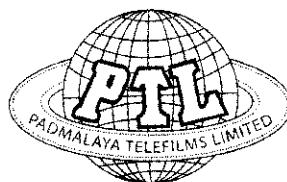


21<sup>st</sup>  
ANNUAL REPORT  
2011 - 12



*Padmalaya*  
TELEFILMS LIMITED

**Corporate Information  
Board of Directors**

Sri. Bijay Kumar Khemkha	-	Chairman
Sri. G.V.Narasimha Rao	-	Executive Director
Sri. S.Sreenivasa Rao	-	Director - Works
Dr. D.V.N.Raju	-	Director
Sri. V.Srihari	-	Director

**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  
ING Vysya Bank

**Share Transfer Agents**

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

**Listing**

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

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**CONTENTS**

Page No.

NOTICE TO THE MEMBERS.....	1
DIRECTOR'S REPORT.....	3
REPORT ON CORPORATE GOVERNANCE.....	6
GENERAL SHARE HOLDERS INFORMATION.....	10
AUDITOR'S REPORT.....	15
BALANCE SHEET.....	18
PROFIT & LOSS ACCOUNT.....	19
CASH FLOW STATEMENT.....	20
NOTES TO FINANCIAL STATEMENTS.....	22
BALANCE SHEET ABSTRACT.....	32
ATTENDENCE SHEET AND PROXY FORM.....	33



## NOTICE

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of M/s.Padmalaya Telefilms Limited will be held on Saturday, the 29<sup>th</sup> day of September 2012 at 9.30 AM at 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 and Adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and Profit & Loss Account as on that date and the together with the Report of Auditors and the Report of Board of Directors thereon.
2. To appoint a Director in place of Sri. V.Srihari who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Dr. D.V.N.Raju who retires by rotation and being eligible offers himself for reappointment.
4. To re-appoint Statutory Auditors and to fix their remuneration by Passing the following Resolution:  
"RESOLVED THAT M/s P. Murali & Co., Chartered Accountants, Hyderabad be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Next Annual General Meeting of the company at a remuneration to be fixed by the Board of Directors in place of the existing Statutory Auditors."

### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as special resolution:

#### Re-appointment of Sri. G.V.Narasimha Rao as Executive Director.

"RESOLVED THAT pursuant to Section 269, and Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 subject to approval of the Share holders Sri. G.V.Narasimha Rao be and is hereby re-appointed as Executive Director of the Company, for a further period of 5 years with effect from 01.03.2012 at a gross remuneration of Rs. 57,500/- (Rupees Fifty Seven Thousand Five Hundred only) per month.

RESOLVED FURTHER THAT all other benefits, amenities and perquisites shall be allowed and paid to him as minimum remuneration during the tenure of his office, notwithstanding the absence or inadequacy of profits for any financial year, but shall not, in any financial year, exceed the ceiling laid down in this behalf in schedule XIII of the Companies Act, 1956 including amendments made thereto from time to time.

RESOLVED FURTHER THAT the Remuneration committee be and is hereby authorized to review and also to determine performance linked incentives including commission, either on quarterly, half yearly basis, considering the maximum remuneration payable under provision of section 198 and schedule XIII of the Companies Act, 1956.

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

By Order of the Board of Directors

Place : Hyderabad  
Date : 3<sup>rd</sup> September, 2012

Sd/-  
(Bijay Kumar Khemka)  
Chairman



## Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY STAMPED AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 26<sup>th</sup> September 2012 to 29<sup>th</sup> September 2012 (Both Days Inclusive) to ascertain the list of members for 21<sup>st</sup> Annual General Meeting.
3. The attendance slip is annexed to the proxy form, Members/proxies are requested to duly fill in and affix their signatures at the space provided therein and hand over the same at the entrance of the place of the meeting.
4. Members desiring any information on accounts are requested to write to the company at least seven days before the meeting so as to enable the company to keep the information ready and the Members/Proxies are requested to bring the copies of the Annual Report to the Meeting and the same will not be distributed at the meeting.

**EXPLANATORY STATEMENT**  
(Pursuant to Section 173(2) of the Companies Act, 1956)

**Item No. 5**

Originally, Sri G.V. Narasimha Rao was appointed as an Executive Director in March 2005 for a period of five years and he was re-appointed through the agreement entered between Sri G.V. Narasimha Rao and the Company w.e.f 1<sup>st</sup> March 2010 for a further period of two years. His re-appointment was due for renewal in March 2012. In view of the increase of operations and considering his experience in the industry, it is proposed to re-appoint him as an Executive Director of the Company.

Accordingly, Board of Directors of the company in its meeting held on 1<sup>st</sup> March 2012 re-appointed him for a further period of 5 years w.e.f. 1<sup>st</sup> March 2012. Pursuant to the provisions of the Company's Act 1956 the appointment and the payment of remuneration to Sri. G.V. Narasimha Rao requires your approval.

Hence the resolution as set out above is proposed to be passed as Special Resolution.

None of the Directors except Sri. G.V. Narasimha Rao is deemed to be concerned or interested in the resolution.

**Brief profile of Sri G.V.Narasimha Rao:**

Sri.G.V.Narasimha Rao aged about 42 years, has behind him wealth of knowledge in production management and media negotiations. He combined the spirit of youth and eagerness to foray in to new terrains with professional grasp of media technologies.

**Additional information required to be furnished as per the Listing Agreement.**

1. **Brief profile of Sri V. Srihari, who retires by rotation and eligible for re-election.**

Sri V. Srihari, aged about 58 years, holds a bachelor degree in commerce and is a Chartered accountant and a Fellow Member of the institute of chartered accountants of India. He is having rich and vast Experience in the profession and he has served in private sector organization and government sector organizations for more than 35 years in various business segments like commercial banking, investment banking, operational management, corporate financial and strategies. He has worked as chief of finance, accounts and administration.

2. **Brief profile of Dr.D.V.N.Raju who retires by rotation and eligible for re-election.**

Dr.D.V.N.Raju, aged about 71 years, is a Doctor by profession and holds M.B.B.S., from Andhra University and also pursued his Masters Degree in D.V.(M.S) from Madras University. In addition to the medical practice, he was the Executive Producer and also the Member of the Production Committee. He has also produced more than 20 feature films in his career.

