship / Committee Memberships held :-

| S. No. | Name of Director | Category | Designation | Director Ship held in other Companies | |
|--------|--------------------|--------------------|--------------------|---------------------------------------|------------------|
| | | | | Director | Committee Member |
| 1 | Bijay Kumar Khemka | Independent | Chairman | 4 | Nil |
| 2 | G.V.Narasimha Rao | Promoter Executive | Executive Director | 1 | Nil |
| 3 | S.Srinivasa Rao | Non Executive | Director | 2 | Nil |
| 4 | Dr D.V.N.Raju | Independent | Director | Nil | Nil |

c. Board Meetings held During the Year

| S.No | Date of Board Meeting |
|------|-----------------------|
| 1 | 30/05/2018 |
| 2 | 10/07/2018 |
| 3 | 13/07/2018 |
| 4 | 14/08/2018 |
| 5 | 01/09/2018 |
| 6 | 14/11/2018 |
| 7 | 14/02/2019 |

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 |
|----------------------|-------------------------------|------------------------|
| Bijay Kumar Khemka | 7 | Yes |
| G.V.Narasimha Rao | 7 | Yes |
| S.Sreenivasa Rao | 7 | Yes |
| Dr D.V.N. Raju | 7 | 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 Listing Agreement 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 of the Company re-constituted during the year comprises three members. All the members of the Committee are "Independent" Directors. Audit Committee consists of the following members:

1. Dr D.V.N. Raju - Chairman
2. Bijay Kumar Khemka - Member
3. S. Sreenivasa Rao - Member

c) Meetings and Attendance during the year

| Name of Director | No. of Meetings held | No. of Meetings Attended |
|------------------------|----------------------|--------------------------|
| Dr D.V.N. Raju | 5 | 5 |
| Sri.Bijay Kumar Khemka | 5 | 5 |
| S.Sreenivasa Rao | 5 | 5 |

d) Audit Committee Meetings held During the Year

| S.No | Date of Board Meeting |
|------|-----------------------|
| 1 | 30/05/2018 |
| 2 | 14/08/2018 |
| 3 | 01/09/2018 |
| 4 | 14/11/2018 |
| 5 | 14/02/2019 |

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:

- Bijay Kumar Khemka - Chairman
 Dr D.V.N. Raju - Member
 S Sreenivasa Rao - Member

Details of Remuneration to the Executive Directors paid/ payable for the financial year 2018-19 is as follows:
 Rs.lakhs

| Particulars | G.V. Narasimha Rao Executive Director |
|-------------|--|
| Salary | 6.00 |
| HRA | 0.90 |
| Total | 6.90 |

Non Executive Directors have been paid sitting fees for attending the Board and the Committee Meetings.

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 been constituted as subcommittee of the Board.

In Pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (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 constituted the investor's grievance committee, with three directors under the Chairmanship of Non Executive Director, as follows:

| | | |
|------------------------|---|----------|
| Dr. D.V.N.Raju | - | Chairman |
| Mr. Bijay Kumar Khemka | - | Member |
| Mr. S Sreenivasa Rao | - | Member |

c) Mr. M.V.R.S. Suryanaraya, Executive of the Company is acting as compliance officer

6. Investor Complaints Received and resolved during the Year 2018-2019

| Nature of Complaints | Received | Resolved | Pending |
|--------------------------------------|----------|----------|---------|
| A. Non-receipt of Dividend Warrants | Nil | Nil | Nil |
| B. Non receipt of Annual Reports | 15 | 15 | Nil |
| C. Non Receipt of share Certificates | Nil | Nil | Nil |

7. General Body Meetings

Details of Location and time of the Last three Annual General Meetings of the Company.

| AGM No. | Financial Year | Date | Time | Venue |
|------------------|----------------|------------|-----------|---|
| 27 th | 31.03.2018 | 29.09.2018 | 09.30 a.m | Hotel Trishul Grand, Adj to Metro Pillar No. 35, Main Road, Madhapur, Hyderabad - 500 081 |
| 26 th | 31.03.2017 | 29.09.2017 | 09.30 a.m | State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033 |
| 25 th | 31.03.2016 | 30.09.2016 | 09.30 a.m | State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033 |

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 2015, and is enclosed at the end of the report.

- 2) During the Financial year 2018-19, 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) The company has complied with the requirements of regulatory authorities on capital market and no penalties/strictures have been imposed against it in the last three years.

9. Means of Communication

Pursuant to the SEBI (LODR) Regulations 2015, Financial Results are generally published in National news papers 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 the each household of shareholder.

