



Padmalaya Telefilms Limited

CIN No. L92 111TS1991PLC013222

Date: 07th September, 2026

To
The Manager – Compliance,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Dear Sir/Madam,

Sub: Submission of Annual Report and intimation of 35th Annual General Meeting for the Financial Year 2025-26 under Regulation 34 of SEBI (LODR) Regulation 2015

Unit: Padmalaya Telefilms Limited (BSE Scrip Code: 532350)

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2025-26, along with the Notice convening the 35th Annual General Meeting (AGM) of the members of the Company. The 35th AGM of the Company is scheduled to be held on 30th day of September, 2026 at 9:30 A.M. at State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad- 500033, Telangana, India, in compliance with the applicable circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

The remote e-voting facility shall commence as follows:

Commencement of remote e-voting:
27th September, 2026 at 10:00 A.M.

End of remote e-voting:
29th September, 2026 at 5:00 P.M.

The cut-off date (record date) for the purpose of determining the members eligible to cast their votes electronically has been fixed as 23rd September, 2026. The Annual report is also uploaded in the website of company and the Stock Exchanges.

This is for the information and records of the Exchange, please.

Thanking you,

For Padmalaya Telefilms Limited

TAMMAREDDY
Y BHARADWAJ

Digitally signed by
TAMMAREDDY BHARADWAJ
Date: 2026.09.07 17:49:32
+05'30'

Tammareddy Bharadwaja
Chairman/Director
07332749

35th
Annual Report
2025-26



Padmalaya
TELEFILMS LIMITED

CORPORATE INFORMATION**Board of Directors**

Sri. Tammareddy Bharadwaja	-	Chairman (DIN: 07332749)
Sri. G.V.Narasimha Rao	-	Executive Director (DIN: 01763565)
Sri. Puskur Ram Mohan Rao	-	Independent Director (DIN: 01980193)
Sri. S.Sreenivasa Rao	-	Independent Director (DIN: 01691043)
Smt. Uma Devi Narravula	-	Independent Director (DIN: 08537674)

Key Managerial Persons:

Sri. G.V.Narasimha Rao	-	CEO & Whole-time director
Sri. MVRs Suryanarayana	-	CFO
Smt. Shraya Jaiswal	-	Company Secretary & Compliance Officer

Registered & Administrative Office

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

Statutory Auditors

M/s. P Murali & Co.,
Chartered Accountants
6-3-655/2/3, Somajiguda,
Hyderabad, Telangana – 500082

Bankers

Union Bank of India, Film Nagar, Hyderabad

Share Transfer Agents

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

Listing BSE Limited, Mumbai

Corporate Identification Number

L92111TG1991PLC013222

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NOTICE

Notice is hereby given that the 35th Annual General Meeting of the members of M/s. Padmalaya Telefilms Limited (CIN: L92111TG1991PLC013222) will be held on the 30th day of September 2026 at 9:30 AM at State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad- 500033, Telangana, India, to transact the following business:

ORDINARY BUSINESS:

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

Adoption of Audited Financial Statements and Board Report for the financial year ended March 31, 2026

To receive consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March 2026 together with the Reports of the Board of Directors and Auditors thereon.

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

Re-appointment of G.V.Narasimha Rao (DIN: 01763565), who retires by rotation as a director and, being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), G.V.Narasimha Rao (DIN: 01763565), Director who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment as a Director, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.”

By Order of the Board
For PADMALAYA TELEFILMS LIMITED

Place: Hyderabad
Date: 14-08-2026

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

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution / authorization letter to the SRI. Puttaparthi Jagannatham, Scrutinizer, at e-mail ID pjagan123@gmail.com with a copy marked to evoting@kfintech.com and to the Company at padmalayatelefilms@gmail.com, authorizing its representative(s) to attend and vote on their behalf at the Meeting, pursuant to Section 113 of the Act.
3. 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.
4. For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email-id padmalayatelefilms@gmail.com, at least 48 hours before the time fixed for the AGM mentioning their name, demat account no. /folio number, email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.
5. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on 23rd September 2026, are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Share Transfer Agent of the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 10.00 a.m. on 27th September 2026 and will end at 5.00 p.m. on, 29th September 2026. The Company has appointed Mr. Puttaparthi Jagannatham, Advocate, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period commences at 10.00 a.m. 27th September 2026 and will end at 5.00 p.m. 29th September 2026.

- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date 23rd September 2026.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:
 - Step 1** : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
 - Step 2** : Access to Kfintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Details on Step 1 are mentioned below:

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. User already registered for IDeAS facility: I. Visit URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services I. To register click on link: https://eservices.nsdl.com II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 3. Alternatively by directly accessing the e-Voting website of NSDL I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.Kfintech. V. On successful selection, you will be redirected to Kfintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing user who have opted for Easi / Easiest I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. Kfintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. 2. User not registered for Easi/Easiest I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 3. Alternatively, by directly accessing the e-Voting website of CDSL I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.

	After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e-Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Details on Step 2 are mentioned below:

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

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

- Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) **9221**, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- After entering these details appropriately, click on "LOGIN".
- 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.
- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the "EVEN" i.e., "**9221**". and PTL-AGM" and click on "Submit"
- On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- 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.
- You may then cast your vote by selecting an appropriate option and click on "Submit".
- A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id pjagan123@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVEN No."

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

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name: KFIN Technologies Limited

Address : Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

- c) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

- i. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through voting system available during the AGM.
 - ii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a member casts votes by both modes, then voting done
- I. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact Ms. C Shobha Anand, at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.
 - II. The Members, whose names appear in the Register of Members / list of Beneficial Owners as 23rd September 2026, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
 - III. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - ii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.
 - IV. The results of the electronic voting shall be declared to the Stock Exchange after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

DIRECTORS' REPORT

To
The Members
Padmalaya Telefilms Limited

Your directors have pleasure in presenting the 35th Annual Report on the business of your company and the Audited Financial Statements for the year ended on 31st March 2026 thereof. The Business and operations of the company over the last fiscal year are briefly encapsulated in this Annual Report.

FINANCIAL RESULTS

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

BUSINESS PERFORMANCE REVIEW

Due to various external, marketing & industry factors, during the financial year under review, the performance of the company is not as per the business standards set-up by the management. The Board and its Management has made the postmortem analysis on the performance and the Board of Directors making tireless efforts for steering the Company in the right direction and exploring the various options for betterment.

OUTLOOK FOR THE CURRENT YEAR

Your Company is not as per the expectations in spite of continuous efforts to strengthen its stand in the market and assures you better performance in the years to come.

DIVIDEND

Due to paucity of funds and in absence of profits, the Board could not recommend dividend during the year under review.

BUSINESS RISK MANAGEMENT

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

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

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

DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

ANNUAL RETURN

Annual Return in form MGT-7 is available in the website of the Company i.e. www.padmalyatelefilms.com

UNPAID / UNCLAIMED DIVIDEND

There is no unpaid or unclaimed dividend with the company till date

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. During the Year, no amount of dividend/ was unpaid or unclaimed for a period of seven years and therefore no amount/shares is required to be transferred to Investor Education and Provident Fund under the Section 125 (1) and Section 125 (2) of the Act.

SHARE CAPITAL

The Authorized Share Capital of the Company stands at ₹20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of ₹10/- each. The Paid-up Share Capital of the Company stands at ₹17,00,00,000/- (Rupees Seventeen Crore only) divided into 1,70,00,000 (One Crore Seventy Lakh) Equity Shares of ₹10/- each.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also confirmed that they have strictly complied with the Company's Code of Conduct for Directors and Senior Management.

In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have further confirmed that they are not aware of any circumstance or situation which exists, or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

During the financial year under review, the Independent Directors of the Company had no material pecuniary relationships or transactions with the Company, its promoters, or its management, other than sitting fees and reimbursement of out-of-pocket expenses incurred by them for the purpose of attending the meetings of the Board of Directors and its Committees.

In the opinion of the Board, all the Independent Directors possess the requisite qualifications, experience, and specialized expertise, and they hold high standards of integrity for the purpose of Rule 8(5)(iia) of the Companies (Accounts) Rules, 2014.

DEMAT SUSPENSE ACCOUNT UNCLAIMED SHARES

As on 31st March 2026, there were no Equity Shares of Shareholders were lying in the Escrow Account due to non-availability of the correct particulars.

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

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

ADDITIONAL INFORMATION AS REQUIRED U/ S 134(3)(m) OF THE COMPANIES ACT, 2013**(a) Conservation of Energy:**

- (i) details of steps taken by the company for utilising alternate sources of energy, and
- (ii) the capital investment on energy conservation equipment's, are - The company is not engaged in manufacturing activities, and as such the particulars relating to conservation of energy is not applicable. The company makes every effort to conserve energy as far as possible in its editing facilities, Production Floors, Office etc.

(b) Technology Absorption, adaptation and innovation: -

- (i) The company is not engaged in manufacturing activities, and as such the particulars relating to Research, Development and technology absorption are not applicable.
- (ii) Research and Development (R & D): No research and Development has been carried out.

(c) Foreign exchange earnings: Nil**(d) Foreign exchange out go: Nil****PARTICULARS OF EMPLOYEES**

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

AUDIT COMMITTEE:

Pursuant to the provisions of section 177 of the Companies Act, 2013 the company's Board constituted the Audit Committee with the following directors (information provided as on 31st March 2026):

- Smt. Uma Devi Narravula, Non-Executive Independent Director, as Chairman of Audit Committee.
- Sri Bharadwaja Thammareddy, Non-Executive - Independent Director
- Sri Sreenivasa Rao Sakhamuri, Independent Director

STATUTORY AUDITORS

M/s. P Murali & Co., Chartered Accountants (FRN: 007257S), Hyderabad were appointed as Statutory Auditors of the Company at the 31st Annual General Meeting held on 30th September, 2022, to hold office for a period of five consecutive years commencing from the financial year 2022-23. In this regard, the said Statutory Auditors has given the declaration that they meet the criteria to act as the Statutory Auditor and they are not disqualified to continue as the Statutory Auditors of the Company, and their appointment is in accordance with the provisions of section 141 of the Companies Act, 2013.

BOARD AND COMMITTEES' PERFORMANCE EVALUATION

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

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

The Board met during the financial year 2025-26 as follows & the dates on which the above-Board meetings were held are as follows:

30th May 2025, 14th August 2025, 2nd September 2025, 5th September 2025, 14th November 2025, and 14th February 2026.

DIRECTORS AND INDEPENDENT DIRECTORS

In accordance with the provisions of the Act and Articles of Association of the Company, the Board is duly constituted.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March, 2026 and of the profit and loss of the company for that period;
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. That the directors have prepared the annual accounts on a going concern basis.
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

MATERIAL SUBSIDIARY

During the year ended March 31, 2026, the Company does not have any material listed/unlisted subsidiary companies as defined in SEBI (LODR) Regulations. The policy on determining material unlisted subsidiary of the Company is approved by the Board of Directors of the Company.