By Order of the Board of Directors

Sd/-

(Bijay Kumar Khemka)  
Chairman

Place : Hyderabad

Date 3<sup>rd</sup> September, 2012

## Directors' Report

To

The Members

Your Directors have pleasure in presenting the 21<sup>st</sup> Annual Report on the business of your company and the Audited Statements of Accounts for the year ended on 31<sup>st</sup> March 2012 thereof. The Business and operations of the company over the last fiscal year are briefly encapsulated below:

### Financial Results

(Rs. In Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2012	Previous ended on 31 <sup>st</sup> March 2011
Turn Over	333.05	218.42
Profit / (Loss) Before Depreciation, Tax & Prior Period Adj.	158.75	61.22
Profit / (Loss) after Tax & Before Prior Period Adjustments	16.67	(216.34)
Profit / (Loss) after Tax & Prior Period Adjustments	(931.05)	(231.14)
Add: Profit/(Loss) brought Forward from last year	(7,482.13)	(7,250.99)
<b>Profit / (Loss) Carried forward to Balance Sheet</b>	<b>(8,413.19)</b>	<b>(7,482.13)</b>

### Business Performance Review

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.

### Out look for the current year

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.

### Dividend

Due to inadequacy of profits, the Board could not recommend dividend during the year under review.

### STATUTORY DISCLOSURES

#### ADDITIONAL INFORMATION REQUIRED UNDER SECTION 217(1) (E) OF THE COMPANIES ACT 1956

##### 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.

##### Research and Development and Technology Absorption

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

##### Foreign Exchange Earnings and Outgoings.

1. Total Foreign Exchange earned	Nil
2. Total Foreign Exchange utilized	Nil

##### Particulars of Employee

There are no employees whose particulars are required to furnish under Section 217(2A) of the Companies Act 1956, read with Companies (Particulars of Employees) Rules, 2011, are to be disclosed.

##### Public Deposits

Your company has not accepted any deposits from the public during the year under review and there are no outstanding deposits as on 31<sup>st</sup> March, 2012.

##### DIRECTORS:

Dr. D.V.N.Raju and Sri. V.Srihari of the Company retires by rotation and being eligible, offers themselves for re-appointment.



Sri. Bipin Dhamji is seized with effect from 30th September 2011. Subject to approval of the members in the Annual General Meeting, Sri. G.V. Narasimha Rao was re-appointed as Executive Director for a further period of 5 years w.e.f. 1st March 2012.

#### AUDITORS

M/s.P. Murali & Co., Chartered Accountants retires at the conclusion of the Annual General Meeting and being eligible for re-appointment as Statutory Auditors of the company. The Board recommends the appointment of M/s. P. Murali & Co. Chartered Accountants, as Statutory Auditor for the period from the Conclusion of this Annual General Meeting to Next Annual General Meeting.

#### REPLY TO AUDITORS QUALIFICATIONS

The Board has furnished the following in respect of the qualification by the Auditors:

- Management is in the process of re-negotiating of OTS with the HDFC bank. A detailed note was given in the Notes to the accounts.

#### CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement executed with the stock exchanges the Company has complied with all the provisions of the corporate governance. The detailed note in this regard is provided in this annual report elsewhere. A certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance is attached to this report.

#### MANAGEMENT DISCUSSION AND ANALYSIS

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

#### DIRECTORS RESPONSIBILITY STATEMENT PERSUENT TO SECTION 217 (2AA) OF THE COMPANIES ACT:

We the Directors confirm.

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- That we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- That we have prepared the annual accounts on a Going concern basis.

#### HUMAN RESOURCE EMPLOYEE RELATIONS

The Board of Directors would like to place on record its deep appreciation to all the employees for their dedicated services to the company. Our organizational culture and work environment is central to our ability to complete effectively. The relationship with the employees continues to be cordial.

#### ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their thanks to various departments of Central and State Governments, financial institutions, Banks, the Suppliers, Customers and Shareholders of the Company for their continued assistance, support and guidance.

By Order of the Board of Directors

Place : Hyderabad

Date : 3<sup>rd</sup> September, 2012

Sd/-

(Bijay Kumar Khemka)

Chairman



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### MEDIA AND ENTERTAINMENT INDUSTRY OVERVIEW

According to the reports, the global media and entertainment industry grew by 3.5% in 2011. The spending on global M&E will rise to \$1.9 trillion by 2015, at a CAGR of 5.7%. The evolving consumer preferences, technology breakthroughs, enhanced advertising spend and industry consolidation will be the M&E industry's major growth drivers.

The Indian Media and Entertainment (M&E) industry grew significantly in the past years. The industry recorded a double digit growth. It is slated to grow further. Furthermore, it is estimated to grow at a CAGR of 14% to reach Rs. 1,275 Billion by 2015 as per the KPMG analysis and industry review.

### INDIA'S FILM INDUSTRY

The domestic film industry is poised to grow at a healthy CAGR of 9.6% until 2015, touching Rs. 132.1 Billion. Contribution from the domestic theatrical revenues is estimated to grow at a CAGR of 8.9% and also the contribution 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

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.

#### Outlook for the current year

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 Digitalization of the theaters and Film Production tie ups with experts in the market.

### 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.

New Piracy Laws were introduced in Tamil Nadu in 2005. It was followed by similar laws in Maharashtra and Karnataka in 2009.



## REPORT ON CORPORATE GOVERNANCE

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 Directors. Out of two Executive Directors, one is from the promoter category and the remaining Non-Executive Directors are professional / independent. The professional / 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	1	Nil
2	G.V.Narasimha Rao	Promoter Executive	Executive Director	Nil	Nil
3	S.Srinivasa Rao	Non Promoter Executive	Director- Works	Nil	Nil
4	V.Srihari	Independent	Director	Nil	Nil
5	Dr D.V.N.Raju	Independent	Director	1	Nil
6	Bipin Damji Shah*	Independent	Director	2	Nil

\* Ceased as the Director w.e.f 30<sup>th</sup> September 2011

#### c. Board Meetings held During the Year

S.No	Date of Board Meeting
1	14/05/2011
2	12/08/2011
3	01/09/2011
4	14/11/2011
5	13/02/2012

**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	5	Yes
G.V.Narasimha Rao	5	Yes
S.Srinivasa Rao	5	Yes
V. Srihari	4	No
Dr D.V.N. Raju	5	Yes
*Bipin Dhamji Shah	3	No

\* Ceased as the Director w.e.f 30<sup>th</sup> September 2011.