General Share Holders Information

1. Annual General Meeting :

| | | |
|-------|---|--|
| Date | : | 30.09.2019 |
| Time | : | 9.30 AM. |
| Venue | : | Hotel Trishul Grand, Adj to Metro Pillar No. 35, Main Road, Madhapur, Hyderabad - 500 081 |

2. Financial Calendar

| | | |
|------------------------------------|---|---|
| Financial Reporting for: | : | 1 st April to 31 st March (2018-19) |
| Quarter ending June, 30 2019 | : | Second Week of August 2019 |
| Quarter ending September, 30 2019 | : | Second Week of November, 2019 |
| Quarter ending Decemeber, 31 2019 | : | Second Week of February, 2020 |
| Quarter ending March, 31 2020 | : | Last Week of May, 2020 |
| Annual General Meeting (Next year) | : | Last week of September, 2020 |

3. Date of Books Closure

24/09/2019 to 30/09/2019

(Inclusive of both days)

4. Listing on Stock Exchanges

BSE Limited, Mumbai

5. Listing Fee

Listing fee for the year 2019-20 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, 2018 to 31st March, 2019 are as stated hereunder.

| 2018-19 | BSE Ltd High Price | Low Price | 2018-19 | BSE Ltd High Price | Low Price |
|---------|-----------------------|-----------|---------|-----------------------|-----------|
| Apr-18 | 4.76 | 3.08 | Oct-18 | 2.75 | 2.19 |
| May-18 | 4.28 | 3.09 | Nov-18 | 2.75 | 2.14 |
| Jun-18 | 3.38 | 2.84 | Dec-18 | 2.73 | 2.17 |
| Jul-18 | 3.10 | 2.07 | Jan-19 | 2.57 | 1.90 |
| Aug-18 | 3.06 | 2.22 | Feb-19 | 2.30 | 1.83 |
| Sep-18 | 2.96 | 2.27 | Mar-19 | 2.50 | 1.93 |

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

8. Share Transfer Agents :

Karvy Computershare Pvt. Ltd.
Plot No.17-24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081.
Ph: 040-44655000, Fax: 040-23420814
email: einward.ris@karvy.com

9. Share Transfer System

The Share Transfers, both physical and demat form, are done by the Registrar and Share Transfer Agents i.e., M/s.Karvy Computer share Pvt. Ltd. Hyderabad. The requests received for transfer of shares in physical form are generally completed within the stipulated time.

10. Distribution of Shareholding: As on 31-03-2019

The details are mentioned elsewhere in this Annual Report.

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 31/03/2019

| Particulars | No. of Shares | % of Share Capital |
|--------------|--------------------|--------------------|
| NSDL | 92,01,142 | 54.12 |
| CDSL | 44,76,257 | 26.33 |
| Physical | 33,22,601 | 19.55 |
| TOTAL | 1,70,00,000 | 100.00 |

11. Outstanding GDR/warrants and

Convertible or Any Convertible Instruments : Not Applicable

12. 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) Hyderabad : # 7-3-697, Rashtrapathi Road,
Secunderabad -500 003.
- b) Kolkata : 48, Chitranjan Avenue,
Kolkata – 700 012
- c) Vijayawada : # 26-9-23, Bhagyachandra Towers,
Ramarao Street, Gandhi Nagar,
Vijayawada – 520 002

14. Address for Correspondence

: Padmalaya Telefilms limited
Regd & Administrative Office,
Plot No - 138,H.No.8-3-222/1/23
Madhuranagar, Yousufguda
Hyderabad - 500 038.
Ph : 040-23738955
E-Mail - info@padmalaya.co.in
E-Mail - padmalayatelefilms@gmail.com

14. SEBI Complaints Readressal 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 readressed the shareholders complaints well within the stipulated time.

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

We, G.V.Nasimaha Rao, Executive Director and MVRS Suryanarayana - Compliance Officer 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 :2nd September, 2019

Sd/-
G.V.Narasimaha Rao
Executive Director

Sd/-
MVRS Suryanarayana
Compliance Officer

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, 2019.

The compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination, conducted 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. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

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.

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

Place : Hyderabad
Date : 2nd September, 2019

Independent Auditors Report

To
**The Members of
M/s. Padmalaya Telefilms Limited**

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, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in equity for the year then ended, 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, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and **Loss**, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 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 financial statements.

Emphasis of matter Paragraph:

1. The company has not complied with the GST liability during the year under consideration.
2. In the absence of technical evaluation of current assets, inventory, we could not able to ascertain the realization value of those assets. Hence we are unable to comment upon the realization value of inventory.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the IND AS financial statements for the financial year 31st March 2019. 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 don't provide separate opinion on these matters. Except the matters discussed in the Emphasis of matters paragraph, there are no other key audit matters to 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 financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with the governance.

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 Companies Act, 2013 ("The Act"), with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit Procedures that is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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 emphasis matter paragraph points given as above.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss 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 except for the emphasis of matter paragraph given above in our report.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the matter specified in the Emphasis of matter paragraph.

- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors (except Mr. Bijay Kumar Khemka) is disqualified as on March 31, 2019 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 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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Hyderabad
Date : 30th May, 2019

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

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 2019, we report that:

- i. The Company has no fixed assets. Accordingly, the provisions of this clause are not applicable to the company.
- ii. As per the information given by the management, the physical verification of inventory has been conducted at reasonable intervals by the management, however in the absence of corroborative evidence and technical valuation of the inventory, we are unable to ascertain the verification and valuation of the inventory in this regard.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under 185 and 186 of the companies Act 2013. Therefore, the provisions of the clause 3(iv) of the said order are not applicable to the company.
- 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 Cost records as specified under Sec 148(1) of the Companies Act 2013 is not prescribed to the Company.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues, as applicable, with the appropriate authorities in India ;
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues in arrears as at 31st March 2019 for a period of more than 6 months from the date they became payable.
(c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues to Income Tax Act and Material Statutory dues, which have not been deposited on account of any disputes.
- viii. The company has not taken any loans from financial institutions or Banks or Government and have not issued any debentures.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of this clause are not applicable.

- x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.
- xi. The Company has not paid/provided for managerial remuneration during the year. Accordingly the provisions of section 197 of the companies act, 2013 are not applicable.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the Provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. The Company has not entered into transactions with related parties during the year. Accordingly, the provisions of the clause 3(xiii) of the order are not applicable to the company.
- xiv. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

Place : Hyderabad
Date : 30th May, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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, 2019 in conjunction with our audit of the 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 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 over financial reporting of the Company.

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 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

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respect except for the matters described in the Emphasis of matter paragraph, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

Place : Hyderabad
Date : 30th May, 2019

BALANCE SHEET AS AT MARCH 31, 2019 (Ind AS)

(In Rupees)

| Particulars | Notes | As At 31 March,19 | As At 31 March,18 |
|---|-------|----------------------|----------------------|
| I. ASSETS: | | | |
| 1. Non Current Assets: | | | |
| a) Property, Plant and Equipment | 2 | - | - |
| b) Capital Work in Progress | | - | - |
| c) Financial Assets | | | |
| i) Non Current Investments | | - | - |
| ii) Loans | | - | - |
| iii) Other Non Current Financial Assets | | - | - |
| d) Deferred Tax Asset | | - | - |
| e) Other Non Current Assets | 3 | 1,28,000 | 1,28,000 |
| Total Non-Current Assets | | 1,28,000 | 1,28,000 |
| 2. Current Assets: | | | |
| a) Inventories | 4 | 13,13,13,770 | 13,13,13,770 |
| b) Financial Assets | | | |
| i) Investments | | - | - |
| ii) Trade Receivables | 5 | 1,63,58,061 | 1,63,58,061 |
| iii) Cash and Cash Equivalents | 6 | 18,820 | 10,81,211 |
| iv) Other Balances with Bank | | - | - |
| v) Loans | | - | - |
| vi) Other Financial Assets | | - | - |
| c) Other Current Assets | 7 | 7,89,91,852 | 7,89,91,852 |
| Total Current Assets | | 22,66,82,503 | 22,77,44,894 |
| TOTAL ASSETS | | 22,68,10,503 | 22,78,72,894 |
| II. EQUITY AND LIABILITIES: | | | |
| Equity | | | |
| a) Equity Share Capital | 8 | 16,99,76,000 | 16,99,76,000 |
| b) Other Equity | 9 | (1,12,15,029) | (66,05,805) |
| Total Equity | | 15,87,60,971 | 16,33,70,195 |
| Liabilities | | | |
| 1. Non Current Liabilities: | | | |
| a) Financial Liabilities | | - | - |
| i) Borrowings | | - | - |
| ii) Other Financial Liabilities | | - | - |
| b) Provisions | 10 | 1,37,500 | 1,37,500 |
| c) Deferred Tax Liabilities (Net) | 11 | 26,18,142 | 49,62,917 |
| d) Other Non Current Liabilities | | - | - |
| Total Non-Current Liabilities | | 27,55,642 | 51,00,417 |
| 2. Current Liabilities: | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 12 | 94,50,000 | 94,50,000 |
| ii) Trade Payables | 13 | 21,56,478 | 21,56,478 |
| iii) Other Financial Liabilities | | - | - |
| b) Provisions | 14 | 1,22,485 | 1,81,985 |
| c) Other Current Liabilities | 15 | 5,35,64,928 | 4,76,13,819 |
| Total Current Liabilities | | 6,52,93,891 | 5,94,02,282 |
| TOTAL EQUITY & LIABILITIES | | 2,26,810,503 | 22,78,72,894 |

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 PADMALAYA TELEFILMS LIMITED