VIGIL MECHANISM

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Blower Mechanism for directors and employees to report genuine concerns has been established.

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

DETAILS OF SUBSIDIARIES, ASSOCIATE COMPANIES, AND JOINT VENTURE COMPANIES, INCLUDING IN THE CONSOLIDATED FINANCIAL STATEMENTS:

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION.

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

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT & REMUNERATION

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS.

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

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY

During the period under review, there were no contracts or arrangement with related party except as provided in the Auditor's Report.

ANNUAL EVALUATION OF ITS OWN & BOARD COMMITTEES' PERFORMANCE

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

IMPLEMENTATION OF RISK MANAGEMENT POLICY

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

POLICY ON CSR INITIATIVES

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

POST BALANCE SHEET EVENTS

There are no material events after the 31st March 2026 till the signing of this Annual Report, which has significant impact on the business of the Company.

DISCLOSURE ABOUT COST AUDIT

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

DISCLOSURE ABOUT ESOP AND SWEAT EQUITY SHARE

There are no securities issued on ESOP basis / Sweat Equity.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

KEY MANAGERIAL PERSONNEL

Sri. GV Narasimha Rao (DIN: 01763565) – Whole-time Director of the Company is the Chief Executive Officer of the Company (CEO), Sri. MVR S Suryanarayana, Chief Financial Officer (CFO) of the Company, Smt. Shraya Jaiswal, Company Secretary & Compliance Officer of the Company, are the Key Managerial Personnel in accordance with the Section 203 of the Companies Act, 2013.

RELATED PARTY TRANSACTION

Policy on dealing with Related Party Transactions is approved by the Board. No related party transactions were entered into during the financial year under review, except remuneration to managerial personnel, there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The same was discussed by the Audit Committee as also the Board. The policy on Related Party Transactions as approved by the Board. Except the Executive Director w.r.t. the remuneration in the capacity of Director, none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. Periodic audits are undertaken on a continuous basis covering the operations. Reports of internal audits are reviewed by management from time to time and desired actions are initiated to strengthen the control and effectiveness of the System.

DEPOSITORY SYSTEM

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

CORPORATE GOVERNANCE REPORT

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

SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended, the Board of Directors, based on the recommendation of the Audit Committee, has approved the appointment of M/s. Puttaparthi Jagannatham & Co., Company Secretaries, a peer-reviewed firm based in Hyderabad, as the Secretarial Auditors of the Company for a continuous term of five (5) consecutive financial years, commencing from FY 2025–26 through FY 2029–30, subject to approval of the shareholders.

The Secretarial Audit Report for the financial year ended 31st March 2026, issued by M/s. Puttaparthi Jagannatham & Co., Company Secretaries, is annexed to this Report as Annexure I and forms an integral part of this Annual Report.

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

The Secretarial Auditors i.e., M/s. Puttaparthi Jagannatham & Co, Company Secretaries, Hyderabad, has made qualifications in their Secretarial Audit Report, regarding the instances of non-filing/delay in filing of compliances with the Stock Exchange during the financial year and others; The Company shall be cautious in future in this regard, and shall adhere to the Compliance. The Company has set in place the compliance adherence mechanism as on the date of this report and is reviewed quarterly to achieve 100% compliance status.

DISCLOSURES PURSUANT TO THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

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

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

REMUNERATION POLICY

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

REPLY TO THE QUALIFICATIONS / RESERVATION IN THE AUDIT REPORT / SECRETARIAL AUDIT REPORT

Statutory Auditors of the Company, has made the following qualification / reservations on the financial statements for the period ended on 31st March 2026, and the reply of management is as follows:

1. *The Company has not paid the GST liability of Rs. 56.06/- (in lakhs) upto 31st March 2026.*

Management's Response:

The GST liability as on 31st March 2026, could not be paid due to the suspension of the registration of the GST registration. The company made appeal and it is under active consideration of the department for restoration of the same. On resolving of the issue, the company will proceed to affect the payments.

2. The Company has not submitted the physical verification reports of inventory aggregating to Rs. 13,13.14/- (in lakhs) as at 31st March 2026, and we are unable to obtain sufficient appropriate audit evidence regarding the physical existence and valuation of Inventory. In the absence of alternative corroborative evidence, we are unable to comment on carrying value of inventory and realizable value of the same.

Management's Response:

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

PERSONNEL

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

ACKNOWLEDGEMENTS

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

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

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

**Sd/-
S Sreenivasa Rao
Director
(DIN : 01691043)**

**Place: Hyderabad
Date: 14-08-2026**

**Sd/-
MVRS Suryanarayana
CFO**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MEDIA AND ENTERTAINMENT INDUSTRY OVERVIEW

The Indian Media and Entertainment (M&E) industry remains one of the fastest-growing sectors of the economy. According to the Indian Brand Equity Foundation (IBEF) and industry reports, the sector is expected to continue its upward trajectory, driven by:

- Rising digital adoption and internet penetration, which have transformed the content consumption landscape;
- Growing advertising revenues across television, digital, and regional media;
- Expanding OTT platforms and subscription-based content models;
- Increased use of mobile devices and data affordability, making content more accessible; and
- A young demographic with increasing disposable incomes, creating strong demand for diversified entertainment offerings.

The digital segment is projected to remain a major growth driver, complemented by opportunities in regional content, gaming, and animation & VFX.

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

COMPANY'S PERFORMANCE

Business Performance Review and Out-look for the current year

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

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Strategic Response:

- Streamlining operations and rationalizing costs;
- Exploring collaborations and partnerships to optimize content monetization;
- Increasing focus on intellectual property (IP) creation to strengthen future revenue streams;
- Monitoring regulatory developments in broadcasting, digital distribution, and taxation for better compliance planning.

Outlook :

The Company expects FY 2026–27 to be a year of strategic consolidation, focusing on rebuilding its portfolio and strengthening its financial position. The future outlook is dependent on the pace of macroeconomic recovery, growth in advertising spends, and the Company's ability to leverage emerging platforms.

OPPORTUNITIES AND THREATS

Opportunities:

- Rapid growth of the digital content ecosystem and OTT platforms offers monetization opportunities.
- Rising demand for regional content presents a scalable market for content producers.
- Increased adoption of technology-driven production tools and animation/VFX opens up export potential.
- Expanding global streaming markets enable Indian content creators to access wider audiences.

Threats:

- Persistent piracy and unauthorized content distribution impact revenues and profitability.
- Intensifying competition from both domestic and global players in the streaming and entertainment space.
- Regulatory uncertainties, including taxation and broadcasting policies, which may affect operations.
- Shifting consumer preferences and rapid technological changes requiring continuous innovation.

Principal Risks and uncertainties:**1. Piracy of Content:**

Piracy remains a critical challenge, leading to revenue leakage and undermining intellectual property protection. Mitigation: Active engagement with industry associations, including the Anti-Piracy Society (AAPT), deployment of technology-driven anti-piracy measures, and legal enforcement actions.

2. Market Volatility:

The Company's performance is closely tied to advertising spends and broader economic conditions, which remain volatile.

Mitigation: Diversification of content formats and markets, along with tighter cost controls.

Regulatory Risks:

Frequent regulatory updates in broadcasting, taxation, and compliance increase complexity.

Mitigation: Continuous monitoring of regulatory developments and strengthening of internal compliance frameworks.

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

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

**Sd/-
S Sreenivasa Rao
Director
(DIN : 01691043)**

**Place: Hyderabad
Date: 14-08-2026**

**Sd/-
MVRs Suryanarayana
CFO**

REPORT ON CORPORATE GOVERNANCE

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

1. Company's Philosophy on code of Governance

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

2. Board of Directors

a. Composition of the Board

During the period under review, i.e., as on 31st March 2026, total number of the Directors on the Board are 5, comprises of 1 (One) Executive, Four Non-Executive Independent Directors. Chairman of the Company is Non-Executive Independent Director of the Company. The independent Directors are drawn from persons with experience in Business, Finance, Management, Marketing and Industry.

b. Other Directorship / Committee Memberships held: -

S. No	Name of Director	Category	Designation	Director Ship in other Companies	
				Director	Committee Member
1	Tammareddy Bharadwaja	Independent	Director	2	Nil
2	G.V.Narasimha Rao	Promoter	Whole-time director	2	Nil
3	Dr D.V.N.Raju #	Independent	Director	Nil	Nil
4	S.Srinivasa Rao	Independent	Director	2	Nil
5	N Umadevi	Independent	Director	Nil	Nil
6	Puskur Ram Mohan Rao	Independent	Director	5	Nil

Ceased to be the Director w.e.f. 5th August 2025 due to demise

In this Record of Corporate Governance, we provide the details, only as on 31st March 2026. Hence, the changes subsequent to the Financial Year ending (31st March 2026) are not captured above.

c. Board Meetings held During the Year

S. No	Date of Board Meeting
1.	30/05/2025
2.	14/08/2025
3.	02/09/2025
4.	05/09/2025
5.	14/11/2025
6.	14/02/2026

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

Name of The Director	No of Board Meetings Attended	Attendance at Last AGM
Tammareddy Bharadwaja	6	Yes
G. V. Narasimha Rao	6	Yes
Dr D. V. N. Raju #	1	No
S. Srinivasa Rao	6	Yes
N Umadevi	6	Yes
Puskur Ram Mohan Rao	4	Yes

Ceased to be the Director w.e.f. 5th August 2025 due to demise

3. Audit Committee

a) Terms of Reference

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

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

b) Composition, names of the members and chairman

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

- | | | | |
|----|-------------------------|---|----------|
| 1. | N Umadevi | - | Chairman |
| 2. | Tammareddy Bharadwaja | - | Member |
| 3. | Sreenivasarao Sakhamuri | - | Member |

c) Meetings and Attendance during the year

Name of Director	No. of Meetings held	No. of Meetings Attended
N Umadevi	6	6
Tammareddy Bharadwaja	6	6
Sreenivasarao Sakhamuri	6	6

Audit Committee Meetings held During the Year

S. No	Date of Board Meeting
1.	30/05/2025
2.	14/08/2025
3.	02/09/2025
4.	05/09/2025
5.	14/11/2025
6.	14/02/2026

4. Nomination & Remuneration Committee

The Committee consists of the following members:

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

The Remuneration Committee comprises the following Directors:

- | | | |
|-------------------------|---|----------|
| N Umadevi | - | Chairman |
| Tammareddy Bharadwaja | - | Member |
| Sreenivasarao Sakhamuri | - | Member |

5. Share Holders /Investors Grievance Committee

As a measurement of Good Corporate Governance and to focus on the shareholder's grievance and towards strengthening investor relations, an Investor's Grievance Committee has constituted as subcommittee of the Board. In Pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations (Duly Amended), the Board has approved the "Code of Conduct for Prevention of Insider Trading" and authorized the Committee to implement and monitor the various requirements as set out in the code. The Board has designated the Executive Director, as the Compliance Officer.

a) The function of the Committee include:

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

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

b) Re- Constitution and composition

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

N Umadevi	-	Chairman
Tammareddy Bharadwaja	-	Member
G V Narasimha Rao	-	Member

c) Shraya Jaiswal, Company Secretary of the Company is acting as compliance officer

6. Investor Complaints Received and resolved during the FY 2025-26

Nature of Complaints	Received	Resolved	Pending
A. Non-receipt of Dividend Warrants	Nil	Nil	Nil
B. Non receipt of Annual Reports	Nil	Nil	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
34 rd	31.03.2025	30.09.2025	9.30 a.m.	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033, Telangana, India.
33 rd	31.03.2024	30.09.2024	9.30 a.m.	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033, Telangana, India.
32 nd	31.03.2023	30.09.2023	9.30 a.m.	State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033, Telangana, India.