**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 292 A of the Companies Act, 1956. The Broad terms of reference of the Audit committee are to review with the Management and/or Statutory Auditors in the following areas.

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

**b) Composition, names of the members and chairman**

The Audit Committee of the Company re-constituted during the year comprises three members. All the members of the Committee are "Independent" Non-Executive 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
V.Srihari	5	4
Bijay Kumar Khemka	5	5
Dr D.V.N. Raju	5	5

**c. Audit Committee Meetings held During the Year**

S.No	Date of Board Meeting
1	14/05/2011
2	12/08/2011
3	01/09/2011
4	14/11/2011
5	13/02/2012

#### 4. Remuneration Policy

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

The Remuneration Committee comprises the following Directors:

Dr D.V.N. Raju	Chairman
Bipin Dhamji Shah	Member
Bijay KumarKhemka	Member

Details of Remuneration to the Executive Directors paid/ payable for the financial year 2011-12 is as follows

Rs.lakhs

Particulars	G.V. Narasimha Rao Executive Director	S.Srinivasa Rao Director - Works
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 constitutes as sub 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) 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
V. Srihari	Member
Bijay Kumar Khemka	Member

Mr. S.Srinivasa Rao, Director of the Company is acting as compliance officer

TELEFILMS LIMITED



#### 6. Investor Complaints Received and resolved during the Year 2011-2012

Nature of Complaints	Received	Resolved	Pending
A. Non-receipt of Dividend Warrants	Nil	Nil	Nil
B. Non receipt of Annual Reports	2	2	Nil
C. Non Receipt of share Certificates	Nil	Nil	Nil

#### 7. General Body Meetings

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

AGM No.	Financial Year	Date	Time	Venue
20th	31.03.2011	30.09.2011	09.30 a.m	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033
19th	31.03.2010	30.09.2010	09.30 a.m	SONYZ Garden, Plot No.3940, Bhagyanagar Phase - II, KPHB Colony, Hyderabad - 500 072.
18th	31.03.2009	30.09.2009	09.30 a.m.	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033

##### b) Special Resolutions were passed

- in the 18th Annual General Meeting held on 30th September 2009, to issue, offer and allot Equity Shares on preferential basis to promoters & non-promoter and to alter the Articles of Association of the Company to give effect to increase in Authorized share Capital of the Company.
- in the 20th Annual General Meeting held on 30th September 2011.
  - to raise the funds not exceeding Rs. 200 Crs
  - to re-appoint Sri S Srinivasa Rao as whole-time Director for a further period of five years w.e.f 1st Sept 2011.

##### c) During the year no Extra-ordinary General Meetings were held.

##### d) 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 2011-12 the company has a related party transaction with M/s. Yamuna Enterprises Private Limited. The Company has taken Rs. 4.55 Lakhs as advance.
- 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.



## General Share Holders Information

### 1. Annual General Meeting :

Date : 29.09.2012  
 Time : 9.30 AM.  
 Venue : State Gallery of Fine Arts, Road No.1, Kavuri Hills,  
 Madhapur, Hyderabad-500 033

### 2. Financial Calendar :

Financial Reporting for:  
 Quarter ending June, 30 2012 : Board meeting held on 12<sup>th</sup> August, 2012  
 Quarter ending September, 30 2012 : Second Week of November, 2012  
 Quarter ending December, 31 2012 : Second Week of February, 2013  
 Quarter ending March, 31 2013 : Second Week of May, 2013  
 Annual General Meeting (Next year) : Last week of September, 2013

### 3. Date of Books Closure :

26/09/2012 to 29/09/2012  
 (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 2012-13 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 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March, 2012 are as stated hereunder.

Year 2011-12	BSE	
	High	Low
April, 2011	5.22	3.54
May, 2011	4.90	3.51
June, 2011	9.27	3.55
July, 2011	8.23	5.87
August, 2011	6.08	4.15
September, 2011	5.74	4.06
October, 2011	4.99	4.08
November, 2011	5.29	3.53
December, 2011	4.79	3.76
January, 2012	4.60	3.87
February, 2012	4.43	3.77
March, 2012	4.12	3.00

• 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 31-03-2012**

Category From	To	No. of Share Holders	% of Share Holders	Amount Rs.	% of Amount
1	5000	11158	76.81	20873390	12.28
5001	10000	1673	11.52	14442400	8.50
10001	20000	824	5.67	13058820	7.68
20001	30000	292	2.01	7590890	4.47
30001	40000	138	0.95	4984490	2.93
40001	50000	131	0.90	6263220	3.68
50001	100000	161	1.11	11816400	6.95
100000	and above	149	1.03	90970390	53.51
<b>Total</b>		<b>14526</b>	<b>100.00</b>	<b>1,70,00,000</b>	<b>100.00</b>

**11. Shareholding Pattern : As on 31-03-2012**

Category code	Category of Shareholder	Number of Share- holders	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)	<b>Shareholding of Promoter and Promoter Group</b>					
1	Indian Individuals/ Hindu Undivided Family	5	87,455	0.51		
(a)	Central Government/ State Government(s)					
(b)	Bodies Corporate	3	1,688,019	9.93		
(c)	Financial Institutions/ Banks					
(d)	Any Others(Specify)					
(e)	<b>Sub Total</b>	<b>8</b>	<b>1,775,474</b>	<b>10.44</b>		
2	<b>Foreign</b>					
a	Individuals (Non-Residents Individuals/Foreign Individuals)					
b	Bodies Corporate					
c	Institutions					
d	Any Others(Specify)					
	<b>Sub Total</b>	<b>0</b>	<b>0</b>	<b>0</b>		
	<b>Total Shareholding of Promoter and Promoter</b>					
	<b>Group</b>	<b>8</b>	<b>1,775,474</b>	<b>10.44</b>		
(B)	<b>Public shareholding</b>					
1	<b>Institutions</b>					
(a)	Mutual Funds/ UTI					
(b)	Financial Institutions / Banks					
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					
(e)	Insurance Companies					
(f)	Foreign Institutional Investors					
(g)	Foreign Venture Capital Investors					
(h)	Any Other (specify)					
	<b>Sub-Total</b>					

