

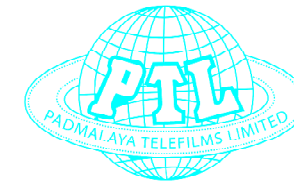
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If Undelivered, please return to :

PADMALAYA TELEFILMS LIMITED

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

24th
ANNUAL REPORT
2014 – 15



Padmalaya
TELEFILMS LIMITED

Corporate Information

Board of Directors

Sri. Bijay Kumar Khemkha	-	Chairman (DIN: 01543776)
Sri. G.V.Narasimha Rao	-	Executive Director (DIN: 01763565)
Sri. S.Sreenivasa Rao	-	Director - Works (DIN: 01691043)
Dr. D.V.N.Raju	-	Independent Director (DIN: 01887919)

Regd. & Administrative Office

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

Auditors

M/s P. Murali & Co.,
Chartered Accountants,
6-3-655/2/3, Somaji Guda
Hyderabad - 500 082

Bankers

Allahabad 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

The Bommay Stock Exchnge Limited, Mumbai
The National Stock Exchange Limited, Mumabi

Corporate Identification Number: L92111TG1991PLC013222

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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		
	of failing him		
3	Name		
	Address		
	E- Mail ID	Signature	
	of failing him		
	of failing him		

as my / our proxy to attend and vote (on a poll) for me/ us and on my / our behalf at the 24th Annual General Meeting of the Company, to be held on 30th day of September, 2015 at 09:30 A. M at the State Gallery Of Fine Arts, Road No.1, Kavuri Hills, Madhapur, Hyderabad-500 033, Telangana and at any adjournment thereof in respect of such resolution as are indicated below:

Sl No.	Resolutions	For	Against	Abstain
Ordinary business				
1	To consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors			
2	Re-appointment of Sri. S. Sreenivasa Rao(DIN: 01691043), who retires by rotation			
3	Ratification of appointment of M/s P Murali& Co, Chartered Accountants as Statutory Auditors			

Signed this _____ day of _____ 2015

Signature of Shareholder _____

Signature of Proxy holder (s) _____

Affix
Revenue
Stamp

Note:

This of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.



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

ATTENDANCE SLIP FOR 24TH ANNUAL GENERAL MEETING

(to be handed it over at venue of the meeting)

I certify that I am a registered shareholder/ proxy/ representative for the registered shareholder(s) of Intense Technologies Limited.

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

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

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

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

* Applicable for investors holding shares in electronic form

I hereby record my presence at the 24th Annual General Meeting of the Company held on 30th day of September, 2015 at 09:30 A.M at State Gallery Of Fine Arts, Road No.1, Kavuri Hills, Madhapur, Hyderabad-500 033, Telangana.

Name and Address of Member

--

Signature of Shareholder/ Proxy/Representative
(Please Specify)

Note:

1. Shareholders/ Proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the venue, affixing their signature on them.
2. Members are informed that no duplicate attendance slips will be issued at the venue of the meeting.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S.PADMALAYA TELEFILMS LIMITED (CIN: L92111TG1991PLC013222) WILL BE HELD ON WEDNESDAY THE 30TH SEPTEMBER, 2015 AT 9.30 A.M AT THE STATE GALLERY OF FINE ARTS, ROAD NO.1, KAVURI HILLS, MADHAPUR, HYDERABAD-500 033 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and Profit and Loss Account for the year ended on that date together with the Reports of Directors 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.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Pursuant to the ordinary resolution passed by the members at the 23rd Annual General Meeting of the Company and to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013, the appointment of M/s P. Murali & Co., Chartered Accountants, Hyderabad (Firm Registration No: 007257S) as Statutory Auditors of the Company for the financial year ending 31st March, 2016 at such remuneration as may be approved by the Board of Directors of the company be and is hereby ratified.

for and on behalf of the Board

Place : Hyderabad
Date : 14th August, 2015

Sd/-
(Bijay Kumar Khemka)
Chairman



Notes :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and a proxy need not be a member of the company. The instrument of Proxy in order to be effective should be deposited at its Registered Office of the Company not later than forty eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23-09-2015 to 30-09-2015 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.

3. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, 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.

4. 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.

5. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s Karvy Computershare Pvt. Ltd.

6. PROCEDURE FOR E-VOTING

1. 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".



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1 Registration Details

CIN No.

L	9	2	1	1	T	G	1	9	9	1	P	L	C	0	1	3	2	2	2
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Balance Sheet

3	1	0	3	2	0	1	5
Date	Month	Year					

2 Capital Raised During The Year (Amount Rs. In thousands)

Public Issue

N	I	L
---	---	---

 Rights Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

3 Position of Mobilisation and deployment of funds (Amount Rs. In thousands)

Total Liabilities

2	0	0	9	7	0
---	---	---	---	---	---

 Total Assets

2	0	0	9	7	0
---	---	---	---	---	---

Sources of Funds

Paid-Up Capital

1	6	9	9	7	6
---	---	---	---	---	---

 Reserves & Surplus

-	1	5	7	4	8
---	---	---	---	---	---

Secured Loans

4	4	8	7	8
---	---	---	---	---

 Differed tax lia.

1	8	6	4
---	---	---	---

Application Funds

Net Fixed Assets

1	4	3	3	9
---	---	---	---	---

 Investments

N	I	L
---	---	---

Net Current Assets

1	8	6	6	3	1
---	---	---	---	---	---

Accumulated Losses

N	I	L
---	---	---

4 Performance of the Company (Amount Rs. In Thousand)

Turn Over

2	3	9	7	5
---	---	---	---	---

 Total Expenditure

3	1	5	7	3
---	---	---	---	---

Loss Before Tax

9	4	6	4
---	---	---	---

 Loss After Tax

6	1	5	1
---	---	---	---

Earning Per Share

N	A
---	---

 Dividend Rate (Weighted Average)

N	I	L
---	---	---

5 Generic Names of Principal Products / Services of the Company (As per Monetary Items)

Item Code No.

8	5	2	4	2	3	0	9
---	---	---	---	---	---	---	---

Item Code No. Television Software, Features Films, Production & Distribution



32. Foreign exchange inflow and Outflow

- a) Foreign exchange inflow - Nil (Previous Year - Nil)
- b) Foreign exchange outflow - Nil (Previous Year - Nil)

33. Contingent Liabilities

The company's has filed appeal before Hon'ble Commissioner of Income Tax (Appeals), Hyderabad against the demand of Income Tax amounting to Rs. 1.50 crores for the Assessment years 2003-2004 and the same is disposed - off in favour of the company. As per orders passed by the Hon'ble Commissioner of Income Tax (Appeals), Hyderabad, the demand has become nil.

34. Legal cases:

- a. M/s Data Soft, Mumbai filed recovery petition against the company for recovering its dues to the tune of Rs. 2.52 lakhs. The company negotiating with the party for settlement.
- b. HDFC bank has filed a case against the Company for recovery of secured loan given to the Company for due amount in DRT. Further the company has been approached with bank for one time settlement and still it is pending for consideration. The Company has not provided the interest on loan outstanding for the financial year 2014-2015.

35. Balances of Sundry debtors/creditors, loans are subject to Confirmations

36. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

37. Previous years' figures are restated/regrouped/rearranged wherever necessary in order to confirm to the current years' grouping and classifications.