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

c) During the year no resolutions were passed through postal ballot.

8. Disclosures

- 1) The Executive Director & Chief Executive Officer and CFO & Compliance Officer have given a certificate to the Board as contemplated in SEBI (LODR) Regulations, and is enclosed at the end of the report.
- 2) During the Financial year 2025-26, there is no related party transaction as required to be disclosed under the provisions of companies Act 2013, except payment of remuneration to managerial personnel.
- 3) There was delay in filing the requirements of regulatory authorities on capital market and there were penalties for delay filings have been imposed against it in the last three years.

9. Means of Communication

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

10. General Share Holders Information

1. **Annual General Meeting** :
 Date : 30th September 2026
 Time : 9.30 AM.
 Venue : State Gallery of Fine Arts, Road No. 1, Kavuri Hills, Hyderabad-500033, Telangana, India.
2. **Financial Calendar** : 1st April to 31st March (2026-27)
 Financial Reporting for:
 Quarter ending June, 30 2026 : Second Week of August, 2026
 Quarter ending September, 30 2026 : Second Week of November, 2026
 Quarter ending December, 31 2026 : Second Week of February, 2027
 Quarter ending March, 31 2027 : Last Week of May, 2027
 Annual General Meeting (Next year) : Last week of September, 2027
3. **Listing on Stock Exchanges** : BSE Limited, Mumbai
4. **Listing Fee** : Listing fee for the year 2025-2026 has been paid.
5. **Stock Code** : BSE 532350
6. **Market Price Data:** Monthly High and Low quotations of shares traded on the BSE Limited, from 1st April, 2025 to 31st March, 2026 are as stated hereunder.

Month	BSE Limited (price in Rs.)			
	High Price	Low Price	Close Price	No. of Shares
Apr-25	4.91	3.79	3.88	137908
May-25	4.55	3.42	4.00	142435
Jun-25	4.28	3.70	4.07	222284
Jul-25	4.30	3.53	3.76	150595
Aug-25	5.04	3.45	4.16	148485
Sep-25	5.22	4.00	4.56	151295
Oct-25	4.67	3.70	4.34	176775
Nov-25	5.83	3.99	5.83	293609
Dec-25	6.69	4.19	4.21	145122
Jan-26	4.45	3.80	3.88	96980
Feb-26	4.66	3.61	4.62	191592
Mar-26	4.85	3.89	3.94	64833

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

8. Share Transfer Agents

:

KFin Technologies Private Limited,
(Earlier known as Karvy Fintech Private Limited)
("KFin" or "KFintech")
Selenium Tower B, Plot Nos. 31 & 32 Financial District
Nanakramguda, Serilingampally Mandal, Hyderabad – 500032,
Telangana, India;
P: +91 40 6716 2222
www.kfintech.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. KFin Technologies Private Limited, (earlier known as Karvy Fintech Private Limited) ("KFin" or "KFintech"), Hyderabad. The requests received for transfer of shares in physical form are generally completed within the stipulated time.

10. Certificate From Company Secretary in Practice

M/s. Puttaparthi Jagannatham & Co., Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this section as Annexure - 5.

11. Dematerialization 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 Dematerialized as on 31/03/2026:

Particulars	No. of Shares	% Of Share Capital
NSDL	87,74,561	51.62
CDSL	49,29,343	29.00
Physical	32,96,096	19.38
TOTAL	1,70,00,000	100.00

12. Outstanding GDR/warrants and Convertible or Any Convertible Instruments: Not Applicable.

13. Works Location

Integrated Television, Shooting Studio:
2D/3D Animation Studio

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

Address for Correspondence

:

Padmalaya Telefilms limited
Regd & Corporate Office,
Plot No – 138, H.No.8-3-222/1/23
Madhuranagar, Yousufguda
Hyderabad – 500 038, Telangana, India.
Ph: 040-23738955

E-Mail – padmalayatelefilms@gmail.com

14. SEBI Complaints Redressal System (SCORES):

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

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

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

**Sd/-
S Sreenivasa Rao
Director
(DIN : 01691043)**

**Place: Hyderabad
Date: 14-08-2026**

**Sd/-
MVRS Suryanarayana
CFO**

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

We, G. V. Narasimha Rao, Executive Director & Chief Executive Officer (CEO) and MVRS Suryanarayana – Chief Financial Officer (CFO) of M/s. Padmalaya Telefilms Limited, hereby certify to the Board that:

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

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

Sd/-
S Sreenivasa Rao
Director
(DIN: 01691043)

Place: Hyderabad
Date: 14-08-2026

Sd/-
MVRS Suryanarayana
CFO



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026
[Pursuant to Section 204(1) of the Companies Act, 2013, Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation
24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure
Requirements) Regulations, 2015]

To
The Members
Padmalaya Telefilms Limited
H.No. 8-3-222/1/23, Madhuranagar, Yusufguda,
Hyderabad – 500038, Telangana, India.

We were appointed to conduct the Secretarial Audit of Padmalaya Telefilms Limited (CIN: L92111TG1991PLC013222) ("the Company") for the financial year ended 31 March 2026 pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company provided its audited Ind AS financial statements for the financial year ended 31 March 2026, the Independent Auditor's Report dated 30 May 2026 together with its annexures, the notes forming part of the financial statements and the summary of significant accounting policies. We also examined the disclosures and documents publicly available on the website of BSE Limited.

BASIS FOR DISCLAIMER OF OPINION

Despite our requests, the Company did not provide the primary secretarial records required for conducting the Secretarial Audit, including statutory registers, signed minutes, notices, agendas, attendance records, forms, returns, challans, directors' disclosures and declarations, policies, approvals, agreements, regulatory correspondence, compliance records and management representations.

The aforesaid financial statements, auditor's report and public-domain disclosures cannot substitute for the original statutory and secretarial records required for conducting the Secretarial Audit. The limitations imposed on the scope of our examination are material and pervasive. Consequently, we were unable to obtain sufficient and appropriate audit evidence to provide a basis for expressing a Secretarial Audit opinion.

DISCLAIMER OF OPINION

Because of the significance and pervasive nature of the scope limitations described above, we are unable to express an opinion on whether the Company, during the financial year ended 31 March 2026, complied with the applicable laws, rules, regulations, standards and guidelines; maintained proper and adequate statutory and secretarial records; followed proper Board and general-meeting processes; or had adequate systems and processes to monitor and ensure statutory compliance.



Our Secretarial Audit was intended to cover compliance with the following enactments, regulations and standards, to the extent applicable to the Company:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent applicable to foreign direct investment, overseas investment, external commercial borrowings and other cross-border transactions;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, to the extent applicable:
 - a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the Company;
 - g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h. Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
 - i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - j. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

The scope of the Secretarial Audit was also intended to cover the following:

- (i) We also sought to examine compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India. However, due to the non-production of signed minutes and complete meeting records, we are unable to express an opinion on compliance with the said Secretarial Standards.
- (ii) We also examined the applicable provisions of the SEBI Listing Regulations and the Listing Agreement entered into by the Company with BSE Limited, subject to the scope limitations and specific observations reported hereinafter.
- (iii) Based on the description of the Company's principal business in the audited financial statements as film production and distribution, the Copyright Act, 1957 read with the



Copyright Rules, 2013 and the Cinematograph Act, 1952 read with the applicable rules and regulations thereunder may be specifically applicable to the Company, to the extent that the Company undertook activities governed by such enactments during the audit period.

The Company did not provide details of its current operational activities, film production or distribution arrangements, licences, copyright ownership records, assignments, permissions, certifications, registrations or statutory returns. Accordingly, we are unable to conclusively determine the complete set of industry-specific laws applicable to the Company or report on compliance therewith.

We further report that:

Signed minutes, notices, agendas, attendance records and supporting papers relating to the meetings of the Board of Directors and its Committees were not made available for examination. Consequently, we are unable to verify the composition and functioning of the Board and its Committees, the number and dates of meetings, notices and agendas, quorum, attendance, participation, disclosure of interests, deliberations, approvals, recording of dissenting views and compliance with the Companies Act, 2013, SS-1 and the SEBI Listing Regulations.

Accordingly, we are unable to state that the Board was duly constituted throughout the financial year, that adequate notice was given for all meetings, that proper systems existed for obtaining information and clarifications or that all decisions were carried unanimously.

Based on the audited financial statements, the Independent Auditor's Report, documents and disclosures available on the BSE portal and the limited information and explanations made available to us, and without modifying the disclaimer of opinion stated above, we report the following material qualifications, observations and scope limitations:

1. Minutes of Meetings:

Signed minutes of the meetings of the Board of Directors and its Committees, together with certain notices, agendas, attendance records and supporting papers, were not made available for examination. Accordingly, compliance with Section 118 of the Companies Act, 2013, SS-1 and the applicable SEBI Listing Regulations could not be independently verified.

2. General-meeting records:

Signed minutes, attendance records, proxy records, remote e-voting records, scrutiniser's records and other supporting papers relating to the general meetings held during the financial year were not made available for examination.

Although certain documents relating to the 34th Annual General Meeting held on 30 September 2025 were available on the BSE portal, such public disclosures are insufficient to verify complete compliance with Sections 96, 101, 102, 105, 108, 109, 117 and 118 of the Companies Act, 2013, Secretarial Standard-2 and the applicable SEBI Listing Regulations.



3. Statutory Registers:

The statutory registers required under the Companies Act, 2013 were not made available for examination. Accordingly, we are unable to verify their existence, maintenance, accuracy, completeness or updating in accordance with Sections 88, 170, 184, 186, 187 and 189 and other applicable provisions of the Act.