B 2	Non-institutions	335	4,185,495	24.62	-	-
(a)	Bodies Corporate	335	4,185,495	24.62	-	-
(b)	Individuals	14,026	7,467,386	43.93	-	-
1	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	111	3,476,339	20.45	-	-
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	38	88,823	0.52	-	-
(c)	Any Other (specify)	8	6,483	0.04	-	-
(c-i)	Non-Residential Individuals	-	-	-	-	-
(c-ii)	Trusts - Clearing Members	-	-	-	-	-
	<b>Sub-Total</b>	<b>14,518</b>	<b>15,224,526</b>	<b>89.55</b>	-	-
(B)	<b>Total Public Shareholding</b>	<b>14,696</b>	<b>15,223,101</b>	<b>89.56</b>	-	-
	<b>TOTAL</b>	<b>14,526</b>	<b>17,000,000</b>	<b>100.00</b>	-	-
(C)	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	-	-	-	-	-
1	Promoter and Promoter Group	-	-	-	-	-
2	Public	-	-	-	-	-
	<b>Sub-Total</b>	<b>14,526</b>	<b>17,000,000</b>	<b>100.00</b>	-	-
	<b>GRAND TOTAL</b>				-	-

**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 31/03/2012

Particulars	No. of Shares	% of Share Capital
NSDL	88,91,474	52.30
CDSL	35,31,776	20.78
Physical	45,76,750	26.92
<b>TOTAL</b>	<b>170,00,000</b>	<b>100.00</b>

**13. Outstanding GDRs/warrants and Convertible or Any Convertible Instruments**

Not Applicable

**14. NOMINATION FACILITY:**

Share holding shares in physical form and desirous of making changes in the nomination in respect of their shareholding in the company, as permitted under section 109A of the Companies Act, 1956 are requested to submit to the registrars in the prescribed form for this purpose.

**15. Works Location**

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

Feature Film Distribution Offices

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

**16. Address for Correspondence**

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



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

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

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

Place : Hyderabad  
Date : 3<sup>rd</sup> September, 2012

Sd/-  
G.V.Narasimha Rao  
Executive Director

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



## CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To  
The Members of  
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 31<sup>st</sup> March, 2012 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 : 3<sup>rd</sup> September, 2012

## Auditors Report

To  
The Shareholders  
Padmalaya Telefilms Limited  
Hyderabad.

We have audited the attached Balance Sheet of M/s. PADMALAYA TELEFILMS LIMITED as at March 31, 2012 and also the Profit and Loss Account for the period ended on the date annexed thereto and the cash flow statement for the period ended on that date these financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order 2003 and as amended by the Companies (Auditor's Report) (Amendment) order 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to the above, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- iv) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as at March 31, 2012 from being appointed Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
  - b) In the case of the Profit and Loss Account, Loss of the Company for the year ended on that date;

AND

- c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

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

Place : Hyderabad.  
Date 3<sup>rd</sup> September, 2012

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

### Annexure to Auditors' Report

- I. a). The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b). It is explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.  
c). The Company has not disposed off substantial part of the Fixed Assets.
- II. a). The inventories have been physically verified during the year and in our opinion, the frequency of verifications is reasonable.  
b). In our opinion, the procedures of physical verification of inventory followed by 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 books records.
- III. a). The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s.301 of Companies Act, 1956.  
b). As the Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.  
c). As no loans are granted by company, the clause of receipt of interest & principal amount from parties, is not applicable to the company.  
d). No loans have been granted to Companies, Firm & other parties listed in the register U/s.301 of the Companies Act, 1956, hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.  
e). The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.  
f). As the Company has not taken any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.  
g). As no loans are taken by the company, the clause of repayment of interest & principal amount to parties, is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.
- V. a). In our opinion and according to the information and explanation given to us, the contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of the financial year, are entered in register U/s.301 of the Companies Act, 1956 does not arise.  
b). According to the information and explanations given to us, as no such contracts or arrangements made by the company, the applicability of the clause of charging the reasonable price having regards to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.



TELEFILMS LIMITED



VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (l) of section 209 of the Companies Act, 1956.

IX. a) The company is regular in depositing statutory dues including PF, ESI, and any other statutory dues with the appropriate authorities and there is no outstanding which was due for more than 6 months from the date they became payable.

b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF, ESI, and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.

X. The Company has been registered for a period of not less than 5 years, and the company has accumulated losses at the end of the financial year and the company has incurred cash losses in this financial year and in the immediately preceding financial year.

XI. According to information and explanations given to us, the Company has defaulted in repayment of dues to Banks on Working Capital Loan.

XII. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.

XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies.

XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clauses 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.

XV. 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.

XVI. According to the information and explanations given to us, Term Loans obtained by the company were applied for the purpose for which such loans were obtained by the company.

XVII. According to the information and explanations given to us, no funds are raised by the company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.

XVIII. According to the information and explanations given to us, the Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.

XIX. According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.

XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.

XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

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

Place : Hyderabad

Date 3<sup>rd</sup> September, 2012

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

## BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	March 31, 2012	March 31, 2011
<b>I EQUITY AND LIABILITIES</b>		<b>Rs.</b>	<b>Rs.</b>
<b>1. Shareholders' Funds</b>			
a) Share Capital	1	169,976,000	169,976,000
b) Reserves and Surplus	2	3,574,348	96,680,044
<b>2. Non-current liabilities</b>			
a) Long-term borrowings	3	44,878,382	44,878,382
b) Deferred Tax Liabilities / (Asset)	4	16,770,047	-
c) Other Provisions	5	15,531,154	15,445,754
<b>3. Current Liability</b>			
(a) Short-term borrowings	6	5,000,000	5,000,000
(b) Trade Payable	7	7,242,688	7,542,688
(c) Other current liabilities	8	40,195,475	41,300,779
(d) Short-term provisions	9	138,118	872,944
<b>Total</b>		<b>303,306,212</b>	<b>381,696,591</b>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets			
(i) Tangible & Intangible assets	10	68,001,713	88,455,242
(b) Deferred Tax Asset	4	-	71,705,155
(c) Other Non Current Assets	11	128,000	168,100
<b>2. Current assets</b>			
(a) Inventories	12	131,313,770	126,313,770
(b) Trade Receivables	13	34,535,437	21,076,485
(c) Cash and Bank balances	14	2,631,207	625,706
(d) Loan and Advances	15	66,696,085	73,352,133
<b>Total</b>		<b>303,306,212</b>	<b>381,696,591</b>

### Summary of Significant Accounting Policies

The Accompanying Notes are an Integral Part of the Financial Statements

Per Our Report Of Even Date Attached

for PADMALAYA TELEFILMS LIMITED

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

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

Sd/-  
D.V.N Raju  
Director

Sd/-  
S. Srinivas Rao  
Director - Works

Place : Hyderabad  
Date : 3<sup>rd</sup> September, 2012

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH, 2012

PARTICULARS	NOTE No.	FOR THE YEAR ENDED 31/03/2012	FOR THE YEAR ENDED 31/03/2011
		Rs.	Rs.
I. Revenue from Operations	16	33,305,356	21,842,805
II. Other Income	17	401,885	784,964
<b>III. Total Revenue (I + II)</b>		<b>33,707,241</b>	<b>22,627,769</b>
<b>IV. Expenses:</b>			
Cost of Materials	18	16,003,249	11,862,312
Changes in Inventories of Finished goods, WIP and Stock-in-Trade	19	(5,000,000)	(2,634,789)
Employee Benefit expenses	20	3,328,111	3,631,281
Other Operating Expenses	21	349,350	316,000
Administrative Expenses	22	3,149,496	3,327,241
Financial costs	23	2,104	3,929
Depreciation and amortization expense	10	20,453,529	20,562,892
<b>Total Expenses</b>		<b>38,285,839</b>	<b>37,068,866</b>
 V. Profit Before Tax (III - IV)		 (4,578,598)	 (14,441,097)
<b>VI. Tax expense:</b>			
(1) Current tax			
(2) Deferred Tax Asset.//(Liability)		6,245,538	(7,193,207)
<b>VII. Profit/(Loss) from the period from Continuing Operations ( V-VI)</b>		<b>1,666,940</b>	<b>(21,634,304)</b>
<b>VIII. Prior Period Adjustment</b>		<b>94,772,636</b>	<b>1,479,787</b>
<b>IX. Profit/(Loss) after tax &amp; prior period adjustment</b>		<b>(93,105,696)</b>	<b>(23,114,091)</b>
<b>X. Balance Brought Forward</b>		<b>(748,212,859)</b>	<b>(725,098,768)</b>
<b>XI. Profit/(Loss) for the period (IX + X)</b>		<b>(841,318,555)</b>	<b>(748,212,859)</b>
<b>XII. Earning per equity share:</b>			
(1) Basic	81	(5.48)	(1.36)
(2) Diluted	82	(5.48)	(1.36)

The Accompanying Notes are an Integral Part of the Financial Statements

Per Our Report Of Even Date Attached. *RECORDED* *SEARCHED* *INDEXED* *FILED*

For P.Murati & Co.  
Chartered Accountants  
FRN: 007257 S

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

Place : Hyderabad  
Date : 3<sup>rd</sup> September, 2012

Sd/-  
D.V.N Raju  
Director

Sd/-  
**S. Srinivas Rao**  
Director, Works

**CASHFLOW STATEMENT FOR THE YEAR ENDED 31/03/2012**

<b>PARTICULARS</b>	<b>2011-12</b>	<b>2010-11</b>
<b>I. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/( Loss) before Tax & Extraordinary Items	Rs. (4,578,598)	Rs. (14,441,097)
Add: Depreciation	20,453,529	20,562,892
<b>Operating Cash Flows before Working Capital Changes &amp; Extraordinary Items</b>	<b>15,874,931</b>	<b>6,121,795</b>
<b>ADJUSTMENT FOR WORKING CAPITAL CHANGES:</b>		
Decrease/(Increase) in Inventory	(5,000,000)	(2,634,789)
Decrease/(Increase) in Trade Receivables	(13,458,952)	(2,426,688)
Decrease/(Increase) in Loans & Advances	6,656,048	(7,239,302)
Increase/(Decrease) in Trade Payables	(300,000)	(11,800,739)
Increase/(Decrease) in Other Current Liabilities	(1,105,304)	
Increase/(Decrease) in Short Term Provisions	(734,826)	
<b>Operating Cash Flows After Working Capital Changes but before adjustment for Extraordinary Items &amp; Prior Period Items</b>	<b>1,931,897</b>	<b>(17,979,723)</b>
Add/(Less) Adjustment for Extraordinary & Prior Period items	(51,896)	(1,479,787)
<b>Net Cash Used in Operating Activities</b>	<b>1,880,001</b>	<b>(19,459,510)</b>
<b>II. Cash Flow from Investing Activities:</b>		
Decrease/( Increase ) In Non Current Assets	40,100	
<b>Net Cash Used in Investment Activities</b>	<b>40,100</b>	
<b>III. Cash Flow from Financing Activities:</b>		
Increase in Share Capital		20,000,000
Increase/(Decrease) In Non Current Liabilities	85,400	
<b>Net Cash Flow from Financing Activities</b>	<b>85,400</b>	<b>20,000,000</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>625,706</b>	<b>85,216</b>
<b>Net Cash Used During the Year</b>	<b>2,005,501</b>	<b>540,490</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>2,631,207</b>	<b>625,706</b>

For and on behalf of the Board of Directors

Place : Hyderabad

Date : 3<sup>rd</sup> September, 2012

Sd/-,

D. V. N. RAJU

Sd/-,

S. SRINIVASA RAO

Managing Director

Director - Works

**CERTIFICATE**

We have examined the attached cash flow statement of M/s. Padmalaya Telefilms Limited for the year ended 31/03/2012. The statement has been prepared by the Company in accordance with requirements of clause 32 of listing agreement with stock exchanges and is based on and in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company covered by our report dated 3rd September, 2012 to the members of the Company.