38. Figures have been rounded off to the nearest rupee.

Signatures to the notes no.1 to 38

As per our report of even date

for and on behalf of the Board

For P.Murali & Co.,

Chartered Accountants
FRN: 007257 S

Sd/-

P.Murali Mohana Rao

Partner

Member Ship No. 23412

Place: Hyderabad

Date: 30th May, 2015

Sd/-

Director

Sd/-

Whole Time Director



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 Saturday, September 26th, 2015 at 10:00 A.M. and ends on Tuesday, September 29th, 2015 at 5.30 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 Tuesday, September, 22, 2015, 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 Tuesday, September 22, 2015.
- F. The Company has appointed Company Secretary Mr. Puttaparthi Jagannatham, Practising 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, 2015 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 three (3) 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
2098	11303540	Existing Password

7. 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.
8. 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.
9. 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.
10. 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 on Retiring Directors required to be furnished as per the Listing Agreement.

Brief Details of Directors seeking re-appointment at this Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Sri. S.Sreenivasa Rao
Date of Appointment	22 nd January 2007
Date of Birth/Age	45 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 31.03.2015.	2
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2015.	Nil



29. Managerial Remuneration

(Rs. In lakhs)

Particulars	31-03-2015	31-03-2014
Salaries	11.40	11.40
Perquisites & Allowances	0.90	0.90
Total	12.30	12.30

30. Auditors Remuneration

(Rs. In lakhs)

Particulars	31-03-2015	31-03-2014
Statutory Audit Fees	0.60	0.60
Tax Audit Fees	0.30	0.30
Certification Fees	0.13	0.13
Others	0.21	0.18
Total	1.24	1.21

31. Disclosures as required under Accounting Standard AS-15

Retirement benefits to employees The Company has made provision based on Actuarial Valuation in respect of Gratuity and Leave Encashment as per AS 15. The details are as follows:

(Rs. In lakhs)

Particulars	31-03-2015	31-03-2014
Gratuity	0.12	0.31
Leave Encashment	0.19	0.19

Expenses: This is the profit and loss charges for the accounting period, and comprises the sum of the service and Recognized in interest costs less the expected returns on assets, adjusted for Actuarial Gain/Loss recognized for the P& L A/C.

Contributions are made to Recognized Provident fund / Government Provident Fund, Family pension Fund, ESIC and other Statutory Funds which covers all regular employees. While both the employees and the Company make predetermined contributions to the Provident Fund and ESIC, contribution to the Family pension Fund is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

(Rs.in Lakhs)

Particulars	31-03-2015	31-03-2014
Contribution to Provident fund	0.39	0.51
Contribution to Employee State Insurance Scheme (ESI)	0.07	0.11

In respect of Gratuity, Company made necessary provision. Provision for Gratuity is based on actuarial valuation done by independent actuary as at the year end. Actuarial valuation for compensated absences is done as at year end and the provision is made as per Company rules and its cover all regular employees. Major drivers in actuarial assumption, typically are years of service and employee compensation. After the issuance of the Accounting Standard 15 on "Employee Benefits" commitments are actuarially determined using the "Projected Unit Credit" method. Gains and losses on changes in actuarial assumptions are accounted for in the Profit and Loss account.



NOTES ON ACCOUNTS:

24 Share Capital

Company is having existing Equity share capital to the extent of 1,70,00,000 Shares @ Rs.10/- each fully subscribed as on 01.04.2013 and no further issue of shares during the year under review.

25. Secured Loans:

Term Loan of Rs.448.78 Lakhs (Previous year Rs.448.78 Lakhs) from HDFC Bank, Mumbai is secured by fixed and Current Assets of the Company. The Executive Director and chief promoter have given their personnel guarantees to the Bank in their personal capacity.

26. Depreciation:

- During the year the Company has provided Depreciation on Fixed Assets based on the Useful life in the manner prescribed in Schedule II Part C to the Companies Act, 2013.
- Other Assets include Ornaments, Costumes, Library Etc.

27. Segment Reporting:

The Company operates in four segments, T.V.Software, Infrastructure, Films and Animation. Segments wise operational information have been reported based on the guiding principles of Accounting Standard 17 (A.S.17) issued by the Institute of Chartered Accountants of India.

Financial information about the business segments is presented in the table given below:

Segment Wise Results:

Particulars	Rs. In Lakhs	
	For the year 2014-2015	For the year 2013-2014
1. Segment Revenue / Income		
T.V.Software	22.41	34.98
Integrated Communication Group	40.57	45.89
Films	118.56	115.21
Animation	36.83	43.66
Total	218.37	239.74
Less: Inter Segmental Revenue	-	-
Total Revenue from Operations	218.37	239.74
2. Segment wise Profit / Loss before Tax and interest		
T.V.Software	(30.23)	(36.19)
Integrated Communication Group	(22.55)	(30.09)
Films	(14.12)	(33.05)
Animation	(18.41)	(39.98)
Total	(85.31)	(139.31)
Add: Un-allocable Income net off		
Un-allocable expenditure	9.33	9.95
Profit before Tax and Prior period expenditure	(94.64)	(149.26)

Revenue and expenses in relation to segments is categorized based on items that are individually identifiable to that segment.

Expenses like Depreciation have been segregated among the segments according to the period of usage of Fixed Assets by the Segments. However, the Management believes that it is not practicable to provide segment wise capital employed, as the Assets are being used interchangeably by different segments.

28. Details of Related Party Transactions

Name of the Party	Relationship
Padmalaya Studios LLP	- Controlled by key managerial personnel
Yamuna Enterprises Private Limited	- Controlled by key managerial personnel
Green Chillies entertainment (P) Ltd.	- Controlled by key managerial personnel
Sri Geethika Films & Media Ltd.,	- Controlled by key managerial personnel
Transaction details	- Nil



Directors' Report

Dear Shareholders,

Your Directors have pleasure to present the 24th Annual Report and the Audited Accounts for the financial year ended 31st March, 2015.

1. Financial Results

(Rs.In Lakhs)

Particulars	Year Ended 31 st March 2015	Previous ended on 31 st March 2014
Sales	221.09	243.04
Gross Operating Profit before depreciation and exchange variation	37.67	51.67
Profit after depreciation but before exchange variation	37.15	51.67
Profit after depreciation, exchange variation and before Exceptional Items	(94.64)	(149.26)
Profit after Exceptional items	-	-
Profit after Tax	(61.50)	(96.02)
Appropriations:		
General Reserves	-	-
Proposed Dividend	-	-
Tax on dividend	-	-
Total	(61.50)	(96.02)

2. DIVIDEND

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

3. TRANSFERS TO RESERVES AND RETENTION IN THE PROFIT AND LOSS ACCOUNT ETC:

Due to inadequate profits, the Company has not transferred any amount to reserves.

4. FINANCE:

Cash and cash equivalents as at 31st March, 2015 was Rs. 43,032 The company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters and they were kept under strict check through continuous monitoring.

5. COMPANY'S WORKING DURING THE CURRENT YEAR 2014-2015 AND THE FUTURE PROSPECTS ALONG WITH REASONS WHILE COMPARING WITH PREVIOUS YEAR RESULTS

During the year under review, the Company has reviewed all its business divisions and your company's performance is encouraging. Board of Directors assures you the same in the years to come.

Your Company has reviewed all its business divisions and, to strengthen its stand in the market, the company has been concentrating in activities like multimedia training, and Digitalisation of the theaters and Film Production tie ups with experts in the market.