4. Non-appointment of Whole-Time Company Secretary and qualified Compliance Officer:

The Company, being a listed company, was required to appoint Whole-Time Key Managerial Personnel, including a Whole-Time Company Secretary, pursuant to Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The paid-up equity share capital of the Company as at 31 March 2026 was ₹1,699.76 lakh.

Further, Regulation 6(1) of the SEBI Listing Regulations requires a listed entity to appoint a qualified Company Secretary as its Compliance Officer. The Company did not have a Whole-Time Company Secretary or a qualified Company Secretary acting as Compliance Officer during the financial year ended 31 March 2026.

Ms. Shraya Jaiswal (Membership No. A40296) was appointed as Company Secretary and Compliance Officer with effect from 15 April 2026, subsequent to the close of the financial year under review.

5. Non-operation of audit-trail facility:

The Independent Auditor's Report dated 30 May 2026 states that the accounting software used by the Company had the facility for recording an audit trail or edit log, but such facility was not enabled during the financial year.

Accordingly, based on the Independent Auditor's Report, the Company did not comply with the requirement under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014. Our reporting on this matter is based on the Independent Auditor's Report, since access to the accounting software and audit logs was not provided to us.

6. Delayed submission of Regulation 74(5) certificates:

Publicly available BSE records indicate that the certificates under Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018 for the quarters ended 31 March 2025, 30 June 2025, 30 September 2025 and 31 December 2025 were submitted to BSE Limited on or around 23 February 2026.

The submissions appear to have been made after the prescribed timelines. However, the original certificates, RTA correspondence and BSE acknowledgements were not made available for examination.

7. Delayed submission of compliance certificate under Regulation 7(3):

Publicly available BSE records indicate that the compliance certificate under Regulation 7(3) of the SEBI Listing Regulations for the financial year ended 31 March 2025 was submitted to BSE Limited on or around 23 February 2026. The submission appears to have been made after the prescribed timeline.



8. Trading-window closure disclosures:

Publicly available BSE records indicate that intimations concerning closure of the trading window for the quarters ended 31 March 2025 and 30 June 2025 were uploaded on or around 4 October 2025.

In the absence of the Company's Code of Conduct, internal trading-window communications, list of designated persons and trading records, we are unable to verify whether the trading window was actually closed within the prescribed period.

9. Appointment of Mr. Puskur Ram Mohan Rao as Independent Director:

Based on the disclosures available on the BSE portal, Mr. Puskur Ram Mohan Rao (DIN: 01980193) was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from 2 September 2025.

His appointment as an Independent Director for five years was approved by the members at the AGM held on 30 September 2025 through an ordinary resolution. Regulation 25(2A) of the SEBI Listing Regulations requires the appointment of an Independent Director to be approved through a special resolution. Accordingly, the manner of approval did not comply with Regulation 25(2A).

The underlying minutes of the Nomination and Remuneration Committee, Board minutes, declarations, appointment letter, databank confirmation and DIR-12 were not made available for verification.

10. Reappointment of Independent Directors:

Based on the AGM notice and disclosures, Mr. Tammareddy Bharadwaja (DIN: 07332749) and Mr. S. Sreenivasa Rao (DIN: 01691043) were reappointed as Independent Directors for a further period of five years by special resolutions at the AGM held on 30 September 2025. The Independent Auditor's Report states, on the basis of written representations received from the directors and taken on record by the Board, that none of the directors was disqualified as at 31 March 2026 under Section 164(2) of the Companies Act, 2013.

However, Forms DIR-8, declarations of independence, Independent Directors' databank confirmations, recommendations of the Nomination and Remuneration Committee, Board minutes, performance-evaluation records, appointment letters and Forms DIR-12 were not made available.

Accordingly, we are unable to independently verify the eligibility and complete statutory compliance relating to the reappointments.

11. Demise of Mr. Datla Venkata Narasimha Raju:

Based on the disclosure made to BSE Limited, Mr. Datla Venkata Narasimha Raju (DIN: 01887919), Independent Director, passed away on 5 August 2025, and the Company received information regarding his demise on 14 August 2025.

Form DIR-12, the corresponding challan and supporting records were not made available. Accordingly, we are unable to verify whether his cessation was recorded with the



Registrar within the prescribed period. No conclusion regarding non-filing of DIR-12 has been drawn solely because the records were not produced.

12. BSE notices, fines and regulatory correspondence:

The complete notices, advisories, fine notices, payment records and correspondence exchanged with BSE Limited were not made available. Public-domain information indicates delayed submissions and compliance deficiencies. However, we are unable to determine the complete number of defaults, regulations involved, fines imposed, payment status or whether any applications for waiver remain pending.

13. Website disclosures:

The Company's website contained incomplete, inconsistent or outdated information, including information concerning the composition and designation of the Board. Accordingly, the Company does not appear to have fully complied with Regulation 46 of the SEBI Listing Regulations.

14. Insider-trading compliance:

The Company did not provide its Code of Conduct, Code of Fair Disclosure, Structured Digital Database, list of designated persons, UPSI records, trading-window records, pre-clearance records or disclosures under the SEBI (Prohibition of Insider Trading) Regulations, 2015. Accordingly, we are unable to express an opinion on compliance therewith.

15. Shareholding, takeover and depository compliances:

The Company did not provide its Register of Members, shareholding records, promoter and promoter-group details, transfer and transmission records, depository records, reconciliation statements or disclosures under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Accordingly, we are unable to verify compliance with the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the SEBI (Depositories and Participants) Regulations, 2018, the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the applicable provisions of the SEBI Listing Regulations.

16. Subsidiaries and related-party transactions:

The audited financial statements and Independent Auditor's Report state that the Company did not have any subsidiary, associate or joint venture during the year. On that basis, Regulation 24 of the SEBI Listing Regulations did not appear to be applicable.

The Independent Auditor's Report further states that the Company complied with Sections 177 and 188 in respect of applicable related-party transactions. However, the relevant statutory registers, contracts, declarations and approvals were not made available. Accordingly, we are unable to independently verify the completeness of such information or compliance with Sections 177, 184, 188 and 189 and Regulation 23 of the SEBI Listing Regulations.

17. Foreign-exchange compliances:

No records were made available regarding foreign investment, overseas investment, external commercial borrowings or other cross-border transactions. Accordingly, we are



unable to determine the applicability of or compliance with the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.

18. Compliance-management system:

No internal compliance reports, departmental confirmations, compliance calendars, legal registers, inspection reports or compliance-monitoring records were made available. Accordingly, we are unable to express an opinion on whether adequate systems and processes existed to monitor and ensure compliance with applicable laws.

MATTERS NOTED FROM THE AUDITED FINANCIAL STATEMENTS

The Independent Auditor's Report states that the Company did not grant any loans, make any investments or provide any guarantees or securities to parties covered under Sections 185 and 186 of the Companies Act, 2013; did not accept deposits covered under Sections 73 to 76; did not make any preferential allotment or private placement of shares or convertible debentures; and did not enter into any non-cash transactions with its directors or persons connected with its directors. Further, no scheme of arrangement under Sections 230 to 237 was approved during the financial year, and Section 135 of the Companies Act, 2013 was not applicable to the Company.

The above matters have been reproduced from the audited financial statements and the Independent Auditor's Report and have not been independently verified by us due to the non-production of the underlying statutory and secretarial records.

MATERIAL EVENTS AND ACTIONS

Based solely on documents and disclosures available on the BSE portal, the following events were noted during the financial year:

- a. demise of Mr. Datla Venkata Narasimha Raju on 5 August 2025;
- b. appointment of Mr. Puskur Ram Mohan Rao as an Additional Director in the category of Non-Executive Independent Director with effect from 2 September 2025;
- c. reappointment of Mr. Tammareddy Bharadwaja and Mr. S. Sreenivasa Rao as Independent Directors at the 34th Annual General Meeting held on 30 September 2025; and
- d. appointment of Mr. Puskur Ram Mohan Rao as an Independent Director at the said Annual General Meeting.

The above events are subject to the qualifications and scope limitations separately reported in this Report. Except for matters ascertainable from the aforesaid public disclosures, we are unable to determine whether any other events or actions occurred during the financial year having a material bearing on the affairs of the Company.

OTHER MATTER – STATUTORY AUDITOR'S QUALIFICATIONS

The Independent Auditor issued a qualified opinion in relation to the non-payment of GST liability amounting to ₹56.06 lakh as at 31 March 2026 and the non-conduct of physical verification of inventory aggregating to ₹1,313.14 lakh.



The Independent Auditor also reported that certain balances were subject to confirmation and identified material weaknesses in internal financial controls over financial reporting. These matters primarily relate to financial reporting, taxation and internal financial controls. Except for the non-operation of the audit-trail facility separately reported above, we do not express an independent opinion on the aforesaid financial and taxation matters.

We further report that compliance with applicable financial laws, including direct and indirect tax laws, was not independently verified by us. We have, however, considered the audited financial statements and the Independent Auditor's Report dated 30 May 2026 for the limited purpose of identifying matters having a bearing on compliance under the Companies Act, 2013 and for ensuring consistency of this Report with the financial statements.

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

Place: Hyderabad
Date: 29 August 2026

For Puttaparthi Jagannatham & Co.
Company Secretaries
Sd/-
CS Navajyoth Puttaparthi
Partner
FCS No: 9896; CP No: 16041
Peer Review Certificate No. 7813/2026
UDIN: F009896H001290802



ANNEXURE A

To
The Members
Padmalaya Telefilms Limited
H.No. 8-3-222/1/23, Madhuranagar, Yusufguda,
Hyderabad – 500038, Telangana, India.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records and establishment of appropriate systems for compliance with applicable laws are the responsibility of the management of the Company. Our responsibility is to express an opinion on such records and compliance based on our audit.
2. We were required to conduct the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India and to perform procedures to obtain sufficient and appropriate audit evidence.
3. The Company did not provide the primary secretarial records, documents, explanations, confirmations and representations required for conducting the Secretarial Audit. Alternative procedures based on the audited financial statements, the Independent Auditor's Report and public disclosures available on the BSE portal were insufficient to overcome the pervasive scope limitation.
4. Due to the material and pervasive absence of audit evidence, we have expressed a disclaimer of opinion. Accordingly, this Report should not be construed as confirming compliance by the Company with any applicable law, rule, regulation, standard or guideline.
5. We have not independently verified the correctness and appropriateness of the Company's financial records, books of account, tax records or financial statements. We have considered the audited financial statements and the Independent Auditor's Report only for the limited purposes stated in the main Report.
6. We did not receive a Management Representation Letter confirming the completeness and accuracy of the information and records relating to statutory compliance and the occurrence of material events.
7. The audited financial statements, the Independent Auditor's Report and public-domain documents reviewed by us cannot substitute for the original statutory and secretarial records required to be maintained by the Company or the audit evidence ordinarily required for conducting a Secretarial Audit.
8. The compliance with the provisions of corporate and other applicable laws, rules, regulations, standards and guidelines is the responsibility of the management. Our examination was restricted due to the non-production of records, as described in the main Report.