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

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

Place : Hyderabad  
Date : 3<sup>rd</sup> September, 2012



## 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. Basis of accounting:

These financial statements are prepared under historical cost convention as a going concern and on accrual basis in accordance with the generally accepted accounting principles in India and as per applicable accounting standards (AS) issued by Institute of Chartered Accountants of India as notified under Companies act (Accounting standards) rules, 2006.

### 2. Fixed assets and depreciation:

Fixed assets are stated at historical cost (net of CENVAT & VAT credit in applicable cases), less accumulated depreciation thereon (in line with provisions of AS-10). Depreciation on tangible assets is provided on straight line method at the rates specified in the Schedule XIV to the companies act, 1956. Assets costing Rs.5000/- or less (as adopted as materiality threshold) are charged to expenses in the year of purchase.

### 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. (In line with provisions of Para 6.1 of AS-9).

### 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.

### 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 en-cashable 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).

## NOTES TO FINANCIAL STATEMENTS

## Note No.1

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
A.	<b>Equity Share Capital</b>		
	(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 Previous Year)	Rs. 200,000,000	Rs. 200,000,000
	(b) Issued (No. of Shares 1,70,00,000 each Current Year) (No. of Shares 1,70,00,000 each Previous 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 Previous 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 Previous Year)	24,000	24,000
	(e) Par Value per share Rs. 10/-		
	<b>Total Equity Share capital</b>	<b>169,976,000</b>	<b>169,976,000</b>
B.	<b>Calls unpaid :</b>		
	Equity Shares By Directors & Officers By Others	24,000	24,000
C.	<b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>		
	Equity Shares of Rs. 10 Each, 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.	<b>Details of Shareholder holding more than 5% shares of the company:</b>		
	Equity Shares of Rs. 10 each Held By Yamuna Enterprises (P) Ltd. - Current Year No. of Shares - 16,70,019 - Previous Year No. of Shares - 16,70,019	9.82	9.82

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



## NOTE NO. 2 : RESERVES AND SURPLUS

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	<b>RESERVES AND SURPLUS</b>	<b>Rs.</b>	<b>Rs.</b>
	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		
	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		
	h) Surplus :		
	i) Opening Balance - Profit and Loss Account	(748,212,859)	(725,098,768)
	Add: Transfer from Profit & Loss Account	(93,105,696)	(23,114,091)
		(841,318,555)	(748,212,859)
II	A Reserve specifically represented by earmarked investments		
	Total Reserves and Surplus	3,574,348	96,680,044

## NOTE NO. 3 : LONG TERM BORROWINGS

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Long Term Borrowings	<b>Rs.</b>	<b>Rs.</b>
	a) 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 NO. 4 : DEFERRED TAX LIABILITY ( NET)

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
		<b>Rs.</b>	<b>Rs.</b>
	Opening Deferred Tax Asset	71,705,155	78,898,362
	Deferred Tax Asset / (Liability) Due to Timing Difference on Depreciation	6,212,120	(7,235,307)
	Deferred tax Asset on Provision for Gratuity and Compensated Absences	33,418	42,100
	Gross Deferred Tax Asset	77,950,693	71,705,155
	Less: Deferred Tax Provision Reversal - Prior Period Item	94,720,740	
	Deferred Tax (Liability)/ Asset - Net	(16,770,047)	71,705,155

NOTE NO. 5 : OTHER PROVISIONS

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
1	a) Provisions for Employee benefits - Provision for Gratuity - Provision for Leave Encashment	Rs. 370,750 51,010	Rs. 261,100 52,510
	b) Others	15,109,394	15,132,144
	Total Long Term Provisions	15,531,154	15,445,754

NOTE NO. 6 : SHORT TERM BORROWINGS.

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
1	Short Term Borrowings	Rs.	Rs.
	a) Other Loans repayable on demand Un Secured From Others	5,000,000	5,000,000
	Total Short Term Borrowings	5,000,000	5,000,000

NOTE NO. 7 : TRADE PAYABLES

S. No	Particulars	As on 31-03-2012	As on 31-03-2011
1	a) Trade Payables	Rs. 7,242,688	Rs. 7,542,688
	Total Trade Payables	7,242,688	7,542,688

NOTE NO. 8 : OTHER CURRENT LIABILITIES

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
1	a) Other Payables	Rs. 40,195,475	Rs. 41,300,779
	Total Other Current Liabilities	40,195,475	41,300,779

NOTE NO. 9: SHORT TERM PROVISIONS

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
1	a) Provisions for employee benefits ESI & PF Payable Salaries Payable	Rs. 10,461 79,227	Rs. 421,826 311,856
	b) Others Statutory Liabilities	48,430	139,262
	Total Short Term Provisions	138,118	872,944

## NOTE NO. 10 : TANGIBLE &amp; INTANGIBLE ASSETS AS AT 31-03-2012


  
 TELEFILMS LIMITED

Sl. No.	Particulars	Gross Block			Depreciation/Amortization			Net Block as on 31.03.2012	Net Block as on 31.03.2011
		As on 01.04.2011	Additions during the year	Sale/Deletions during the year	As on 31.03.2012	Dep. As on 01.04.2011	Dep. For the year 2011-2012		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	14,338,897	-	-	14,338,897	-	-	14,338,897	14,338,897
2	Plant & Machinery	284,207,430	-	-	284,207,430	210,746,973	20,093,465	230,840,438	53,366,992
3	Other Assets	10,943,868	-	-	10,943,868	10,943,868	-	10,943,868	-
4	Office Equipment	5,688,216	-	-	5,688,216	5,032,328	360,064	5,392,392	295,824
5	Furniture	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	-
	Total	319,695,675	-	-	319,695,675	231,240,433	20,453,529	251,693,962	68,001,713
	Previous Year	319,695,675	-	-	319,695,675	210,677,541	20,562,892	231,240,433	88,455,242
Note: Depreciation:									
a. Depreciation is provided on Straight line method as per Schedule XIV of the Companies Act, 1956. b. Other Assets include Ornaments, Costumes, Library Etc.									