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

Sd/-
Executive Director

Sd/-
Director

Place : Hyderabad
Date : 30th May, 2019

Sd/-
Senior Manager (Accounts & Admin)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(In Rupees)

| PARTICULARS | NOTES | Period Ending 31 March, 19 | Period Ending 31 March, 18 |
|---|-------|-------------------------------|-------------------------------|
| INCOME | | | |
| Revenue from Operations | 16 | 1,11,10,000 | 1,20,92,428 |
| Other income | 17 | 1,03,000 | 1,05,455 |
| TOTAL INCOME | | 1,12,13,000 | 1,21,97,883 |
| EXPENSES | | | |
| Cost of materials consumed | 18 | 95,70,000 | 84,89,622 |
| Employees benefit Expenses | 19 | 10,86,000 | 12,21,302 |
| Finance Costs | 20 | 2,000 | 4,748 |
| Depreciation and Amortisation Expenses | | | - |
| Other Operating and General Expenses | 21 | 75,09,000 | 1,37,29,356 |
| TOTAL EXPENSES | | 1,81,67,000 | 2,34,45,028 |
| Profit/(Loss) before exceptional items and tax | | (69,54,000) | (1,12,47,145) |
| Exceptional Items | | | |
| Profit/(Loss) before tax | | (69,54,000) | (1,12,47,145) |
| Tax Expenses: | | | |
| (1) Current Tax | | | |
| (2) Deferred Tax | | (23,44,775) | 31,11,561 |
| Total | | | |
| Profit (Loss) after Tax for the period | | (46,09,225) | (1,43,58,706) |
| 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 | | (46,09,225) | (1,43,58,706) |
| Earnings Per Share: | | | |
| a) Basic (Rs.) | | -0.27 | -0.84 |
| b) Diluted (Rs.) | | -0.27 | -0.84 |
| Face Value per Equity Share | | | |

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 PADMALAYA TELEFILMS LIMITED

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

Sd/-
Executive Director

Sd/-
Director

Place : Hyderabad
Date : 30th May, 2019

Sd/-
Senior Manager (Accounts & Admin)

SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation:

For all periods, up to and including the year ended 31 March 2019, 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 2019 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. These are the first Ind-AS financial statements of the Company, wherein the Company has restated its Balance Sheet as at 1 April 2016 and financial statements for the year ended and as at 31 March 2017 also as per Ind-AS.

The standalone 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 interest rate 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 cash flows 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 cost less 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 in equity 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 a 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 anti dilutive.

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. Spares and Consumables are charged off to revenue in the year of purchase. Cost includes the aggregate of all expenditure incurred in bringing the inventories to the present condition and situation.

CASHFLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

(In Rupees)

| | PARTICULARS | For the Year Ended 31st March 2019 | For the Year Ended 31st March 2018 |
|-----------|---|------------------------------------|------------------------------------|
| A. | CASH FLOW FROM OPERATING ACTIVITIES: | | |
| | Net profit before tax and exceptional items | (69,54,000) | (1,12,47,145) |
| | Adjustments for: | | |
| | Depreciation and Amortization Expenses | - | - |
| | Profit/Loss on sale of Fixed Assets (Net) | - | 1,12,88,897 |
| | Finance Costs | 2,000 | 4,748 |
| | Interest Income | - | - |
| | Adjustments for Ind As(Deferred Tax) | - | (1,69,173) |
| | Cash Operating Profit before working capital changes | (69,52,000) | (1,22,673) |
| | Adjustments for (increase)/decrease in operating assets | | |
| | Trade receivables | - | - |
| | Inventories | - | - |
| | Other Current Assets | - | - |
| | Short Term Loans & Advances | - | - |
| | Other Financial Assets | - | - |
| | Other Non Current Assets | - | - |
| | Adjustments for increase/(decrease) in operating liabilities | (69,52,000) | (1,22,673) |
| | Borrowings | - | - |
| | Short Term Provisions | - | (45,000) |
| | Trade Payables | - | - |
| | Other Financial Liabilities | - | - |
| | Other Non Current Liabilities | (59,500) | (5,500) |
| | Other short term Liabilities | 59,51,109 | (18,43,588) |
| | Cash Generated from Operations | - | (20,16,761) |
| | Direct Taxes - Refund / (paid) | - | - |
| | Net Cash Generated From Operating Activities (A) | (10,60,391) | (20,16,761) |
| B. | CASH FLOW FROM INVESTING ACTIVITIES: | | |
| | Purchase of fixed assets (net) | - | - |
| | Sale of Fixed Assets | - | 30,50,000 |
| | Dividend Income | - | - |
| | Interest Income | - | - |
| | Net Cash Generated/Used In Investing Activities (B) | - | 30,50,000 |
| C. | CASH FLOW FROM FINANCING ACTIVITIES: | | |
| | Financing Charges | (2,000) | (4,748) |
| | Proceeds from Share Capital | - | - |
| | Proceeds/ (Repayment) from Long Term Borrowings | - | - |
| | Proceeds/ (Repayment) from Short Term Borrowings | - | - |
| | Net Cash Generated/Used In Financing Activities (C) | (2,000) | (4,748) |
| | NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) | (10,62,391) | 10,28,491 |
| | Opening Cash and Cash Equivalents as at 31st March,2017 | 10,81,211 | 52,720 |
| | Closing Cash and Cash Equivalents as at 31st March 2018 | 18,920 | 10,81,211 |