9. Nothing contained in this Report should be construed as providing assurance regarding matters for which the relevant records and supporting evidence were not made available.
10. This Secretarial Audit Report is neither an assurance as to the future viability of the Company nor an assurance regarding the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 29 August 2026

For Puttaparthi Jagannatham & Co.
Company Secretaries
Sd/-
CS Navajyoth Puttaparthi
Partner
FCS No: 9896; CP No: 16041
Peer Review Certificate No. 7813/2026
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INDEPENDENT AUDITOR'S REPORT

To the Members of
M/S PADMALAYA TELEFILMS LIMITED

Report on the Audit of the Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS Financial Statements of **M/s. Padmalaya Telefilms Limited** ("the company"), which comprise the Balance Sheet as at March 31 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the '**Basis for Qualified Opinion**' section of our report, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its Loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The company has not paid the GST Liability of Rs. 56.06 (in Lakhs) up to 31-03-2026.
2. The company has not submitted physical verification reports of inventory aggregating to Rs. 1313.14 (in Lakhs) as at 31st March 2026 and We were unable to obtain sufficient & appropriate audit evidence regarding the physical existence and valuation of inventory. In the absence of alternative corroborate evidence, we are unable to comment on carrying value of the inventory and realizable value of the same.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the



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Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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

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

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

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a



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true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis



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for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Financial Statements for the financial year ended 31st March, 2026 and are therefore the key audit matters. We describe



these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the points discussed in the Basis for Qualified Opinion.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the points given in the Basis for Qualified Opinion.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued there under except for the matters discussed in the Basis for Qualified Opinion.
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses a modified opinion

on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have pending litigations on its financial position in its Ind AS Financial Statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under



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sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement

- v. The company has not declared or paid any dividend during the year.
- vi. The Company uses accounting software for maintaining its books of account which has a feature of recording Audit Trial (edit log) facility, but the same was not enabled in the software during the year.

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

Sd/-
M.V. Joshi
Partner
M. No: 024784
UDIN: 26024784FWUIUU5337

Place: Hyderabad
Date: 30.05.2026



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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Annexure referred to in Independent Auditors Report to the Members of M/s. Padmalaya Telefilms Limited on the Ind AS Financial Statements for the year ended 31st March 2026, we report that:

- i. The Company has no Property, Plant and Equipment and Intangible Assets.
- ii. a) As per the information given by the management, the physical verification of inventory has not been conducted during the year. Hence in the absence of corroborative evidence, we are unable to comment upon the inventory shown in the balance sheet as at 31 March 2026 for which we have given Qualified Opinion in our *Qualified Opinion Paragraph*.

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Act.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company.
- vii. In respect of statutory dues:

(a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing

the undisputed statutory dues. The company has not paid GST which is qualified in our report and has been given in the *Qualified Opinion Paragraph*.

There are undisputed amounts payable in respect of Income-tax, Goods and Service Tax in arrears as at 31st March 2026 for a period of more than 6 months from the date they became payable including GST as given in the *Qualified Opinion Paragraph*.

Name of the Statute	Due amount (Rs. In Lakhs)	Nature of Dues
1. Income Tax Act, 1961	0.38/-	TDS
2. Income Tax Act, 1961	0.56/-	Income Tax
3. Goods and Service Tax	56.06/-	Provision for GST

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Goods and Service Tax and customs duty which have not been deposited with appropriate authorities on account any dispute.

viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company does not have any transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company does not have any subsidiaries, associates or joint ventures.



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- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally)
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) The Company has not submitted any internal audit reports during the year.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors during the year.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended).



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- xvii. The company has incurred cash losses in the current and immediately preceding financial year and the amount of cash loss is as following:

Financial year	Amount of cash loss (Rs. In lakhs)
2025-26	57.75
2024-25	27.24

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

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

Sd/-
M.V. Joshi
Partner
M. No: 024784
UDIN: 26024784FWUIIU5337

Place: Hyderabad
Date: 30.05.2026



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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of M/s. **Padmalaya Telefilms Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.



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Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Ind AS Financial Statements in accordance with generally accepted principles, and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS Financial Statements.



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Inherent Limitation of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal financial controls over financial reporting as at March 31, 2026.

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

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

In our opinion, except for the effects/ possible effects of the material weakness described above under qualified opinion paragraph on the achievement of the objectives of the control criteria, the company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026 based on the internal financial controls over financial reporting criteria established by the company considering essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.



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We have determined material weakness, identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of Ind AS Financial Statements of the company and these material weaknesses affect our opinion on Ind AS Financial Statements of the company for the year ended 31st March, 2026.

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

Sd/-

M.V. Joshi
Partner
M. No: 024784
UDIN: 26024784FWUIUU5337

Place: Hyderabad
Date: 30.05.2026

PADMALAYA TELEFILMS LIMITED CIN: L92111TG1991PLCO13222 Regd. Office: 8-3-222/1/23,(Plot No : 138), Madhuranagar, Yusufguda, Hyderabad - 500 038 BALANCE SHEET as at 31st March, 2026			
All Amounts(Rs.) in lakhs except EPS & Share data			
Particulars	Note No.	As at March 31,2026	As at March 31, 2025
I. ASSETS:			
1. Non Current Assets:			
a) Property, Plant and Equipment		-	-
b) Capital Work in Progress		-	-
c) Investment Property		-	-
d) Goodwill		-	-
e) Other intangible assets		-	-
f) Intangible assets under development		-	-
g) Biological Assets other than bearer plants		-	-
h) Financial Assets		-	-
i) Investments		-	-
ii)Trade Receivables		-	-
ii) Loans		-	-
iii) Others	2	50.00	62.44
i) Other Non Current Assets	3	0.64	0.64
Total Non-Current Assets		50.64	63.07
2. Current Assets:			
a) Inventories	4	1313.14	1313.14
b) Financial Assets			
i) Investments			-
ii) Trade Receivables	5	0.00	36.00
iii) Cash and Cash Equivalents	6	0.61	0.51
iv) Other Bank Balances			-
c) Other Current Assets	7	598.81	598.80
Total Current Assets		1912.56	1948.45
TOTAL ASSETS		1963.20	2011.54
II. EQUITY AND LIABILITIES:			
Equity			
a) Equity Share Capital	8	1699.76	1699.76
b) Other Equity	9	(142.13)	(87.38)
Total Equity		1557.63	1612.38
Liabilities			
1. Non Current Liabilities:			
a) Financial Liabilities			
i) Borrowings			-
ii) Trade Payables			-
iii) Other Financial Liabilities	10	13.25	13.25
b)Provisions	11	3.19	3.19
c) Deferred Tax Liabilities (Net)	12	17.77	17.77
d) Other Non Current Liabilities			-
Total Non-Current Liabilities		34.21	34.21
2. Current Liabilities:			
a) Financial Liabilities			
i) Borrowings	13	54.40	38.20
ii) Trade Payables			-
Total outstanding dues of Small Enterprises and Micro enterprises			-
Total outstanding dues of creditors other than small enterprises and micro enterprises.			-
iii) Other Financial Liabilities			-
b) Provisions	14	67.94	77.34
c) Other Current Liabilities	15	249.02	249.41
Total Current Liabilities		371.36	364.95
TOTAL EQUITY & LIABILITIES		1963.20	2011.54
Summary of Significant Accounting Policies and accompanying notes are an Integral Part of the Financial Statements	1		
As per our Report of Even Date Attached For P.Murali & Co. Chartered Accountants, Firm Registration no: 0072575			
For and on Behalf of the Board Padmalaya Telefilms Limited			
Sd/- M.V. Joshi Partner M.No: 024784 Udin: 26024784FWUIU5337 Place: Hyderabad Date: 30-05-2026	Sd/- G.V Narasimha Rao CEO & Executive Director DIN: 01763565 Sd/- MVRs Suryanarayana CFO & Compliance Officer	Sd/- Sreenivasa Rao sakhamuri Independent Director DIN : 01691043	

PADMALAYA TELEFILMS LIMITED
CIN: L92111TG1991PLCO13222

Regd. Office: 8-3-222/1/23,(Plot No : 138), Madhuranagar, Yusufguda, Hyderabad - 500 038

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

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

Particulars	Note No.	For the Year ended march 31,2026	For the Year ended March 31, 2025
INCOME			
Revenue from Operations			-
Other income	16	14.90	23.70
TOTAL INCOME		14.90	23.70
EXPENSES			
Cost of materials consumed			-
Purchase of stock in trade			-
Changes in inventories of finished goods, stock-in-trade and work-in progress			-
Employees benefit Expenses	17	7.28	7.22
Finance Costs	18	0.00	0.01
Depreciation and Amortisation Expenses			-
Other Expenses	19	62.37	43.71
TOTAL EXPENSES		69.65	50.94
Profit/(Loss) before exceptional items and tax		(54.75)	(27.24)
Exceptional Items		0.00	0.00
Profit/(Loss) before tax		(54.75)	(27.24)
Tax Expenses:			
(1) Current Tax			-
(2) Deferred Tax			-
Profit (loss) for the period from continuing operations		(54.75)	(27.24)
Profit/(loss) from discontinued operations			-
Tax expense of discontinued operations			-
Profit/(loss) from Discontinued operations (after tax)			-
Profit/(loss) for the period		(54.75)	(27.24)
Other Comprehensive Income			
A. (i) Items that will not be reclassified subsequently to Profit or Loss			-
(ii) Income Tax relating to items that will not be reclassified to profit or loss			-
B. (i) Items that will be reclassified subsequently to Profit or Loss			-
(ii) Income Tax relating to items that will be reclassified to profit or loss			-
Total other comprehensive income			-
Total comprehensive income for the period (Comprising Profit(Loss) and Other Comprehensive Income for the period)		(54.75)	(27.24)
Earnings Per Share:			
a) Basic (Rs.)		(0.32)	(0.16)
b) Diluted (Rs.)		(0.32)	(0.16)

Summary of Significant Accounting Policies and accompanying notes are an Integral Part of the Financial Statements

1

As per our Report of Even Date
For P.Murali & Co.
Chartered Accountants,
Firm Registration no: 007257S