6. CHANGE IN NATURE OF BUSINESS:

During the year the company has not changed its business.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments that have bearing on the financial position of the Company.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant and material orders by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

9. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Management continuously reviews the internal control systems and procedures for the efficient conduct of the company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensure that all its assets are safeguard and protected against losses. The Internal Auditors of the company conducts the audit on regular basis and the Audit Committee periodically reviews internal audit reports and effectiveness of internal control systems.



10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have any subsidiaries or Joint Venture or associate companies.

11. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

Not Applicable

12. DEPOSITS

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

13. AUDITORS AND OBSERVATIONS

M/s P. Murali & co., Chartered Accountants, Independent Auditors of the Company were appointed in the last Annual General Meeting for a period of three years till conclusion of Twenty sixth Annual General Meeting. The resolution relating to ratification of the appointment is placed before the members in the ensuing Annual general meeting.

14. SECRETARIAL AUDIT REPORT

Pursuant to provisions of section 204 of the Companies Act, 2013, the Company has appointed M/s. Puttaparthi Jagannatham and Co., Company secretaries, a firm of company secretaries to undertake the secretarial audit of the Company. The Secretarial Audit Report obtained is annexed within as Annexure-1.

With reference to the observations made, it is stated that because of the lower turnovers and profits, no company secretary and the woman Director have prefer to join the company and the company is however making use of PCS services and will appoint a women director and company secretary soon.

The website is under construction and policies will be placed on the website soon.

15. EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return is attached as Annexure 2

16. SHARE CAPITAL

None of the following issues were taken up during the year and hence details thereof were not required to be furnished

- A) Issue of shares with differential rights
- B) Issue of sweat equity shares
- C) Issue of employee stock options
- D) Provision of money by company for purchase of its own shares by employees or trustees for the benefit of employees

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) Conservation of energy

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 and outgo: Details of foreign exchange earnings and outgo are as follows

- a) Foreign Exchange Earnings : Nil
- b) Foreign Exchange Outgo : Nil

18. CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

As the Company does not come under the criteria prescribed for the class of Companies to constitute a CSR committee, the Company has not constituted CSR committee during the year.



NOTE NO. 20: EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	Year Ended	Year Ended
		31-03-2015	31-03-2014
		Rs.	Rs.
I	(a) Salaries & Wages	871,700	956,400
	(b) Contribution to Provident & Other Funds	45,926	62,052
	(c) Managerial Remuneration	1,230,000	1,230,000
	(d) Staff Welfare Expenses	40,675	42,842
	Total Employee Benefit Expenses	2,188,301	2,291,294

NOTE NO. 21: OTHER OPERATING EXPENSES

S.No.	Particulars	Year Ended	Year Ended
		31-03-2015	31-03-2014
		Rs.	Rs.
I	(a) Rent	156,000	158,400
	(b) Payment to Auditors:		
	(i) As Auditor	59,400	59,400
	(ii) For Taxation Matters	48,400	48,400
	(iii) For Other Services	15,796	13,200
	(c) Internal Auditors Remuneration	60,000	60,000
	Total Other Expenses	339,596	339,400

NOTE NO. 22: ADMINISTRATIVE EXPENSES

S.No.	Particulars	Year Ended	Year Ended
		31-03-2015	31-03-2014
		Rs.	Rs.
I	(a) Telephone, Postage and Others	32,238	21,100
	(b) Business Promotion Expenses	104,580	102,098
	(c) Conveyance	256,201	199,567
	(d) Office Maintenance	184,504	145,222
	(e) Printing & Stationery Expenses	2,836	4,756
	(f) Professional Consultancy fee	113,540	932,208
	(g) Director Sitting Fee	18,000	20,000
	(h) Licenses Fee and Taxes	-	26,750
	(i) AGM & EGM Expenses	569,331	436,073
	(j) Share Transfer Expenses	389,184	201,689
	(k) Subscription, Membership and corporate bodies	369,637	237,852
	(l) Legal Expenses	212,270	148,711
	(m) Gratuity, Bonus and leave encashment	102,525	129,700
	Total Administrative Expenses	2,354,846	2,605,726

NOTE NO. 23 : FINANCE COST

S.No.	Particulars	Year Ended	Year Ended
		31-03-2015	31-03-2014
		Rs.	Rs.
I	Finance Expenses		
	- Bank Charges	6,374	18,600
	Total Finance Cost	6,374	18,600



NOTE NO. 15: LOANS AND ADVANCES

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	Other Loans & Advances: Unsecured, Considered Good		
	Prepaid Expenses	1,177,060	2,976,217
	Loans Receivables	58,728,381	58,728,381
	Advances Recoverable in Cash or in kind	5,546,837	5,546,837
	Total Short Term Loans and Advances	65,452,278	67,251,435

NOTE NO. 16: REVENUE FROM OPERATIONS

S.No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
I.	Revenue from operations in respect of non-finance company	Rs.	Rs.
	a) Sale of Products	21,837,111	23,974,522
	b) Sale of Services	-	-
	Total Revenue from Operations	21,837,111	23,974,522

NOTE NO. 17 : OTHER INCOME

S.No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
		Rs.	Rs.
I	Other non-operating income	271,716	329,649
	Total Other Income	271,716	329,649

NOTE NO. 18: COST OF MATERIALS

S.No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
		Rs.	Rs.
I	Production Expenditure	13,504,048	13,881,739
	Total Cost Of Material Consumed	13,504,048	13,881,739

NOTE NO. 19 : CHANGE IN INVENTORIES, FINISHED GOODS & WIP.

S.No.	Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
		Rs.	Rs.
I	Software Under Production		
	Inventories at the beginning of the year	131,313,770	131,313,770
	Less : Inventories at the end of the year	131,313,770	131,313,770
	(Increase) / Decrease in Inventories	-	-



19. DIRECTORS

A) Changes in Directors and Key managerial personnel:

During the year under review, Mr. Bijay Kumar Khemka, Mr.V. Srihari and Dr. D V N Raju were appointed as Independent Directors of the Company, for a period of 5 years in the Annual General Meeting held on 30th September 2014.

During the period under review, Sri. V. Srihari, Director of the Company has resigned from the office as Director W.e.f. 29th Oct 2014.

There is no other change in Directors and Key Managerial Persons.

B) Declaration by the independent Directors of the company that that they meet the criteria of independence as provided in Sec 149(6) of the companies act.

All the independent Directors have given declarations that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Cl.49 of the Listing Agreement.

C) Formal evaluation statement by the Board of its own performance, it's committees and individual Directors:

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has formulated a policy for evaluation of its Board . Board Committee, Director's and their performances and carried out an evaluation of them . The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

20. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Directors met for 4 times during the year. A calendar of meetings is prepared and circulated in advance to all the Directors.

The dates on which the above Board meetings were held are as follows;

30th May 2014, 14th August 2014, 14th November 2014 and 14th February 2015.

Meeting of Independent Director took place on 14.02.2015

21. AUDIT COMMITTEE:

The Board of Directors of the Company constituted Audit Committee consisting of the following Directors, with the roles and responsibilities duly defined in accordance with the applicable statutory and other requirements. During the year, in all 4 meetings of the Committee took place.

Name of the Member	Designation
Dr. D V N Raju	Chairman
Shri S. Srinivasa Rao	Member
Shri Bijay Kumar Khemka	Member

The Board has accepted all the recommendations of the Audit Committee.

22. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

The Company at present has the vigil mechanism to deal with the instances of fraud and mismanagement if any. The company ensures that strict confidentiality is maintained while dealing with the concerns and also that no discrimination is meted out to any person for a genuinely raised concern. It is taken care of by the audit committee of the company.

The Company has also formulated Whistle Blower Policy through which its Directors, Employees and Stake Holders can report their genuine concern about unethical behavior, actual or suspended fraud, or violation of the company's code of conduct or ethics Policy.

23. CODE OF CONDUCT:

The Board of Directors have approved a code of conduct which is applicable to the members of the Board and all employees in the course of day to day business operations of the Company. The company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the board has laid down the directives to counter such acts. The code laid down by the Board is known as "Code of Business Conduct." which forms an appendix to the code.

The code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board members and senior Management Personnel have confirmed compliance with the code. All management staff were given training in this regard.

25. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee consisting of the following Directors, with the role and responsibilities duly defined and in accordance with the applicable statutory and other requirements.

Name of the Member	Designation
Shri Bijay Kumar Khemka	Chairman
Dr. D V N Raju	Member
Shri S. Srinivasa Rao	Member

The Board has formulated a policy in consultation with the Nomination and Remuneration Committee for selection and appointment of Directors, Senior management and fixation of their remuneration keeping in view the requirements given in section 178 of the companies Act, 2013 and it also involves in the evaluation of the Board and its remuneration policies.

26. PARTICULARS OF CONTRACTS OR 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 is no related party transactions to be disclosed.

27. MANAGERIAL REMUNERATION:

Details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration to Directors:	2014-15
	Rs.

- (a) Whole-Time Directors
- | | |
|---------------|-----------|
| - Salary | 11,40,000 |
| - Perquisites | 90,000 |
- (b) There is no information required pursuant to Section 197 read with 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as no employee of the Company is covered by these rules
- (c) No Director is in receipt of any commission from the company and the Managing Director Whole-time Director of the Company have not received any remuneration or commission from any other Company subject to its disclosure by the Company in the Board's Report.

28. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement, a Report on Corporate Governance, forming part of this Report, together with the Auditors' Certificate regarding the compliance of the conditions of Corporate Governance is annexed.

29. RISK MANAGEMENT AND INSURANCE

Your Company continuously monitors business and operational risk through business process, re-engineering and reviewing areas such as production, finance, legal and other issues. An exhaustive exercise is underway to bring a model regulating risk management mechanism. Your Company's assets are adequately insured against the risk from fire and earthquake

30. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors had 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) the Directors had prepared the annual accounts on a going concern basis; and

NOTE NO. 11 : OTHER NON CURRENT ASSETS

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	Security Deposit:		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	128,000	128,000
	Doubtful	-	-
	Total other non current assets	128,000	128,000

NOTE NO. 12: INVENTORIES

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
	a) Work - In - Progress		
	Closing Stock	33,382,134	14,577,696
	Software under Production	73,385,497	73,385,497
	Projects on Hand	24,546,139	43,350,577
	Total Inventories	131,313,770	131,313,770

NOTE NO. 13 : TRADE RECEIVABLES

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I.	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	4,949,085	5,304,082
	Doubtful	-	-
		4,949,085	5,304,082
	Less: Allowance for Bad & Doubtful Debts	-	-
		4,949,085	5,304,082
	Other Receivables:		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	58,116,341	49,790,159
	Doubtful	-	-
		58,116,341	49,790,159
	Less : Allowance for bad & doubtful debts	-	-
		58,116,341	49,790,159
	Total Trade Receivables	63,065,426	55,094,241

NOTE NO. 14 : CASH AND BANK BALANCES

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	28,496	22,083
	2) Margin Money	-	-
	b) Cheques, Draft on hand	-	-
	c) Cash on hand	14,536	63,367
	d) Others	-	-
	Total Cash and Cash Equivalents	43,032	85,450

Sl. No.	Particulars	Gross Block						Depreciation/Amortization			Net Block as on 31.03.2015	Rs.	
		As on 01.04.2014	Additions during the year	Sale/Deletions during the year	As on 31.03.2015	Dep. As on 01.04.2014	Dep. For the year 2014-2015	Total Depreciation	Net Block as on 31.03.2014	Rs.			
	Tangible Fixed Assets:												
1	Land	14,338,897	-	-	14,338,897	-	-	-	-	-	-	14,338,897	-
2	Plant & Machinery	284,207,430	-	-	284,207,430	271,027,368	13,180,062	284,207,430	13,180,062	13,180,062	284,207,430	13,180,062	-
3	Other Assets	10,943,868	-	-	10,943,868	10,943,868	-	10,943,868	-	-	10,943,868	-	-
4	Office Equipment	5,688,216	-	-	5,688,216	5,688,216	-	5,688,216	-	-	5,688,216	-	-
5	Furniture	2,664,181	-	-	2,664,181	2,664,181	-	2,664,181	-	-	2,664,181	-	-
6	Vehicles	1,853,083	-	-	1,853,083	1,853,083	-	1,853,083	-	-	1,853,083	-	-
	Intangible Assets:												
	Total	319,695,675	-	-	319,695,675	292,176,716	13,180,062	305,356,778	13,180,062	13,180,062	305,356,778	14,338,897	27,518,959

- (e) the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. PAYMENT OF LISTING FEE

The company has paid Annual Listing Fees to the Bombay Stock Exchange and national Stock Exchange for the financial year 2015-2016.

32. DEPOSITORY SYSTEM

As the Members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the Members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is INE243B01016

The company is pursuing the share holders, including the promoters, holding the shares in physical form for dematerialization of their shares.

33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

There are no loans, guarantees or investments made under section 186 of the Companies Act, 2013

34. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report as required under 49 of the listing agreement with stock exchange forms part of this report is annexed.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal committee has been set up to redress the complaints received regarding sexual harassment at workplace. All employees including trainees are covered under this policy. No cases of such nature have been reported from any quarters..

36. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

37. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

38. STATUTORY DISCLOSURES

In terms of the provisions of the Companies Act, 2013 and other applicable regulations read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. However, as per the provisions of the said Act read with Clause 32 of the Listing Agreement, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

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.

for and on behalf of the Board

Place : Hyderabad
Date : 14th August, 2015

Sd/-
(Bijay Kumar Khemka)
Chairman

Annexure-1

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31st March, 2015

[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 (herein after 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, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Padmalaya Telefilms Limited ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
 - (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrar 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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (v) and other applicable specific laws are:

- Up linking / down linking policy/guidelines issued by Ministry of Information and Broadcasting;

NOTE NO. 5 : OTHER PROVISIONS

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	a) Provisions for Employee benefits		
	- Provision for Gratuity	500,575	488,950
	- Provision for Leave Encashment	96,910	78,010
	b) Others	14,876,851	14,948,607
	Total Long Term Provisions	15,474,336	15,515,567

NOTE NO. 6 : SHORT TERM BORROWINGS.