As per our Report of Even Date

For PADMALAYA TELEFILMS LIMITED

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

Sd/-
Executive Director

Sd/-
Director

Place : Hyderabad
Date : 30th May, 2019

Sd/-
Senior Manager (Accounts & Admin)

Statement Of Changes In Equity For The Year Ended 31st March, 2019

| Particulars | Equity share capital | Other Equity | | | | | | Total Equity |
|--|---------------------------------|---|----------------------------|-----------------|-------------------|---|---------------|--------------|
| | Equity share capital Subscribed | Equity Component of Other Financial Instruments | Reserves & Surplus | | | | Other Equity | |
| | | | Securities Premium Reserve | General reserve | Retained Earnings | Other Comprehensive Income Equity Instruments through other comprehensive income | | |
| Balance as at 1st April,2018 | 16,99,76,000 | | 75,66,08,703 | 8,82,84,200 | (85,14,98,708) | | (66,05,805) | 6,33,70,195 |
| Total Of Other Comprehensive Income (Net of Tax) | | | | | | | | |
| Dividend (Including Dividend Distribution Tax) | | | | | (46,09,225) | | | |
| Profit For The Year | | | | | | | | |
| Balance as at 31st March,2019 | 16,99,76,000 | | 75,66,08,703 | 8,82,84,200 | (85,61,07,933) | | (1,12,15,030) | 15,87,60,970 |

Note No 2 : Property, Plant & Equipment

| Particulars | Land | Plant & Machinery | Office Equipment | Furniture & Fixtures | Vehicles | Other Assets | Total |
|------------------------------------|-------------|-------------------|------------------|----------------------|-----------|--------------|--------------|
| Cost at | | | | | | | |
| As at 1st April 2017 | 1,43,38,897 | 28,42,07,430 | 56,88,216 | 26,64,181 | 18,53,083 | 1,09,43,868 | 31,96,95,675 |
| Additions During the Year | | | | | | | - |
| Disposals During the Year | | | | | | | 1,43,38,897 |
| As at 31st March 2018 | | 28,42,07,430 | 56,88,216 | 26,64,181 | 18,53,083 | 1,09,43,868 | 30,53,56,778 |
| Additions During the Year | | | | | | | - |
| Disposals During the Year | | | | | | | - |
| As at 31st March 2019 | - | 28,42,07,430 | 56,88,216 | 26,64,181 | 18,53,083 | 1,09,43,868 | 30,53,56,778 |
| Depreciation / Amortization | | | | | | | |
| As at 1st April 2017 | - | 28,42,07,430 | 56,88,216 | 26,64,181 | 18,53,083 | 1,09,43,868 | 30,53,56,778 |
| Provided for the year | | | | | | | - |
| Deductions During the Year | | | | | | | - |
| As at 31st March 2018 | - | 28,42,07,430 | 56,88,216 | 26,64,181 | 18,53,083 | 1,09,43,868 | 30,53,56,778 |
| Provided for the year | | | | | | | - |
| Deductions During the Year | | | | | | | - |
| As at 31st March 2019 | - | 28,42,07,430 | 56,88,216 | 26,64,181 | 18,53,083 | 1,09,43,868 | 30,53,56,778 |
| Net Carrying Value | | | | | | | |
| As at 1st April 2017 | 1,43,38,897 | | | | | | 1,43,38,897 |
| As at 31st March 2018 | - | | | | | | - |
| As at 31st March 2019 | - | - | - | - | - | - | - |

NOTE NO. 3 : Other Non Current Assets

(In Rupees)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---------------------------------------|---------------------|---------------------|
| Security Deposit | 1,28,000 | 1,28,000 |
| Total Other Non Current Assets | 1,28,000 | 1,28,000 |

NOTE NO 4 : Inventories

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---------------------------|---------------------|---------------------|
| Closing Stock | 3,33,82,134 | 3,33,82,134 |
| Software under Production | 7,33,85,497 | 7,33,85,497 |
| Projects on Hand | 2,45,46,139 | 2,45,46,139 |
| Total Inventory | 13,13,13,770 | 13,13,13,770 |

NOTE NO 5 : Trade Receivables

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|--------------------------------|---------------------|---------------------|
| Current - Unsecured | | |
| Considered Good | 1,63,58,061 | 1,63,58,061 |
| Considered Doubtful | | |
| Total Trade Receivables | 1,63,58,061 | 1,63,58,061 |

Note No 6 : Cash and Cash Equivalents

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|--|---------------------|---------------------|
| Balances with Banks : | | |
| On Current Accounts | 8,320 | 10,55,101 |
| Cheques, drafts on hand | | |
| Cash on Hand | 10,500 | 26,110 |
| Total Cash and Cash Equivalents | 18,820 | 10,81,211 |