For and on Behalf of the Board Padmalaya Telefilms Limited

Sd/-
M.V. Joshi
Partner
M.No: 024784
Udin: 26024784FWUIUU5337

Sd/-
G.V Narasimha Rao
CEO & Whole Time Director
DIN: 01763565

Sd/-
Sreenivasa Rao sakhamuri
Independent Director
DIN : 01691043

Place: Hyderabad
Date: 30-05-2026

Sd/-
MVRs Suryanarayana
CFO & Compliance Officer

PADMALAYA TELEFILMS LIMITED CIN: L92111TG1991PLCO13222 Regd. Office: 8-3-222/1/23,(Plot No : 138), Madhuranagar, Yusufguda, Hyderabad - 500 038 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026		
All Amounts(Rs.) in lakhs		
Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit for the Period	(54.75)	(27.24)
Adjustments for:		
Depreciation and Amortization Expenses	-	-
Deferred Income taxes	-	-
Finance Costs	0.00	0.01
Interest Income	-	-
Liability Written Off	-	-
Cash Operating Profit before working capital changes	(54.75)	(27.23)
Adjustments for (increase)/decrease in operating assets		
Trade receivables	36.00	-
Inventories	-	-
Other Current Assets	-	-
Short Term Loans & Advances	-	-
Other Non Current Financial Assets	-	-
Other Non Current Assets	-	-
Adjustments for increase/(decrease) in operating liabilities	(18.75)	(27.23)
Borrowings	-	-
Short Term Provisions	(9.40)	7.33
Trade Payables	-	-
Other Financial Liabilities	-	-
Other Current Liabilities	(0.39)	1.02
Other Short Term Liabilities	-	-
Cash Generated from Operations	(9.79)	8.34
Direct Taxes - Refund / (paid)	-	-
Net Cash Generated From Operating Activities (A)	-28.54	(18.89)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets (net)	-	-
Sale of Fixed Assets	-	-
Dividend Income	-	-
Interest Income	-	-
Net Cash Generated/Used In Investing Activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Financing Charges	0.00	(0.01)
Proceeds from Share Capital	-	-
Loans & Advances Given	12.44	0.66
Proceeds/ (Repayment) from Long Term Borrowings	-	-
Proceeds/ (Repayment) from Short Term Borrowings	16.2	17.85
Net Cash Generated/Used In Financing Activities (C)	28.64	18.51
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	0.10	(0.38)
Opening Cash and Cash Equivalents as at 31st March,2025	0.51	0.88
Closing Cash and Cash Equivalents as at 31st March, 2026	0.60	0.51
Summary of Significant Accounting Policies and accompanying notes are an Integral Part of the Financial Statements		
As per our Report of Even Date Attached For P.Murali & Co. Chartered Accountants, Firm Registration no: 007257S Sd/- M.V. Joshi Partner M.No: 024784 Udin: 26024784FWUIU5337 Place: Hyderabad Date: 30-05-2026 For and on Behalf of the Board Padmalaya Telefims Limited Sd/- G.V Narasimha Rao CEO & Executive Director DIN: 01763565 Sd/- MVRS Suryanarayana CFO & Compliance Officer Sd/- Sreenivasa Rao sakhamuri Independent Director DIN : 01691043		

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

Note 1:Material Accounting Policies

A. Background

Padmalaya Telefilms Limited (“the Company”) is a Company domiciled in India and limited by shares. The shares of the Company are publicly traded on the BSE Limited. [The address of the Company’s registered office is Regd. Office: 8-3-222/1/23, (Plot No: 138), Madhuranagar, Yusufguda, Hyderabad - 500 038, Telangana, India.

The Company is primarily involved in Film Production and Distribution.

B. Significant Accounting Policies

(a) Basis of preparation:

(i) The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle and other criteria’s set out in the Schedule III to the Companies Act, 2013. Based on the nature of products/services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained it’s operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained it’s operating cycle as twelve months for the purpose of current/non-current.

(ii) Historical cost convention

The financial statements of the Company have been prepared on the historical cost basis except for certain Financial assets and liabilities which are measured at fair value.

(b) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). These financial statements are presented in Indian rupee (₹), which is Company’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

(c) Revenue Recognition

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

(d) Interest and Dividend Income Recognition

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying amount on initial recognition.

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(e) Income Taxes

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred Tax assets are recognized for all deductible temporary differences, unused tax losses and carry forward tax credits only if it is probable that future taxable amounts will be available to utilize those temporary differences, tax losses and tax credits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial Institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company cash management.

(g) Inventories

Inventories as disclosed in financial statements comprise are stated at the lower of cost and net realizable value. Cost is determined on the basis of actual / amortized cost. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

(h) Trade receivables

Trade receivable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

(i) Financial Instruments

(i) Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

De-recognition of Financial Assets

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

(j) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(k) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

(l) Borrowing costs

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

(m) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (Cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of profit or loss.

(n) Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 – "Provision, contingent liabilities and contingent assets" is made.

(o) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity;
- (b) defined contribution plans such as provident fund

Defined benefit plans:

The Company has a scheme for payment of gratuity to all its employees as per provisions of the Payment of Gratuity Act 1972. The Company provides for period end liability using the projected unit credit method as per the actuarial valuation carried out by the independent actuary. The cost of providing benefit under gratuity plan are charged to the statement of profit and loss, except for their measurements, comprising of actuarial gains and losses which are recognized in full in the statement of other comprehensive income in the reporting period in which they occur.

Defined contribution plans:

Contributions to Provident Fund and Pension Fund are charged to the Statement of Profit and Loss as incurred. Provident fund contributions are made to a government administered provident fund towards which the Company has no further obligations beyond its monthly contributions.

(p) Earnings Per Share

(i) Basic earnings per share

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after Lacs as per the requirement of Schedule III of the Act, unless otherwise stated.

C. Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are:

Estimated useful life of Tangible Assets:

The Company reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods.

Estimation of Current Tax Expense and Income Tax Payable / Receivable:

The calculation of Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses.

Estimation of Defined Benefit Obligation:

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

Estimation of Contingent Liabilities:

The Company exercises judgment in measuring and recognizing provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision or contingent liability.

Recognition of Deferred Tax Assets:

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Impairment of Trade Receivables:

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

As per our report of even date
For P. Murali & Co.,
Chartered Accountants
Firm's Regn. No: 0072575S

For and on behalf of the Board
M/s PADMALAYA TELEFILMS LIMITED

Sd/-
M V Joshi
Partner
M. No: 024784
UDIN: 26024784FUIUU5337

Sd/-

G.V Narashima Rao
CEO & Independent Director
DIN:01763565

Sd/-

Sreenivasa Rao sakhamuri
Director
DIN:08503172

Sd/-

Place: Hyderabad
Date : 30-05-2026

MVRS Suryanarayana
CFO & Compliance officer

PADMALAYA TELEFILMS LIMITED
Notes Forming Part of Financial Statements
For the year ended 31st March, 2026

All Amounts(Rs.) in lakhs

Note No 2 : Other Non Current Financial Assets

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Advances Given		
Others advances	50.00	62.44
Total Other Non Current Assets	50.00	62.44

Note No 3: Other Non Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Security Deposit - Rent deposit	0.64	0.64
Total Other Non Current Assets	0.64	0.64

Note No 4 : Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Closing Stock	333.82	333.82
Software under Production	733.85	733.85
Projects on Hand	245.46	245.46
a) production No 42: Rs.9849840/-		
b) Production No 50: 54,37,970/-		
c) production No 58:92,58,329/-		
Total Inventory	1313.14	1313.14

Note No 5: Trade Receivables

Particulars	As at March 31, 2026 Amount	As at March 31, 2025 Amount
Current - Unsecured		
Considered Good	-	36.00
Bad Debts Written Off		-
Total Trade Receivables	0.00	36.00

Trade receivables ageing schedule for the as on March 31, 2026

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

Trade receivables ageing schedule as on March 31, 2025

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

Note No 6: Cash and Cash Equivalents

Particulars	As at March 31, 2026 Amount	As at March 31, 2025 Amount
Cash on Hand	0.19	0.09
Balances with banks in current accounts	0.42	0.42
Total Cash and Cash Equivalents	0.61	0.51

Note No 7 : Other Current Assets

Particulars	As at March 31, 2026 Amount	As at March 31, 2025 Amount
Loan Receivables	566.10	566.10
Other Advances	32.71	32.70
Total Other Current Assets	598.81	598.80

PADMALAYA TELEFILMS LIMITED
Notes Forming Part of Financial Statements
Statement Of Changes In Equity For The Year Ended March 31,2026

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

A. Equity Share Capital

(1) Current reporting period

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

(2) Previous reporting period

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

B. Other Equity

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

(1) Current reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves And Surplus						Items of Other Comprehensive Income						Money received against share warrant	Total
			Securities premium reserve	Investment Allowance Reserve	Subsidy	Capital Reserve	General Reserves	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign Currency	Other items of Other Comprehensive Income (specify nature)		
Balance at the end of March 31, 2025	-	-	7566.09	-	-	-	882.84	(8536.31)	-	-	-	-	-	-	-	(87.38)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	-	-	-	-	(54.75)	-	-	-	-	-	-	-	(54.75)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of March 31, 2026	-	-	7566.09	-	-	-	882.84	(8591.06)	-	-	-	-	-	-	-	(142.13)

(2) Previous reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves And Surplus						Items of Other Comprehensive Income						Money received against share warrant	Total
			Securities premium reserve	Investment Allowance Reserve	Subsidy	Capital Reserve	General Reserves	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign Currency	Other items of Other Comprehensive Income (specify nature)		
Balance at the end of March 31, 2024	-	-	7566.09	-	-	-	882.84	(8487.47)	-	-	-	-	-	-	-	(38.54)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Total Comprehensive Income for the period	-	-	-	-	-	-	-	(27.24)	-	-	-	-	-	-	-	(27.24)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Balance as at March 31, 2025	-	-	7566.09	-	-	-	882.84	(8514.71)	-	-	-	-	-	-	-	(65.78)

Summary of Significant Accounting Policies and accompanying notes are an Integral Part of the Financial Statements 1

As per our Report of Even Date Attached
For P.Murali & Co.
Chartered Accountants,
Firm Registration no: 007257S

For and on Behalf of the Board Padmalaya Telefilms Limited

Sd/-
M.V. Joshi
Partner
M.No: 024784
Udin: 26024784FWU1U/S337

Sd/-
G.V Narasimha Rao
CEO & Executive Director
DIN: 01763565
Sd/-
MVRS Suryanarayana
CFO & Compliance Officer