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	Short Term Borrowings		
	a) Other Loans repayable on demand		
	Un Secured		
	From Others	4,261,044	3,490,000
	Total Short Term Borrowings	4,261,044	3,490,000

NOTE NO. 7 : TRADE PAYABLES

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	a) Trade Payables	7,242,688	7,242,688
	b) Acceptances	-	-
	c) Dues to Micro & Small Medium Enterprises	-	-
	Total Trade Payables	7,242,688	7,242,688

NOTE NO. 8 : OTHER CURRENT LIABILITIES

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	a) Current maturities of Long Term Debt	-	-
	b) Current maturities of Finance Lease Obligation	-	-
	c) Other Payables	46,162,451	44,398,246
	Total Other Current Liabilities	46,162,451	44,398,246

NOTE NO. 9: SHORT TERM PROVISIONS

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
		Rs.	Rs.
I	a) Provisions for employee benefits		
	ESI & PF Payable	5,775	9,248
	Salaries Payable	94,716	150,933
	b) Others		
	Statutory Liabilities	66,510	62,430
	TDS Payable	63,700	88,160
	Total Short Term Provisions	230,701	310,771

NOTE NO. 2 : RESERVES AND SURPLUS

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
I	RESERVES AND SURPLUS	Rs.	Rs.
	a) Capital reserve		
	b) Securities Premium Reserve		
	As at the commencement of the year	756,608,703	756,608,703
	Add: Additions during the year	-	-
	Less: Utilised during the year	-	-
		756,608,703	756,608,703
	c) General Reserves		
	As at the commencement of the year	88,284,200	88,284,200
	Add: Additions during the year	-	-
	Less: Utilised during the year	-	-
		88,284,200	88,284,200
	h) Surplus :		
	i) Opening Balance - Profit and Loss Account	(854,490,523)	(844,888,557)
	Add: Transfer from Profit & Loss Account	(6,150,604)	(9,601,966)
		(860,641,127)	(854,490,523)
II	A Reserve specifically represented by earmarked investments	-	-
	Total Reserves and Surplus	(15,748,224)	(9,597,620)

NOTE NO. 3: LONG TERM BORROWINGS

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
I	Long Term Borrowings	Rs.	Rs.
	a) Bonds / debentures	-	-
	b) Term Loans		
	From Banks (Refer Note No.25)	44,878,382	44,878,382
	Total Long Term Borrowings	44,878,382	44,878,382

Note: Term Loan of Rs.448.78 Lakhs (Previous year Rs.448.78 Lakhs) from HDFC Bank, Mumbai is secured by fixed and Current Assets of the Company. The Executive Director and chief promoter have given their personnel guarantees to the Bank in their personal capacity.

NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
	Opening Deferred Tax Asset / (Liability)	Rs. (5,177,821)	Rs. (10,501,908)
	Deferred Tax Asset / (Liability) Due to Timing Difference on Depreciation	3,304,364	5,308,637
	Deferred tax Asset on Provision for Gratuity and Compensated Absences	9,432	15,450
	Gross Deferred Tax Asset	(1,864,025)	(5,177,821)
	Less: Deferred Tax Provision Reversal - Prior Period Item	-	-
	Deferred Tax (Liability)/ Asset - Net	(1,864,025)	(5,177,821)

- The Cable Television Network (Regulations) Act, 1995 and rules framed thereunder;
- 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:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with the Stock Exchanges

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- The Company Secretary and the Woman Director of the Company have not been appointed as required by the applicable laws.
- The Trading of the shares of the Company have been suspended in NSE. However the company is furnishing statements to NSE.
- One of the Directors of the Company is appearing as Executive Director of the Company on MCA portal though he is a Non-Executive Director of the company, however the management is addressing a letter to ROC for rectification.
- Website of the company has not been created during the course of audit.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

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

Place : Hyderabad
Date : 14th August, 2015

for **Puttaparthi Jagannatham & Co.,**
Sd/-
Rama Bandaru
Partner
ACS No: 19456
C P No.: 7739

Note: 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 with this letter:

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

Place : Hyderabad
Date :14th August, 2015

for **Puttaparthi Jagannatham & Co.,**
Sd/-
Rama Bandaru
Partner
ACS No: 19456
C P No.: 7739

NOTES TO FINANCIAL STATEMENTS
Note No.1: SHARE CAPITAL

S.No.	Particulars	As on 31-03-2015	As on 31-03-2014
A.	Equity Share Capital	Rs.	Rs.
	(a) Authorised (No. of Shares 2,00,00,000 of Rs.10/- each Current Year) (No. of Shares 2,00,00,000 of Rs.10/- each Preious Year)	200,000,000	200,000,000
	(b) Issued (No. of Shares 1,70,00,000 each Current Year) (No. of Shares 1,70,00,000 each Preious Year)	170,000,000	170,000,000
	(c) Subscribed & Fully Paid Up (No. of Shares 1,69,95,200 each Current Year) (No. of Shares 1,69,95,200 each Preious Year)	169,952,000	169,952,000
	(d) Subscribed & not fully paid up (No. of Shares 4,800 each Current Year) (No. of Shares 4,800 each Preious Year)	24,000	24,000
	(e) Par Value per share Rs. 10/-		
	Total Equity Share capital	169,976,000	169,976,000
B.	Calls unpaid :		
	Equity Shares		
	By Directors & Officers	-	-
	By Others	24,000	24,000
C.	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:		
	Equity Shares of Rs.10Each, Fully paid up		
	At the Beginning	17,000,000	17,000,000
	Issued during the year - Cash Issue	-	-
	Forfeited / Bought Back during the year	-	-
	At the end	17,000,000	17,000,000
D.	Details of Shareholder holding more than 5% shares of the company:	% of Share Holding	
	Equity Shares of Rs. 10 each Held By		
	Yamuna Enterprises (P) Ltd.		
	- Current Year No. of Shares - 16,70,019	10	10
	- Previous Year No. of Shares - 16,70,019		

Note : During the current year there is no fresh issue of shares.

CASHFLOW STATEMENT FOR THE YEAR ENDED 31/03/2015

PARTICULARS		2014-15	2013-14
I.	CASH FLOW FROM OPERATING ACTIVITIES:	Rs.	Rs.
	Net Profit/(Loss) before Tax & Extraordinary Items	(9,464,400)	(14,926,053)
	Add: Depreciation	13,180,062	20,093,465
	Operating Cash Flows before Working Capital Changes & Extraordinary Items	3,715,662	5,167,412
	ADJUSTMENT FOR WORKING CAPITAL CHANGES:		
	Decrease/(Increase) in Trade Receivables	(7,971,185)	(7,177,435)
	Decrease/(Increase) in Loans & Advances	1,799,157	(385,759)
	Increase/(Decrease) in Trade Payables	-	-
	Increase/(Decrease) in Short Term Borrowings	771,044	(660,000)
	Increase/(Decrease) in Other Current Liabilities	1,764,205	2,614,699
	Increase/(Decrease) in Short Term Provisions	(80,070)	64,668
	Operating Cash Flows After Working Capital Changes but before adjustment for Extraordinary Items & Prior Period Items	(1,187)	(376,415)
	Add/(Less) Adjustment for Extraordinary & Prior Period items	-	-
	Net Cash Used in Operating Activities (I)	(1,187)	(376,415)
II.	Cash Flow from Investing Activities:		
	Decrease/(Increase) In Non Current Assets	-	-
	Net Cash Used in Investment Activities (II)	-	-
III.	Cash Flow from Financing Activities:		
	Increase/(Decrease) In Long Term Borrowings	-	50,000
	Increase/(Decrease) In Non Current Liabilities	(41,231)	-
	Net Cash Flow from Financing Activities (III)	(41,231)	50,000
	Opening Balance of Cash & Cash Equivalents	85,450	411,865
	Net Cash Used During the Year	(42,418)	(326,415)
	Closing Balance of Cash & Cash Equivalents	43,032	85,450