Note No 7 : Other Current Assets

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|-----------------------------------|---------------------|---------------------|
| Prepaid Expenses | 11,51,685 | 11,51,685 |
| Loan Receivables | 7,45,70,181 | 7,45,70,181 |
| Other Advances | 32,69,986 | 32,69,986 |
| Total Other Current Assets | 7,89,91,852 | 7,89,91,852 |

Note No 8 : Share Capital

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|--|---------------------|---------------------|
| Authorised Share Capital | | |
| 2,00,00,000 Equity Shares of Rs.10/- each (31st March, 2019: 2,00,00,000 Equity Shares of Rs.10/- each) (1st April, 2018: 2,00,00,000 Equity Shares of Rs.10/- each) | 20,00,00,000 | 20,00,00,000 |

(In Rupees)

| | | |
|---|---------------------|---------------------|
| Issued Share Capital 1,70,00,000 Equity Shares of Rs.10/- each (31st March, 2019: 1,70,00,000 Equity Shares of Rs.10/- each) (1st April, 2018: 1,70,00,000 Equity Shares of Rs.10/- each) | 17,00,00,000 | 17,00,00,000 |
| Subscribed and Fully Paid up 1,69,65,200 Equity Shares of Rs.10/- each (31st March, 2019: 1,69,95,200 Equity Shares of Rs.10/- each) (1st April, 2018: 1,69,95,200 Equity Shares of Rs.10/- each) | 16,99,52,000 | 16,99,52,000 |
| Subscribed and Not Fully Paid up 4,800 Equity Shares of Rs.10/- each (31st March, 2019 : 4,800 Equity Shares of Rs.10/- each) (1st April, 2018: 4,800 Equity Shares of Rs.10/- each) | 24,000 | 24,000 |
| Total Equity Share Capital | 16,99,76,000 | 16,99,76,000 |

Note No 9 : Other Equity

| Particulars | Reserves & Surplus | | | Other | Total |
|---|--------------------|----------------------------|-------------------|----------------------|--------------|
| | General Reserve | Securities Premium Reserve | Retained Earnings | Comprehensive Income | |
| Balance as at 1st April 2017 | 8,82,84,200 | 75,66,08,703 | (83,71,40,002) | | 77,52,901 |
| Dividend (Including Dividend Distribution Tax) Profit For The Year | | | (1,43,58,706) | | |
| Balance as at 31st March, 2018 | 8,82,84,200 | 75,66,08,703 | 85,14,98,708 | - | (66,05,805) |
| Dividend (Including Dividend Distribution Tax) Profit For The Year | | | (46,09,224) | | |
| Balance as at 31st March, 2019 | 8,82,84,200 | 75,66,08,703 | (85,61,07,932) | - | -1,12,15,029 |

Note No 10 : Provisions

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|--|---------------------|---------------------|
| Provision for Employee Benefits | | |
| Gratuity | 97,500 | 97,500 |
| Leave Encashment | - | - |
| Others | 40,000 | 40,000 |
| Total Provisions | 1,37,500 | 1,37,500 |

Note No 11 : Deferred Tax Liability (Net)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|--|---------------------|---------------------|
| Opening Balance | 49,62,917 | 20,20,529 |
| Add/(Less): Provision of Deferred tax charge / (Credit) for the year | 23,44,775 | 31,11,561 |
| Add/(Less): Adjustment Due to Ind AS | - | (1,69,173) |
| Closing Balance | 26,18,142 | 49,62,917 |

Note No 12 : Borrowings

(In Rupees)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|-------------------------|---------------------|---------------------|
| Unsecured | | |
| From Others | 94,50,000 | 94,50,000 |
| Total Borrowings | 94,50,000 | 94,50,000 |

Note No 13 : Trade Payables

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|-----------------------------|---------------------|---------------------|
| Suppliers | 21,56,478 | 21,56,478 |
| Total Trade Payables | 21,56,478 | 21,56,478 |

Note No 14 : Provisions

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|--|---------------------|---------------------|
| Provision for Employee Benefits | | |
| PF & ESI Payable | 3,887 | 5,775 |
| Salaries Payable | 24,836 | 36,900 |
| Others | | |
| Statutory Liabilities | 56,072 | 83,310 |
| TDS Payable | 37,691 | 56,000 |
| Total Provisions | 1,22,485 | 1,81,985 |

Note No 15 : Other Current Liabilities

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|--|---------------------|---------------------|
| Other Payables | 5,35,64,928 | 4,76,13,819 |
| Total Other Current Liabilities | 5,35,64,928 | 4,76,13,819 |

Note No 16: Revenue From Operations

| Particulars | Period Ending 31.03.2019 | Period Ending 31.03.2018 |
|---------------------------------|-----------------------------|-----------------------------|
| Revenue From Operations: | | |
| (A) Sale of Products | 1,11,10,000 | 1,20,92,428 |
| (B) Other Operating Income | | |
| Total | 1,11,10,000 | 1,20,92,428 |