Sd/-
Sreenivasa Rao sakhamuri
Independent Director
DIN : 01691043

Place: Hyderabad
Date: 30-05-2026

PADMALAYA TELEFILMS LIMITED				
Notes Forming Part of Financial Statements				
For the year ended 31st March, 2026				
All Amounts(Rs.) in lakhs except EPS & Share data				
Note No 8 : Share Capital				
Particulars		As at March 31,2026	As at March 31, 2025	
		Amount	Amount	
Authorised Share Capital 2,00,00,000 Equity Shares of Rs.10/- each (31st March, 2025: 2,00,00,000 Equity Shares of Rs.10/- each) (31st March, 2024: 2,00,00,000 Equity Shares of Rs.10/- each)		2000.00	2000.00	
Issued Share Capital 1,70,00,000 Equity Shares of Rs.10/- each (31st March, 2025: 1,70,00,000 Equity Shares of Rs.10/- each) (31st March, 2024: 1,70,00,000 Equity Shares of Rs.10/- each)		1700.00	1700.00	
Subscribed and Fully Paid up 1,69,95,200 Equity Shares of Rs.10/- each (31st March, 2025: 1,69,95,200 Equity Shares of Rs.10/- each) (31st March, 2024: 1,69,95,200 Equity Shares of Rs.10/- each)		1699.52	1699.52	
Subscribed and Not Fully Paid up 4,800 Equity Shares of Rs.10/- each (31st March, 2025 : 4,800 Equity Shares of Rs.10/- each [Rs. 5/- Outstanding on Each]) (31st March, 2024 : 4,800 Equity Shares of Rs.10/- each [Rs. 5/- Outstanding on Each])		0.24	0.24	
Total Equity Share Capital		1699.76	1699.76	
Shareholders Holding More than 5% of shares		% share holding	No. of shares As on March 31, 2026	No. of shares As on March 31, 2025
Yamuna Enterprises Pvt Ltd		9.84%	16,73,019	16,73,019
Shares held by promoters at the end of the year March 31,2026			% Change during the year	
Promoter name	No . of shares held as on March 31,2026	% of total shares		
Jayadev Galla	25000	0.15%	-	
G Ramesh Babu	50000	0.29%	-	
G Durgamba	12000	0.07%	-	
G Parvathi Devi	150	0.00%	-	
P Aparna	305	0.00%	-	
Yamuna Enterprises Pvt. Ltd	1673019	9.84%	-	
Krishna Productions Pvt. Ltd	15000	0.09%	-	
Shares held by promoters at the end of the year March 31,2025			% Change during the year	
Promoter name	No . of shares held as on March 31,2025	% of total shares		
Jayadev Galla	25000	0.15%	-	
G Ramesh Babu	50000	0.29%	-	
G Durgamba	12000	0.07%	-	
G Parvathi Devi	150	0.00%	-	
P Aparna	305	0.00%	-	
Yamuna Enterprises Pvt. Ltd	1673019	9.84%	-	
Krishna Productions Pvt. Ltd	15000	0.09%	-	
Note No 9: Other Equity				
Particulars		Reserves & Surplus		
	General Reserve	Securities Premium Reserve	Retained Earnings	Total
	Amount	Amount	Amount	Amount
Balance as at 31st March 2023	882.84	7566.09	(8487.47)	(38.54)
Profit For The Year			(21.61)	(21.61)
Balance as at 31st March 2024	882.84	7566.09	(8509.08)	(60.15)
Profit For The Year			(27.24)	(27.24)
Balance as at 31st March 2025	882.84	7566.09	(8536.31)	(87.38)
Profit For The Year			(54.75)	(54.75)
Balance as at 31st March 2026	882.84	7566.09	(8591.06)	(142.13)

PADMALAYA TELEFILMS LIMITED
Notes Forming Part of Financial Statements
For the year ended 31st March, 2026

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

Note No 10 : Other Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Unsecured Loan - Others	13.25	13.25
Total Provisions	13.25	13.25

Note No 11 : Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Provision for Employee Benefits		
Gratuity	0.98	0.98
Others	2.21	2.21
Total Provisions	3.19	3.19

Note No 12 : Deferred Tax Liability (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Opening Balance	17.77	17.77
Add/(Less): Provision of Deferred tax charge / (Credit) for the year	-	-
Add/(Less): Adjustment Due to Ind AS	-	-
Closing Balance	17.77	17.77

Note No 13 : Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Unsecured		
Loans from others	52.90	36.70
Bed Rock Films LLP	1.50	1.50
Total Borrowings	54.40	38.20

Note No 14 : Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Provision for Employee Benefits		
PF & ESI Payable	0.26	0.47
Salaries Payable	6.42	6.97
Rent Payable	0.47	9.44
Electricity and Others		
Statutory Liabilities	0.56	0.56
TDS Payable	0.38	0.38
Provision for Audit Fees payable	2.46	2.47
Provision for GST	16.70	16.70
GST Payable	39.36	39.36
Advertisement Expenses Payable	1.35	1.00
Total Provisions	67.94	77.34

Note No 15 : Other Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
Other Payables	249.02	175.41
Advance Received from MM Movies	0.00	74.00
Total Other Current Liabilities	249.02	249.41

PADMALAYA TELEFILMS LIMITED
Notes Forming Part of Financial Statements
For the year ended 31st March, 2026

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

Note No 16 : Other Income

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
	Amount	Amount
Other Income	14.90	23.70
Total	14.90	23.70

Note No 17 : Employee Benefit Expenses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
	Amount	Amount
Salaries,Wages and bonus	6.84	6.84
Contribution to Provident & Other Funds	0.39	0.29
Staff Welfare	0.05	0.08
Total	7.28	7.22

Note No 18 : Finance Costs

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
	Amount	Amount
Bank Charges	0.15.38	0.01
Total	0.15.38	0.01

Note No 19 : Other Expenses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
	Amount	Amount
Sitting Fees		-
Rent	15.12	21.93
Conveyance	1.98	1.68
Office Maintenance	1.50	1.50
Business Promotion Expenses	0.81	0.99
Electricity Charges	0.02	0.02
Professional & Consultancy Fee	1.18	0.82
Power and fuel	0.00	-
AGM & EGM Expenses	8.50	2.95
Secretarial Fee	0.50	2.50
Kifin tech service fee	0.71	0.94
License Fees	-	-
Lisitng Expenses	0.00	5.37
Water Expenses	0.05	0.06
Payment to Auditors:		
(i) As Audit fee	1.25	1.27
(ii) For Taxation Matters	0.00	-
Transportation	0.00	0.04
ROC Expenses	1.15	0.15
BSE Charges	5.40	0.12
Printing & Stationery	0.20	0.06
Recording & Editing	0.00	1.52
Bad Debts	24.00	-
Miscellaneous Expenses	0	1.81
Total	62.37	43.71

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

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

23. Disclosure of Remuneration to Auditors:

Particulars	FY-2025-26 Amount (Rs. In Lakhs)	FY-2024-25 Amount (Rs. In Lakhs)
Statutory Audit Fees	1.25	1.27
Tax Audit Fess	-	-
Other Services	-	-
Total	1.25	1.27

24. Earnings Per Share:(in Rs)

Particulars	FY 2025-26	FY 2024-25
Basic EPS	(0.32)	(0.16)
Dilute EPS	(0.32)	(0.16)

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

28. Additional Regulatory Information

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

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

ix. Key Financial Ratios:

Particulars	Numerator	Denominator	March, 2026	March, 2025	Variance
* Current Ratio	Current Assets	Current Liabilities	5.15	5.34	-3.54
Debt-Equity Ratio	Total Debt - Deferred Tax Liability	Shareholders Equity	0.25	0.24	5.26
Debt Service Coverage Ratio	Earnings available for Debt Services	Interest+ Instalments	NA	NA	NA
** Return on Equity Ratio	Net Profit after Tax	Shareholders Equity	-0.04	-0.02	108.10
Inventory Turnover Ratio	Sales	Average Inventory	NA	NA	NA
Trade Receivables Turnover ratio	Credit Sales	Average Trade Receivables	NA	NA	NA
Trade Payables Turnover ratio	Annual Net Credit Purchases	Average Trade Payables	NA	NA	NA
Net Capital Turnover	Sales	Working	NA	NA	NA

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

Ratio		Capital			
Net Profit Ratio	Net Profit after Tax	Sales	NA	NA	NA
^ Return on Capital Employed	Earnings before Interest and taxes	Capital Employed= Total Assets (-) Current Liabilities	-0.03	-0.02	107.90
Return on Investments(Assets)	Total Comprehensive Income	Average Total Assets	-0.06	-0.03	105.98

*Eventual increase in Current Liabilities has caused the Current Ratio to decrease thus leaving a negative impact on Current Ratio.

** Due to increase in the current year losses, it resulted in increase in Return on Equity Ratio.

^ Due to increase in the current year losses, it resulted in increase in Return on Capital Employed Ratio.

- x. There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- xi. (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xii. The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- xiii. The provisions of section 135 of the Companies Act, 2013 for constitution of CSR committee is not applicable to the Company.

NOTES

forming part of the Financial Statements for the year ended March 31, 2026

xiv. The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.

29. Previous year figures have been regrouped and rearranged wherever necessary to conform to this years' classification.

SIGNATURE TO NOTES 1 To 29

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

**For and on Behalf of the Board
Padmalaya Telefilms Limited**

Sd/-

**M.V. Joshi
Partner
M.No:024784
UDIN: 26024784FWUIUU5337**

Sd/-

**G.V Narasimha Rao
CEO& Executive Director
DIN: 01763565**

Sd/-

**Sreenivasa Rao sakhamuri
Independent Director
DIN: 01691043**

**Place: Hyderabad
Date: 30.05.2026**

Sd/-

**MVRS Suryanarayana
CFO & Compliance Officer**



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members of
Padmalaya Telefilms Limited
H.No. 8-3-222/1/23, Madhuranagar, Yusufguda,
Hyderabad – 500038, Telangana, India.

We were engaged to issue a Certificate pursuant to Regulation 34(3) read with Schedule V, Part C, Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors of Padmalaya Telefilms Limited (CIN: L92111TG1991PLC013222) ("the Company") as at 31 March 2026.

The Company did not provide the Register of Directors and Key Managerial Personnel, Forms DIR-8, declarations of independence, written representations from the Directors, Forms DIR-12, MCA filing records, copies of orders or directions of statutory authorities or other supporting records required for independently determining whether any Director had been debarred or disqualified from being appointed or continuing as a Director.

Our examination was restricted to the audited financial statements for the financial year ended 31 March 2026, the Independent Auditor's Report dated 30 May 2026 and documents and disclosures publicly available on the BSE portal.

The Independent Auditor's Report states, on the basis of written representations received by the Statutory Auditor from the Directors and taken on record by the Board, that none of the Directors was disqualified as at 31 March 2026 under Section 164(2) of the Companies Act, 2013. However, the underlying written representations and supporting records were not made available to us.