As per our Report of Even Date

For and on behalf of the Board of Directors

For **P.Murali & Co.,**
Chartered Accountants
FRN : 007257 S

Sd/-
P. Murali Mohana Rao
Partner
Membership No. 23412

Sd/-
Director

Sd/-
Whole Time Director

Place : Hyderabad
Date : 30th May, 2015

Annexure-2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2015

[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:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	TV Software	92132	10.26%
2	Studios and Equipment	92114	18.58%
3	Film Division	92112	54.29%
4	Animation	92111	16.87%

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-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% 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.	1366629	2418100	3784729	22.26	1366629	2418100	3784729	22.26	---
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	7223726	47951	7271677	42.77	7223726	47951	7271677	42.77	---
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2792076	1335000	4127076	24.28	2792076	1335000	4127076	24.28	---
c) Others (specify)									
Non Resident Indians	39933	0	39933	0.23	39933	0	39933	0.23	---
Overseas Corporate Bodies									---
Foreign Nationals									
Clearing Members	1111	0	1111	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	---



7. Taxes on income:

Provisions for taxation comprises of current tax, deferred tax. Current tax provision has been made on the basis of reliefs and deductions available under the income tax act, 1961. Deferred tax resulting from "timing Differences" between taxable income and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted on balance sheet date. No deferred tax assets were found and recognized. The fringe benefits tax has been calculated and accounted for in accordance with the provisions of the income tax act, 1961. (In line with AS-22)

8. Employee Benefits:

Staff benefits arising out of retirement/death, comprising of contributions to provident fund, superannuation and gratuity schemes, accrued leave encashable and other post separation benefits are accounted for on the basis of an independent actuarial valuation, in accordance with AS-15. The actuarial liability is determined with reference to employees at the end of each financial year.

9. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized. Other borrowing costs are recognized to profit and loss account in the year in which they are incurred. (In line with AS-16).

10. Provisions, Contingent liabilities and contingent Assets:

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. (In line with AS-29)

11. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. However, no such indications were observed. Company has not even observed any such indication during previous accounting years and no impairment loss was provided during that year. So, no question of reversal of previously recognized impairment loss during current year. (in line with AS-28).

SIGNIFICANT ACCOUNTING POLICIES

Description of Business:

Padmalaya Telefilms Limited (PTL) is engaged in production of television software, feature films, animation serials, distribution of feature films and also facilities provider in pre-production, production, post-production including 2D & 3D Special effects for television software and feature films, Training in Multi Media Software and Animation. PTL was incorporated on 17th September, 1991 in Hyderabad, Andhra Pradesh, India.

1. Preparation of financial statements

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost conversion on accrual basis, except certain tangible assets which are being carried at revalued amounts. Pursuant to section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act 1956, shall continue to apply. Consequently these financial statements have been prepared to comply in all material respects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (Companies Accounting Standards Rules, 2006 as amended) and the relevant provisions of the Companies Act, 2013 (the Act). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2. Fixed assets and depreciation:

Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition/ construction/ installation. Pre-operative expenses relating to a specific project are capitalized till all the activities necessary to prepare the qualifying asset for its intended use are completed. Expenses capitalized also include applicable borrowing costs. Fixed Assets are impaired when there is no possibility of using them further.

During the year the Company has provided Depreciation on Fixed Assets based on the Useful life in the manner prescribed in Schedule II Part C to the Companies Act, 2013.

3. 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.

4. Deferred Tax:

Deferred Tax is accounted for by computing the tax effect of timing differences, which arise during the year and reverse in subsequent periods. Deferred Tax assets on accumulated losses and unabsorbed depreciation are recognized only to the extent that there is virtual certainty of realization of such assets in future.

5. Revenue recognition:

Sales of products are recognized when risk and rewards of ownership of the products are passed on to the customers, which are generally on handing over of goods / services (in our case). Export sales are recognized on the basis of bill of lading / Airway bill.

6. Foreign currency transactions:

Sales/Purchases and revenue income/expenses in foreign currency are booked at exchange rates prevailing on the date of transaction. Gain/loss arising out of fluctuations in exchange based on the rate of realization is accounted for in the profit and loss account as per AS-11.

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.	V Parag Shah	158976	0.94	-58976	-0.35	100000	0.59
7.	MVRS Suryanarayana	126400	0.74	0	0	126400	0.74
8.	MangalBhanshali	100275	0.59	-100275	-0.59	0	0
9.	MangalKeshav Capital Ltd.	100000	0.59	-100000	-0.59	0	0
10.	Sarla Dinesh Kenia	0	0	100000	0.59	100000	0.59
11.	Ashwin S Shah	0	0	100000	0.59	100000	0.59
12.	SarvasettySandhya	0	0	90000	0.53	90000	0.53

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	448.78	0	0	448.78
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	448.78	0	0	448.78
Change in Indebtedness during the financial year	0	0	0	0
* Addition	0	0	0	0
* Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year	0	0	0	0
i) Principal Amount Rs. In Lakhs	448.78	0	0	448.78
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	448.78	0	0	448.78

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH, 2015

PARTICULARS	NOTE No.	FOR THE YEAR ENDED 31/03/2015	FOR THE YEAR ENDED 31/03/2014
		Rs.	Rs.
I. Revenue from Operations	16	23,974,522	23,974,522
II. Other Income	17	271,716	329,649
III. Total Revenue (I+II)		22,108,827	24,304,171
IV. Expenses:			
Cost of Materials	18	13,504,048	13,881,739
Changes in Inventories of Finished goods, WIP and Stock-in-Trade	19	-	-
Employee Benefit expenses	20	2,188,301	2,291,294
Other Operating Expenses	21	339,596	339,400
Administrative Expenses	22	2,354,846	2,605,726
Financial costs	23	6,374	18,600
Depreciation and amortization expense	10	13,180,062	20,093,465
Total Expenses		31,573,227	39,230,224
V. Profit before exceptional and extraordinary items and tax		(9,464,400)	(14,926,053)
Bad Debts		-	-
VI. Profit before extraordinary items and tax		(9,464,400)	(14,926,053)
Extraordinary Items		-	-
Profit Before Tax		(9,464,400)	(14,926,053)
Tax expense:			
(1) Current tax		-	-
(2) Deferred Tax Asset /(Liability)		3,313,796	5,324,087
VII. Profit/(Loss) for the period from Continuing Operations		(6,150,604)	(9,601,966)
Prior Period Adjustment		-	-
		(6,150,604)	(9,601,966)
Tax Expense of Discounting Operations		-	-
Balance Brought Forward		(854,490,523)	(844,888,557)
Profit/(Loss) from Discontinuing operations		-	-
Profit/(Loss) for the period		(860,641,127)	(854,490,523)
XVII. Earning per equity share:			
(1) Basic		-	-
(2) Diluted		-	-
Summary of Significant Accounting Policies	24		

The Accompanying Notes are an Integral Part of the Financial Statements

As per our Report of Even Date
For P.Murali & Co.,
 Chartered Accountants
 FRN : 007257 S