**NOTE NO. 11 : OTHER NON CURRENT ASSETS**

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	Security Deposit: Unsecured, Considered Good	Rs. 128,000	Rs. 168,100
	Total other non current assets	128,000	168,100

**NOTE NO. 12: INVENTORIES**

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
	a) Work - In - Progress	Rs.	Rs.
	Closing Stock	14,577,696	9,577,696
	Software under Production	73,385,497	73,385,497
	Projects on Hand	43,350,577	43,350,577
	Total Inventories	131,313,770	126,313,770

**NOTE NO. 13 : TRADE RECEIVABLES**

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
I	a). Outstanding for a period exceeding six months from the date they are due for payment Unsecured, Considered Good	Rs. 12,733,651	Rs. 9,108,404
	b). Other receivables : Unsecured, Considered Good	21,801,786	11,968,081
	Total Trade Receivables	34,535,437	21,076,485

**NOTE NO. 14 : CASH AND BANK BALANCES**

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
	I Cash and cash equivalents : a) Balances with banks : On Current Accounts	Rs. 1,927,375	Rs. 159,490
	b) Cash on hand	703,832	466,216
	Total Cash and Cash Equivalents	2,631,207	625,706

**NOTE NO. 15: LOANS AND ADVANCES**

S.No.	Particulars	As on 31-03-2012	As on 31-03-2011
I.	Other Loans & Advances:	Rs.	Rs.
	Unsecured, Considered Good		
	Prepaid Expenses	2,420,867	1,076,915
	Loans Receivables	58,728,381	58,728,381
	Advances Recoverable in Cash or in kind	5,546,837	13,546,837
	Total Short Term Loans and Advances	66,696,085	73,352,133

**NOTE NO. 16: REVENUE FROM OPERATIONS**

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
I.	Revenue from operations in respect of non-finance company	Rs.	Rs.
	Sale of Products	33,305,356	21,842,805
	Total Revenue from Operations	33,305,356	21,842,805

**NOTE NO. 17 : OTHER INCOME**

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
I.	Other non-operating income	Rs.	Rs.
	Total Other Income	401,885	784,964

**NOTE NO. 18: COST OF MATERIALS**

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
I.	Production Expenditure	Rs.	Rs.
	Total Cost Of Material Consumed	16,003,249	11,862,312

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

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
I.	Software Under Production	Rs.	Rs.
	Inventories at the beginning of the year	126,313,770	123,678,981
	Less : Inventories at the end of the year	131,313,770	126,313,770
	(Increase) / Decrease in Inventories	(5,000,000)	(2,634,789)



## NOTE NO. 20: EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
		Rs.	Rs.
1.	(a) Salaries & Wages	1,971,408	2,291,454
	(b) Contribution to Provident & Other Funds	74,006	92,916
	(c) Managerial Remuneration	1,230,000	1,230,000
	(d) Staff Welfare Expenses	52,697	16,911
	Total Employee Benefit Expenses	3,328,111	3,631,281

## NOTE NO. 21: OTHER OPERATING EXPENSES

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
		Rs.	Rs.
1.	(a) Rent	168,350	135,000
	(b) Payment to Auditors:		
	(i) As Auditor	59,400	59,400
	(ii) For Taxation Matters	48,400	48,400
	(iii) For Other Services	13,200	13,200
	(c) Internal Auditors Remuneration	60,000	60,000
	Total Other Expenses	349,350	316,000

## NOTE NO. 22: ADMINISTRATIVE EXPENSES

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
		Rs.	Rs.
1.	(a) Telephone, Postage and Others	69,690	31,124
	(b) Business Promotion Expenses	203,870	471,934
	(c) Conveyance	219,861	257,036
	(d) Office Maintenance	316,165	602,961
	(e) Printing & Stationery Expenses	8,790	136,485
	(f) Professional Consultancy fee	808,433	139,311
	(g) Director Sitting Fee	84,000	140,000
	(h) Licenses Fee and Taxes	8,160	55,260
	(i) AGM & EGM Expenses	453,732	768,420
	(j) Share Transfer Expenses	389,184	435,676
	(k) Board and General Body Meeting Expenses	17,520	45,922
	(l) Subscription, Membership and corporate bodies	234,158	243,112
	(m) Legal Expenses	176,330	-
	(n) Gratuity and leave encashment	131,175	-
	(o) Interest on taxes Payable	28,428	-
	Total Administrative Expenses	3,149,496	3,327,241

## NOTE NO. 23 : FINANCE COST

S.No.	Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
		Rs.	Rs.
1.	Finance Expenses		
	- Bank Charges	2,104	3,929
	Total Finance Cost	2,104	3,929

**24. SHARE CAPITAL**

Company is having existing Equity share capital to the extent of 1,70,00,000 Shares @ Rs.10/- each fully Paid as on 01.04.2011.

**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:**

- Depreciation is provided on Straight line method as per Schedule XIV of the Companies Act, 1956.
- 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 2011-2012	For the year 2010-2011
<b>1. Segment Revenue / Income</b>		
T.V.Software	74.75	38.55
Integrated Communication Group	72.10	48.03
Films	110.95	89.48
Animation	75.25	42.37
Total	333.05	218.43
Less: Inter Segmental Revenue		
Total Revenue from Operations	333.05	218.43
<b>2. Segment wise Profit / Loss before Tax and interest</b>		
T.V.Software	(4.55)	(26.68)
Integrated Communication Group	(7.37)	(40.95)
Films	(4.95)	(31.52)
Animation	(5.22)	(36.24)
Total	(22.09)	(135.39)
Add: Un-allocable Income net off		
Un-allocable expenditure	23.69	23.82
<b>Profit before Tax and Prior period expenditure</b>	<b>(45.78)</b>	<b>(159.21)</b>

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 Private Limited	- Controlled by key managerial personnel
Yamuna Enterprises Private Limited	- Controlled by key managerial personnel
Green Chillies entertainment (P) Ltd.	- Controlled by key managerial personnel
Transaction details	- An amount of Rs.4.55 lakhs taken from Yamuna Enterprises Pvt. Ltd. as advance.