Note No 17 : Other Income

| Particulars | Period Ending 31.03.2019 | Period Ending 31.03.2018 |
|----------------------------|-----------------------------|-----------------------------|
| Other Non Operating Income | 1,03,000 | 1,05,455 |
| Total | 1,03,000 | 1,05,455 |

Note No 18 : Cost of Materials Consumed

| Particulars | Period Ending 31.03.2019 | Period Ending 31.03.2018 |
|------------------------|-----------------------------|-----------------------------|
| Production Expenditure | 95,70,000 | 84,89,622 |
| Total | 95,70,000 | 84,89,622 |

Note No 19 : Employee Benefit Expenses

(In Rupees)

| Particulars | Period Ending 31.03.2019 | Period Ending 31.03.2018 |
|---|-----------------------------|-----------------------------|
| Salaries,Wages and bonus | 4,26,823 | 4,80,000 |
| Contribution to Provident & Other Funds | 22,963 | 25,824 |
| Managerial Remuneration | 6,13,558 | 6,90,000 |
| Staff Welfare Expenses | 22,655 | 25,478 |
| Total | 10,86,000 | 12,21,302 |

Note No 20 : Finance Costs

| Particulars | Period Ending 31.03.2019 | Period Ending 31.03.2018 |
|--------------|-----------------------------|-----------------------------|
| Bank Charges | 2,000 | 4,748 |
| Total | 2,000 | 4,748 |

Note No 21 : Other Operating and General expenses

| Particulars | Period Ending 31.03.2019 | Period Ending 31.03.2018 |
|--|-----------------------------|-----------------------------|
| (i) Operating expenses consist of the following : | | |
| Packing, consumables & stores | | |
| Rent | 1,75,000 | 1,56,000 |
| Bad Debts Written Off | - | - |
| Repairs & Maintenance | 3,38,148 | - |
| Other Operating Expenses | 4,73,984 | - |
| (ii) General expenses consist of the following : | | |
| Printing and Stationery | 20,340 | 8,450 |
| Security Expenses | 2,45,980 | - |
| Conveyance | 3,15,800 | 1,50,576 |
| Office Maintenance | 4,60,500 | 1,90,250 |
| Business Promotion Expenses | 5,68,960 | 1,78,458 |
| Loss on sale of fixed assets | - | 1,12,88,897 |
| Postage & Telephones | 76,200 | 30,398 |
| Professional & Consultancy Fee | 2,58,000 | 2,17,200 |
| Power and Fuel | 2,18,946 | - |
| AGM & EGM Expenses | 7,19,208 | 9,77,192 |
| Subscription, Membership and corporate bodies | 3,63,455 | 2,93,935 |
| Gratuity, Bonus & Leave Encashment | 46,000 | 46,000 |
| License Fees | 5,500 | 5,500 |
| Donation Expenses | 1,60,000 | - |
| Miscellaneous Expenses | 8,45,256 | - |
| Pre-Production & Production Expenses | 20,31,223 | - |
| Payment to Auditors: | | |
| (i) As Audit fee | 59,000 | 59,400 |
| (ii) For Taxation Matters | 48,400 | 48,400 |
| (iii) For Other Services | 18,700 | 18,700 |
| Internal Auditors Remuneration | 60,000 | 60,000 |
| Total | 75,09,000 | 1,37,29,356 |

NOTE NO. 10 : TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2019

| Sl. No. | Particulars | Gross Block | | | Depreciation/Amortization | | | | Net Block as on 31.03.2019 | Net Block as on 31.03.2018 |
|---------|-------------------------------|---------------------|---------------------------|---------------------------------|---------------------------|-----------------------|-------------------------------------|---------------------|----------------------------|----------------------------|
| | | As on 01.04.2018 | Additions during the year | Sale/ Deletions during the year | As on 31.03.2019 | Dep. As on 01.04.2018 | Dep. For the year ending 31-03-2019 | Total Depreciation | | |
| | | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| | Tangible Fixed Assets: | | | | | | | | | |
| 1 | Land | 1,43,38,897 | - | (1,43,38,897) | - | - | - | - | - | 1,43,38,897 |
| 2 | Plant & Machinery | 28,42,07,430 | - | - | 28,42,07,430 | 28,42,07,430 | - | 28,42,07,430 | - | - |
| 3 | Other Assets | 1,09,43,868 | - | - | 1,09,43,868 | 1,09,43,868 | - | 1,09,43,868 | - | - |
| 4 | Office Equipment | 56,88,216 | - | - | 56,88,216 | 56,88,216 | - | 56,88,216 | - | - |
| 5 | Furniture | 26,64,181 | - | - | 26,64,181 | 26,64,181 | - | 26,64,181 | - | - |
| 6 | Vehicles | 18,53,083 | - | - | 18,53,083 | 18,53,083 | - | 18,53,083 | - | - |
| | Intangible Assets | | | | | | | | | |
| | Total | 31,96,95,675 | - | (1,43,38,897) | 30,53,56,778 | 30,53,56,778 | - | 30,53,56,778 | - | 1,43,38,897 |

Depreciation :

- Depreciation is provided on straight line method as per schedule XIV of the Companies Act, 1956.
- Other Assets include Ornaments, Sostumes, Library Etc.