For and on behalf of the Board of Directors

Sd/-
P. Murali Mohana Rao
 Partner
 Membership No. 23412

Sd/-
 Director
 Sd/-
 Whole Time Director

Place : Hyderabad
 Date : 30th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	March 31, 2015	March 31, 2014
I EQUITY AND LIABILITIES		Rs.	Rs.
1. Shareholders' Funds			
a) Share Capital	1	169,976,000	169,976,000
b) Reserves and Surpluses	2	(15,748,224)	(9,597,620)
2. Non-current liabilities			
a) Long-term borrowings	3	44,878,382	44,878,382
b) Deferred Tax Liabilities /(Asset)	4	1,864,025	5,177,821
c) Other Provisions	5	15,474,336	15,515,567
3. Current Liability			
(a) Short-term borrowings	6	4,261,044	3,490,000
(b) Trade Payable	7	7,242,688	7,242,688
(c) Other current liabilities	8	46,162,451	44,398,246
(d) Short-term provisions	9	230,701	310,771
Total		274,341,403	281,391,855
II ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible & Intangible assets	10	14,338,897	27,518,959
(b) Other Non Current Assets	11	128,000	128,000
2. Current assets			
(a) Inventories	12	131,313,770	131,313,770
(b) Trade Receivables	13	63,065,426	55,094,241
(c) Cash and Bank balances	14	43,032	85,450
(d) Loan and Advances	15	65,452,278	67,251,435
Total		274,341,403	281,391,855
Summary of Significant Accounting Policies	24		

The Accompanying Notes are an Integral Part of the Financial Statement

As per our Report of Even Date for and on behalf of the Board of Directors

For P.Murali & Co.,

Chartered Accountants

FRN : 007257 S

Sd/-
P. Murali Mohana Rao
Partner
Membership No. 023412

Sd/-
Director

Sd/-
Whole Time Director

Place : Hyderabad
Date : 30th May, 2015

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	Mr. S Sreenivasa Rao	
1	Gross salary	6,00,000	5,40,000	11,40,000
	(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	5,40,000	12,30,000
	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

The industry recorded a double digit growth. The Indian Media and Entertainment (M&E) industry grew significantly in the past years. The evolving consumer preferences, technology breakthroughs, enhanced advertising spend and industry consolidation will be the M&E industry's major growth drivers.

INDIA'S FILM INDUSTRY

Contributions of revenues emanating from cable and satellite rights' are likely to account for 13% of the overall industry size.

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 has been concentrating in activities like multimedia training, and Digitalization of the theaters and Film Production tie ups with experts in the market and your company's performance will be encouraging in the years to come. The financial details have been given elsewhere in the report.

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.



- viii. The Company has been registered for a period of not less than 5 years, and its accumulated losses at the end of the financial year are not more than fifty percent of its net worth and the company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- ix. In our opinion, and according to the information and explanations given to us, the company has defaulted in repayment of loan to HDFC Banks an amount of Rs. 4.48 crores. The Company has not issued any debentures.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- xi. According to the information and explanations given to us, the Company has not obtained any Term Loans during the financial year; hence application of this clause does not arise.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

for P. MURALI & CO.,
Chartered Accountants
FRN : 007257S

Sd/-

P. MURALI MOHANA RAO
Partner
Membership No. 23412

Place : Hyderabad
Date : 30th May, 2015



Annexure referred to in paragraph 1 of Our Report of even date to the members of Padmalaya Telefilms Limited on the accounts of the Company for the year ended 31st March, 2015 under "Report on other Legal & Regulatory Requirements"

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
- (c) All fixed Assets have been depreciated fully by the end of the financial year and the net block as at 31st March 2015 is Nil except Land.
- II. (a) The Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.
- III. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- V. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- VI. In respect of the Company, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
- 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 regular in depositing the undisputed statutory dues, including Provident Fund, Employee Staff Insurance, Service Tax, Sales Tax, 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, Employee Staff Insurance, Service Tax, Sales Tax, Income-tax and other material statutory dues in arrears as at 31st March, 2015 for a period of more than 6 months for 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 of Provident Fund, Employee Staff Insurance, Service Tax, Sales Tax, Income-tax and other material statutory dues, as applicable, which have not been deposited on account of any disputes.
- (d) There are no amounts that are due to be transferred to the Investors Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 [1 of 1956] and rules made there under.



Padmalaya Telefilms Limited is committed to the standards of corporate governance in all activities. Pursuant to Clause 49 of the Listing Agreement, 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

The number of the Directors is 5 comprises of 2 Executive and 3 Non Executive Independent Directors. Out of two Executive Directors, one is from the promoter category and, other Non-Executive Directors are independent. The independent Directors are drawn from persons with experience in Business, Finance, Management, Marketing and Industry.

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 Promoter Executive	Director- Works	2	Nil
4	V.Srihari*	Independent	Director	Nil	Nil
5	Dr D.V.N.Raju	Independent	Director	Nil	Nil

*during period under review, Sri. V Srihari, Director of the Company has resigned as Director w.e.f 29th Oct 2014.

c. Board Meetings held During the Year

S.No	Date of Board Meeting
1	30/05/2014
2	14/08/2014
3	14/11/2014
4	14/02/2015

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	4	Yes
G.V.Narasimha Rao	4	Yes
S.Srinivasa Rao	4	Yes
V. Srihari*	2	No
Dr D.V.N. Raju	4	Yes

*during period under review, Sri. V Srihari, Director of the Company has resigned as Director w.e.f 29th Oct 2014.

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

During the period under review, the Audit Committee was reconstituted due to the resignation of Mr. V Srihari, Chairman of Audit Committee. 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. V.Srihari | - | Chairman |
| 2. Bijay Kumar Khemka | - | Member |
| 3. Dr D.V.N. Raju | - | Member |

c) Meetings and Attendance during the year

Name of Director	No. of Meetings held	No. of Meetings Attended
Sri.V.Srihari*	2	2
Sri.Bijay Kumar Khemka	4	4
Dr D.V.N. Raju	4	4
S Sreenivasa Rao	2	2

*during period under review, Sri. V Srihari, has resigned as Director w.e.f 29th Oct 2014.

c. Audit Committee Meetings held During the Year

S.No	Date of Board Meeting
1	30/05/2014
2	14/08/2014
3	14/11/2014
4	14/02/2015

Opinion:

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 31st March, 2015, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further 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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its notes to financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For P. MURALI & CO.,
Chartered Accountants
FRN: 007257 S

Sd/-
P. MURALI MOHANA RAO
Partner
Membership No. 23412

Place : Hyderabad
Date : 30th May, 2015



Independent Auditors Report

To
The Members of
Padmalaya Telefilms Limited

Report on the Financial Statements:

We have audited the accompanying Standalone financial statements of PADMALAYA TELEFILMS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

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:



4. Remuneration Committee

During the period under review, the Committee was reconstituted due to the resignation of Mr. V Srihari, Member of the Committee. The Committee of the Company re-constituted during the year comprises three members. All the members of the Committee are "Independent" Directors. 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 KumarKhemka	- Chairman
Dr D.V.N. Raju	- Member
S Sreenivasa Rao	- Member

Details of Remuneration to the Executive Directors paid/ payable for the financial year 2014-15 is as follows: Rs.lakhs

Particulars	G.V. Narasimha Rao Executive Director	S.Sreenivasa Rao Whole Time Director
Salary	6.00	5.40
HRA	0.90	—
Total	6.90	5.40

Non Executive Directors have been paid sitting fees for attending Board and 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 assub committee of the Board.

In Pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Duty 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. S Sreenivasa Rao	-	Member
Mr. Bijay Kumar Khemka	-	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 2014-2015

Nature of Complaints	Received	Resolved	Pending
A. Non-receipt of Dividend Warrants	Nil	Nil	Nil
B. Non receipt of Annual Reports	13	13	Nil
C. Non Receipt of share Certificates	2	2	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
23rd	31.03.2014	30.09.2014	09.30 a.m	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033
22nd	31.03.2013	30.09.2013	09.30 a.m	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033
21st	31.03.2012	29.09.2012	09.30 a.m	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033

- One Special Resolutions was passed during the previous year to adopt the Articles of Association of the company to commensurate with the provisions of Companies Act 2013.
- During the year no Extra-ordinary General Meeting was held.
- During the year, no resolutions were passed through postal ballot.

8. Disclosures

- The Executive Director and Vice President (F&A) have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement and is enclosed at the end of the report.
- During the Financial year 2014-15, 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.
- 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 Listing Agreement, Financial Results are generally published in National news papers like Financial Express, Business Standard, Indian Express and in Regional Language newspapers like Andhra Bhoomi, Vaartha, Andhra Prabha etc. 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.



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, 2015 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges.

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 as stipulated in clause 49 the above mentioned Listing Agreement.

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. MURALI & CO.,
Chartered Accountants
FRN: 007257 S

Sd/-
P. MURALI MOHANA RAO
Partner
Membership No. 23412

Place : Hyderabad
Date : 14th August, 2015



COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2015.

Place : Hyderabad
Date : 14th August 2015

G.V.Narasimaha Rao
Executive Director

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

The Members of M/s. PADMALAYA TELEFILMS LIMITED

- The Code of Conduct for the Board Members and Senior Management of the company was approved by the Board of Directors in the Board Meeting and the same was adopted by the Company.
- The Code of Conduct adopted by the Company was circulated to the members of the Board and Senior Management of the Company and is also posted on the website of the Company.
- All the members of the Board and Senior Management of the Company have complied with all the provisions of the Code of Conduct.

Place : Hyderabad
Date : 14th August 2015

G.V.Narasimaha Rao
Executive Director

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

We, G.V.Narasimaha Rao, Executive Director and R.Mahipal Reddy, Vice President (Finance & Accounts) of M/s. PADMALAYA TELEFILMS LIMITED, hereby certify to the Board that :

- We have reviewed financial statements and the Cash Flow statement for the year and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement for the year or omit any material fact or contain statements that might be misleading:
 - 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.
- 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.
- 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.
- We have indicated to the auditors and the Audit committee As:
 - There is no changes in internal control during the year,
 - There is no changes in accounting policies during the year,
 - 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.
- We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct)
- 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 : 14th August, 2015

Sd/-
G.V.Narasimaha Rao
Executive Director

Sd/-
R.Mahipal Reddy
Vice President (F & A)



General Share Holders Information

1. Annual General Meeting :

Date : 30.09.2015
Time : 9.30 AM.
Venue : State Gallery of Fine Arts, Road No.1, Kavuri Hills, Madhapur, Hyderabad-500 033

2. Financial Calendar :

1st April to 31st March (2015-16)
Financial Reporting for:
Quarter ending June, 30 2015 : Board meeting held on 14th August, 2015
Quarter ending September, 30 2015 : Second Week of November, 2015
Quarter ending Decemeber, 31 2015 : Second Week of February, 2016
Quarter ending March, 31 2016 : Last Week of May, 2016
Annual General Meeting (Next year) : Last week of September, 2016

3. Date of Books Closure :

23/09/2015 to 30/09/2015
(Inclusive of both days)

4. Listing on Stock Exchanges :

The Bombay Stock Exchange Limited, Mumbai
National Stock Exchange of India Limited, Mumbai

5. Listing Fee :

Listing fee for the year 2015-16 has been paid.

6. Stock Code :

BSE :- 532350
NSE :- PADMALAYAT

7. Market Price Data:

Monthly High and Low quotations of shares traded on the Bombay Stock Exchange, from 1st April, 2014 to 31st March, 2015 are as stated hereunder.

Year 2014-15	BSE	
	High	Low
April, 2014	1.20	0.96
May, 2014	1.33	0.81
June, 2014	3.47	1.39
July, 2014	4.01	2.20
August, 2014	2.96	2.10
September, 2014	2.54	2.00
October, 2014	2.50	2.00
November, 2014	2.32	1.83
December, 2014	1.99	1.31
January, 2015	1.50	1.25
February, 2015	1.49	1.15
March, 2015	1.18	1.15

- The Trading of Company shares in National Stock Exchange of India Limited has been suspended.

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 31-03-2015

Category		No. of Share Holders	% of Share Holders	Amount Rs.	% of Amount
From	To				
1	5000	10,691	76.92	1,89,06,300	11.12
5001	10000	1,549	11.14	1,33,22,130	7.84
10001	20000	778	5.60	1,22,43,350	7.20
20001	30000	290	2.09	75,46,170	4.44
30001	40000	132	0.95	47,52,140	2.80
40001	50000	127	0.91	61,10,000	3.59
50001	100000	176	1.27	1,28,70,270	7.57
100000	and above	156	1.12	9,42,49,640	55.44
Total		13,899	100.00	1,70,00,000	100.00

11. Shareholding Pattern: As on 31-03-2015

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Total shareholding as a percentage of total number of shares	Shares Pledged or otherwise encumbered	
					Number of shares	As a percentage
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	5	87,455	0.51	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-
(c)	Bodies Corporate	2	1,688,019	9.93	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-
(e)	Any Others(Specify)	-	-	-	-	-
	Sub Total	8	1,775,474	10.44	-	-
2	Foreign					
	Sub Total	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	8	1,775,474	10.44	-	-
(B)	Public shareholding					
	Sub Total	-	-	-	-	-
B 2	Non-Institutions					
(a)	Bodies Corporate	298	37,84,729	22.26	-	-
(b)	Individuals					
I	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	13,429	72,71,677	42.77	-	-
II	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	127	41,27,076	24.28	-	-



(c)	Any Other (specify)	-	-	-	-
(c-i)	Non-Residential Individuals	34	39,933	0.23	-
(c-ii)	Clearing Members	4	1,111	0.01	-
	Sub-Total	13,892	1,52,24,526	89.55	-
(B)	Total Public Shareholding	13,892	1,52,24,526	89.55	-
	TOTAL	13,899	17,000,000	100.00	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
	Sub-Total	-	-	-	-
	GRAND TOTAL	13,899	17,000,000	100.00	-

12. Dematerialisation of Shares and Liquidity

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

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

Details of Shares Dematerialised as on 31/03/2015

Particulars	No. of Shares	% of Share Capital
NSDL	94,85,795	55.80
CDSL	36,88,554	21.70
Physical	38,25,651	22.50
TOTAL	1,70,00,000	100.00

13. Outstanding GDR/warrants and

Convertible or Any Convertible Instruments : Not Applicable

14. Works Location

Integrated Television, Shooting Studio : Plot No - 138,H.No.8-3-222/1/23
2D/3D Animation Studio : Madhuraganar, 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

15. Address for Correspondence

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

16. SEBI Complaints Redressal System (SCORES):

The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