**29. Managerial Remuneration**

Particulars	(Rs. In lakhs)	
	31-03-2012	31-03-2011
Salaries	11.40	11.40
Perquisites & Allowances	0.90	0.90
<b>Total</b>	<b>12.30</b>	<b>12.30</b>

**30. Auditors Remuneration**

Particulars	(Rs. In lakhs)	
	31-03-2012	31-03-2011
Statutory Audit Fees	0.54	0.54
Tax Audit Fees	0.30	0.30
Certification Fees	0.13	0.13
Taxation Matters	0.14	0.14
Service Tax Matters	0.10	0.10
<b>Total</b>	<b>1.21</b>	<b>1.21</b>

**31. Earnings per share**

Particulars	(Rs. In lakhs)	
	31.03.2012	31.03.2011
Net profit / (Loss) for the period attributable to equity share holders (Rs.Lakhs)	(931.05)	(231.14)
Weighted average number of equity share outstanding face value of Rs. 10/-	1,70,00,000	1,70,00,000
Basic EPS (in Rs.)	(5.48)	(1.36)

**32. 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:

Particulars	(Rs. In lakhs)	
	31-03-2012	31-03-2011
Gratuity	3.71	2.61
Leave Encashment	0.51	0.53

Particulars	(Rs.in Lakhs)	
	31-03-2012	31-03-2011
Contribution to Provident fund	0.56	0.76
Contribution to Employee State Insurance Scheme (ESI)	0.18	0.17

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.



33. Foreign exchange inflow and Outflow
  - a) Foreign exchange inflow - Nil (Previous Year - Nil)
  - b) Foreign exchange outflow - Nil (Previous Year - Nil)
34. Contingent Liabilities  
Against the demand of Income Tax amounting to Rs.1.50 crores for the Assessment years 2003-2004, the company has preferred an appeal before the Hon'ble Commissioner of Income Tax, Hyderabad. The appeal is yet to post for hearing. The Company is confident to get the orders in favour of the company.
35. The company has approached the HDFC for one time settlement, the bank has approved the same at reduced rate of interest. As per the OTS sanction the interest on the loan charged to the profit and loss account. Closing balance as on 31.03.2012 stood at Rs. 4.49 Crores.
36. Legal cases:
  - a. Mr.Nayan Das Mukheja has filed a case to recover an amount of Rs.55.00 lakhs for which he has advanced for the film for which company has already made a provision.
  - b. M/s Data Soft, Mumbai filed winding-up petition against the company for recovering its dues to the tune of Rs.2.52 lakhs. The company negotiating with the party for settlement.
37. Balances of Sundry debtors/creditors, loans are subject to Confirmations
38. 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.
39. Previous years' figures are restated/regrouped/rearranged wherever necessary in order to confirm to the current years' grouping and classifications.
40. Figures have been rounded off to the nearest rupees in Lakhs.

As per our report of even date

for and on behalf of the Board

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

Sd/-  
Dr.D.V.N.Raju  
Director

Sd/-  
S. Sreenivasa Rao  
Director - Works

Sd/-  
P.Murali Mohana Rao  
Partner  
Member Ship No. 23412

Place: Hyderabad  
Date: 3<sup>rd</sup> September, 2012



TELEFILMS LIMITED



## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### 1 Registration Details

CIN No. **L92111AP1991PLC013222**

Balance Sheet **31 03 2012**  
Date Month Year

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

Public Issue **NIL**

Rights Issue **NIL**

Bonus Issue **NIL**

Private Placement **NIL**

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

Total Liabilities **303306**

Total Assets **303306**

#### Sources of Funds

Paid-Up Capital **169976**

Reserves & Surplus **3574**

Secured Loans **44878**

#### Application Funds

Net Fixed Assets **68002**

Investments **NIL**

Net Current Assets **167197**

Differed tax lia. **16770**

Accumulated Losses **NIL**

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

Turn Over **33707**

Total Expenditure **38286**

Loss Before Tax **4579**

Loss After Tax **93106**

Earning Per Share **N/A**

Dividend Rate  
(Weighted Average) **NIL**

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

Item Code No.

**85242309**

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



# PADMALAYA TELEFILMS LIMITED

Regd Off # :8-3-222/1/23, (Plot No. 138), Madhura Nagar,  
Yusufguda, Hyderabad - 500 038

## ATTENDANCE SLIP

Twenty First Annual General Meeting, On Saturday 29<sup>th</sup> September 2012 at 9.30 A.M.

Please complete this attendance slip and hand it over at the entrance of the Meting Hall

Name of the Shareholders	Folio Number	No. of Shares Held

I here by record my presence at the 21<sup>st</sup> Annual General Meeting of the company at the premises of at State Gallery of fine arts, Road No.1, Kavuri Hills, Madhapur, Hyderabad - 500 033.

If member, Please sign Below	If proxy please sign Below

# PADMAYALA TELEFILMS LIMITED

Regd Off # :8-3-222/1/23, (Plot No. 138), Madhura Nagar,  
Yusufguda, Hyderabad - 500 038

## PROXY FORM

Folio NO. ....

I/We.....  
of .....being a member (s) of the Comapny  
hereby appoint .....of.....  
or failing his / her .....of.....  
or failing his / her .....of.....

as my/our proxy to attend and vote for me/us on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the company to be held on the 29<sup>th</sup> day of September 2012, and at any adjournment thereof.

As witness my/our hand(s) this ..... day of ..... 2012

Affix  
One Rupee  
Revenue  
Stamp

Note : The proxy form must be deposited at the Registered office of the Company not later than 48 hours before the time of holding of the meeting.

PRINTED MATTER  
BOOK - POST

If Undelivered, please return to :

**PADMALAYA TELEFILMS LIMITED**

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