22. Disclosure of Remuneration to Auditors:

(In Rupees)

| Particulars | 2018-19 Amount (Rs.) | 2017-18 Amount (Rs.) |
|----------------------|-------------------------|-------------------------|
| Statutory Audit Fees | 59,400 | 59,400 |
| Tax Audit Fess | 48,400 | 48,400 |
| Other Services | 18,700 | 18,700 |
| GST/Service Tax | - | - |
| Total | 1,26,500 | 1,26,500 |

23. Earnings Per Share:

| | |
|--|-------|
| Basic EPS before extraordinary items | -0.27 |
| Diluted EPS before extraordinary items | -0.27 |

25. Taxes of Income:

Deferred Tax (Liability) amounting to Rs. 26,18,142 has been recognized due to the differences arising on account of Depreciation, Amortized of Expenses and losses on sale of Assets.

26. The company has 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.

27. Previous year figures have been regrouped and rearranged wherever found necessary, to be in confirmative with current year classification.

28. Figures are rounded off to the nearest rupee.

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

Sd/-
Lakshmi Prasanthi.S
Partner
M.No:236578

Place : Hyderabad
Date : 30th May, 2019

PADMALAYA TELEFILMS LIMITED

(CIN: L92111TG1991PLC013222)

Regd. Office: Plot No. 138, H.No. 8-3-222/1/23,

Madhuranagar, YousufGuda, Hyderabad - 500 038, Telangana.

Website: www.padmalayatelefilms.com; Email: info@padmalaya.co.in,
padmalayatelefilms@gmail.com

ATTENDANCE SLIP FOR 28TH ANNUAL GENERAL MEETING

Monday - 30th September 2019

| | |
|--------|--|
| DP ID* | |
|--------|--|

| | |
|-----------|--|
| Folio No. | |
|-----------|--|

| | |
|------------|--|
| Client ID* | |
|------------|--|

| | |
|---------------|--|
| No. of Shares | |
|---------------|--|

Name and address of First/sole shareholder:

I, hereby record my presence at the 28th Annual General Meeting of the Company to be held on Monday 30th September, 2019 at 9.30 A.M at Hotel Trishul Grand, Adj to Metro Pillar No. 35, Main Road, Madhapur, Hyderabad - 500 081.

Name of the Member/Proxy
(Block Letters)

Signature of the Member/Proxy

Note:

- Only Member/Proxy can attend the Meeting. No minors would be allowed at the Meeting.
- 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.
- Member/Proxy should bring his/her copy of the Annual Report for reference at the Meeting.

PADMAYALA TELEFILMS LIMITED

(CIN: L92111TG1991PLC013222)

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

Website: www.padmalyatelefilms.com; Email: info@padmalaya.co.in, padmalayatelefilms@gmail.com

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 | |
| Email Id | |
| Folio No / Client ID | |
| DP ID: | |

I / We, being the member(s) of _____ shares of the above named company, hereby appoint

| | | | |
|---|----------------|-----------|--|
| 1 | Name | | |
| | Address | | |
| | E- Mail ID | Signature | |
| | of failing him | | |
| 2 | Name | | |
| | Address | | |
| | E- Mail ID | Signature | |
| | of failing him | | |
| 3 | Name | | |
| | Address | | |
| | E- Mail ID | Signature | |
| | of failing him | | |

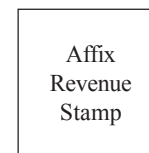
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual general meeting of the company, to be held on the Monday 30th September 2019 at 9.30 A.M at Hotel Trishul Grand, Adj to Metro Pillar No. 35, Main Road, Madhapur, Hyderabad - 500 081 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sl No. | Resolutions |
|--------------------------|--|
| Ordinary business | |
| 1. | To receive, consider and adopt the Audited Balance Sheet as at 31st March 2019 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 Sri S. Srinivasa rao as Director of the company who retires by rotation |
| Special Business | |
| 3. | To appoint Mrs. N. Uma Devi, as Director Of The Company |
| 4. | To appoint Mrs. N. Uma Devi, as Independent Director Of The Company for five years |
| 5. | To Appoint Dr. DVN Raju as Independent Director For Another Five Years |

Signed this _____ day of _____ 2019

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.

**PRINTED MATTER
BOOK – POST**

If Undelivered, please return to :

PADMALAYA TELEFILMS LIMITED

Plot No. 138, H.No. 8-3-222/1/23,
Madhura Nagar, Yusuf Guda,
Hyderabad - 500 038