BASIS FOR DISCLAIMER OF CONCLUSION

Due to the non-production of the records and supporting evidence described above, we were unable to carry out independent verification of the DIN status of the Directors on the MCA portal or searches of applicable debarment and disqualification orders issued by SEBI, MCA or other statutory authorities. The scope limitation is material and pervasive.

DISCLAIMER OF CONCLUSION

Because of the significance and pervasive nature of the scope limitation described above, we are unable to express a conclusion on whether any of the Directors of the Company as at 31 March 2026 had been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, MCA or any other statutory authority.

Without modifying the disclaimer of conclusion stated above, based solely on the audited financial statements and disclosures available on the BSE portal, the following persons were reflected as Directors of the Company as at 31 March 2026:



PUTTAPARTHI JAGANNATHAM & CO.
C O M P A N Y S E C R E T A R I E S

Sl. No.	Name of Director	DIN	Date of appointment
1	Sreenivasa Rao Sakhamuri	01691043	22 January 2007
2	Ghattamaneni Venkata Narasimha Rao	01763565	17 September 1991
3	Bharadwaja Thammareddy	07332749	30 September 2019
4	Uma Devi Narravula	08537674	14 August 2019
5	Puskur Ram Mohan Rao	01980193	2 September 2025

Based on the disclosure made by the Company to BSE Limited, Mr. Datla Venkata Narasimha Raju (DIN: 01887919) passed away on 5 August 2025, and the Company received information regarding his demise on 14 August 2025. Accordingly, he has not been included in the above list of Directors as at 31 March 2026.

Form DIR-12, the corresponding filing challan and MCA records evidencing the recording of his cessation were not made available for examination. Accordingly, we are unable to verify whether his cessation was recorded with the Registrar of Companies within the prescribed period, and no conclusion regarding non-filing of Form DIR-12 has been drawn.

Ensuring the eligibility of every Director for appointment and continuation on the Board and maintaining complete supporting records is the responsibility of the management of the Company. Our responsibility is to express a conclusion based on sufficient and appropriate evidence. Due to the material and pervasive scope limitation described above, we have disclaimed our conclusion.

This Certificate should not be construed as confirming that none of the Directors was debarred or disqualified by SEBI, MCA or any other statutory authority.

This Certificate is neither an assurance as to the future viability of the Company nor an assurance regarding the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 29 August 2026

For Puttaparthi Jagannatham & Co.
Company Secretaries
Sd/-
CS Navajyoth Puttaparthi
Partner
FCS No: 9896; CP No: 16041
Peer Review Certificate No. 7813/2026
UDIN: F009896H001290780



**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
GOVERNANCE**

**[Pursuant to Schedule V, Part E of the SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015]**

**To
The Members of
Padmalaya Telefilms Limited
H. No. 8-3-222/1/23, Madhuranagar,
Yusufguda, Hyderabad – 500038, Telangana, India.**

We were engaged to examine compliance by Padmalaya Telefilms Limited (CIN: L92111TG1991PLC013222) ("the Company") with the applicable conditions of Corporate Governance stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended 31 March 2026.

The paid-up equity share capital of the Company as at 31 March 2025 was ₹1,699.76 lakh. Accordingly, the exemption under Regulation 15(2)(a) of the SEBI Listing Regulations was not available to the Company during the financial year 2025–26, and the applicable Corporate Governance provisions were required to be complied with.

Compliance with the conditions of Corporate Governance is the responsibility of the management of the Company. Our responsibility is to examine the procedures and implementation thereof adopted by the Company and to express a conclusion based on sufficient and appropriate evidence. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

BASIS FOR DISCLAIMER OF CONCLUSION

Despite our requests, the Company did not provide the primary records required for examining compliance with the applicable conditions of Corporate Governance, including signed minutes of the meetings of the Board and its Committees, notices, agendas, attendance records, statutory registers, directors' disclosures and declarations, committee records, policies, related-party transaction records, compliance reports and complete correspondence with BSE Limited.

Our examination was restricted to the audited financial statements for the financial year ended 31 March 2026, the Independent Auditor's Report dated 30 May 2026 and documents and disclosures publicly available on the BSE portal and the Company's website.

The non-production of records constitutes a material and pervasive limitation on the scope of our examination. Consequently, we were unable to obtain sufficient and appropriate evidence to express a conclusion on the Company's overall compliance with the applicable conditions of Corporate Governance.

DISCLAIMER OF CONCLUSION



Because of the significance and pervasive nature of the scope limitations described above, we are unable to express a conclusion on whether the Company complied with all the applicable conditions of Corporate Governance stipulated under the SEBI Listing Regulations during the financial year ended 31 March 2026.

Without modifying the disclaimer of conclusion stated above, the following matters were observed from the limited information and public disclosures available to us:

1. Board and Committee processes

Signed minutes of the meetings of the Board of Directors and its Committees, together with notices, agendas, attendance records and supporting papers, were not made available for examination.

Consequently, we were unable to independently verify compliance relating to the composition and functioning of the Board and its Committees, notices, quorum, participation, deliberations, approvals, recording of dissent, separate meeting of Independent Directors, performance evaluation and compliance with Regulations 17, 18, 19, 20, 21 and 25 of the SEBI Listing Regulations.

2. Website disclosures

Based on our review of the Company's website, the disclosures, policies and other information required to be maintained pursuant to Regulation 46 and other applicable provisions of the SEBI Listing Regulations were incomplete, inconsistent or not duly updated.

3. Subsidiaries, associates and joint ventures

The audited financial statements and the Independent Auditor's Report state that the Company did not have any subsidiary, associate or joint venture during the financial year under review. On that basis, Regulation 24 of the SEBI Listing Regulations did not appear to be applicable.

However, the statutory registers and other primary corporate records substantiating the completeness of this information were not made available for our independent verification.

4. Appointment of Mr. Puskur Ram Mohan Rao as Independent Director

Based on the AGM notice and disclosures available on the BSE portal, the appointment of Mr. Puskur Ram Mohan Rao (DIN: 01980193) as an Independent Director for a period of five years was approved by the members at the 34th Annual General Meeting held on 30 September 2025 through an ordinary resolution.

Regulation 25(2A) of the SEBI Listing Regulations requires the appointment of an Independent Director to be approved by the shareholders through a special resolution. Accordingly, the manner of approval of his appointment did not comply with Regulation 25(2A).



The underlying minutes of the Nomination and Remuneration Committee, Board minutes, declarations of independence, appointment letter, databank confirmation and Form DIR-12 were not made available for examination.

5. Reappointment of Independent Directors

Based on the AGM notice and disclosures available on the BSE portal, Mr. Tammareddy Bharadwaja (DIN: 07332749) and Mr. S. Sreenivasa Rao (DIN: 01691043) were reappointed as Independent Directors for a further period of five years through special resolutions at the 34th Annual General Meeting held on 30 September 2025.

However, the declarations of independence, Independent Directors' databank confirmations, recommendations of the Nomination and Remuneration Committee, Board minutes, performance-evaluation records, appointment letters and Forms DIR-12 were not made available for examination.

Accordingly, we are unable to independently verify complete compliance with the applicable requirements relating to their reappointments under Regulation 25 and other applicable provisions of the SEBI Listing Regulations.

6. Related-party transactions

The Independent Auditor's Report states that the Company complied with Sections 177 and 188 of the Companies Act, 2013 in respect of applicable related-party transactions.

However, the Company did not provide the related-party registers, contracts, declarations of interest, Audit Committee approvals, Board approvals, shareholders' approvals or supporting transaction records. Accordingly, we are unable to independently verify compliance with Regulation 23 of the SEBI Listing Regulations.

7. Corporate Governance filings and BSE correspondence

The complete Corporate Governance reports filed under Regulation 27(2), together with the corresponding BSE acknowledgements, notices, fine notices, payment records and related correspondence, were not made available for examination.

Public-domain information indicates instances of delayed filings and compliance deficiencies. However, in the absence of complete records, we are unable to determine the complete extent of defaults, the amount of fines imposed, the payment status or whether any applications for waiver or regulatory proceedings remain pending.

8. Compliance-management systems

No internal compliance reports, compliance calendars, legal registers, departmental confirmations or compliance-monitoring records were made available for examination.



Accordingly, we are unable to express a conclusion on whether adequate systems, processes and controls existed in the Company to monitor and ensure compliance with the applicable Corporate Governance requirements under the SEBI Listing Regulations.

OTHER REGULATORY MATTER

Non-appointment of qualified Company Secretary as Compliance Officer

The Company did not have a qualified Company Secretary acting as Compliance Officer during the financial year ended 31 March 2026, resulting in continuing non-compliance with Regulation 6(1) of the SEBI Listing Regulations.

Ms. Shranya Jaiswal (Membership No. A40296) was appointed as Company Secretary and Compliance Officer with effect from 15 April 2026, subsequent to the close of the financial year under review.

In view of the material and pervasive scope limitations stated above, this Certificate should not be construed as confirming complete compliance by the Company with all the applicable conditions of Corporate Governance under the SEBI Listing Regulations.

We further state that this Certificate is neither an assurance as to the future viability of the Company nor an assurance regarding the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 29 August 2026

For Puttaparthi Jagannatham & Co.
Company Secretaries
Sd/-
CS Navajyoth Puttaparthi
Partner
FCS No: 9896; CP No: 16041
Peer Review Certificate No. 7813/2026
UDIN: F009896H001290824

PADMALAYA TELEFILMS LIMITED

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

Proxy form

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

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

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

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

1. Name:

Address:

E-mail Id:

Signature: , or failing him

2. Name:

Address:

E-mail Id:

Signature: , or failing him

3. Name:

Address:

E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual general meeting of the company, to be held on, 30th September 2026 at 9.30 A.M at State Gallery of fine arts, Road No.1, Kavuri Hills, Madhapur 500 033 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2026 the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon
2.	To appoint a director in place of Sri. GV Narasimha Rao (DIN: 01763565), who retires by rotation and being eligible offers himself for re-appointment

Signed this _____ day of _____ 2026

Signature of Shareholder _____

Signature of Proxy holder (s) _____

Note:

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

PADMALAYA TELEFILMS LIMITED

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

35th Annual General Meeting – , 30th September 2026

Attendance Slip

Folio no. / DPID and Client ID no:

No. of shares

Name and address of First/sole shareholder:

I, hereby record my presence at the 35th Annual General Meeting of the Company to be held on 30th September, 2026 at 9.30 A.M at State Gallery of fine arts, Road No.1, Kavuri Hills, Madhapur 500 033.

Name of the Member/Proxy
(Block Letters)

Signature of the Member/Proxy

Notes:

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

Courier/Book Post/Registered Post

Printed Matter

If Undelivered please return to

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