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**PADMALAYA TELEFILMS LIMITED**

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



**26<sup>th</sup>**  
**ANNUAL REPORT**  
**2016 – 17**



*Padmalaya*  
TELEFILMS LIMITED

## Corporate Information

### Board of Directors

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

### Regd. & Administrative Office

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

### Auditors

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

### Bankers

Allahabad Bank  
ING Vysya Bank

### Share Transfer Agents

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

### Listing

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

Corporate Identification Number: L92111TG1991PLC013222

## CONTENTS

	Page No.
NOTICE TO THE MEMBERS.....	1
DIRECTOR'S REPORT.....	6
REPORT ON CORPORATE GOVERNANCE.....	20
GENERAL SHARE HOLDERS INFORMATION.....	23
AUDITOR'S REPORT.....	28
BALANCE SHEET.....	32
PROFIT & LOSS ACCOUNT.....	33
CASH FLOW STATEMENT.....	36
NOTES TO FINANCIAL STATEMENTS.....	37
BALANCE SHEET ABSTRACT.....	47
ATTENDANCE SHEET.....	48
PROXY FORM.....	49



## PADMAYALA TELEFILMS LIMITED

(CIN: L92111TG1991PLC013222)

Regd. Office: Plot No. 138, H.No. 8-3-222/1/23, Madhuranagar, YusufGuda, Hyderabad - 500 038, Telangana.  
Website: www.padmalaayatelfilms.com; Email: info@padmalaya.co.in, padmalayaatelfilms@gmail.com

### PROXY FORM

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

CIN	L92111TG1991PLC013222		
Name of the Company	Padmalaya Telefilms Limited		
Registered office	Plot No. 138, H.No. 8-3-222/1/23, Madhuranagar, YusufGuda, Hyderabad - 500 038		
Name of the Member(s)			
Registered Address			
Email Id			
Folio No / Client ID			
DP ID:			

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

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

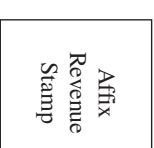
as my / our proxy to attend and vote (on a poll) for me/ us and on my / our behalf at the 25th Annual General Meeting of the Company, to be held on Friday 29th September, 2017 at 09:30 A.M at the State Gallery Of Fine Arts, Road No.1, Kavuri Hills, Madhapur, Hyderabad-500 033, Telangana and at any adjournment thereof in respect of such resolution as are indicated below:

Sl No.	Resolutions	For	Against	Abstain
<b>Ordinary business</b>				
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2016 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 S.Sreenivasa Rao who retires by rotation and being eligible offers himself for reappointment			
3.	To ratify the appointment of M/s. P. Murali & Co., Chartered Accountants, Hyderabad to hold the office as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the Next Annual General Meeting to be held in the year 2017 and fix their remuneration			
<b>Special Business</b>				
4.	To re-appoint Sri. G.V. Narasimha Rao as an Executive Director			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

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 \_\_\_\_\_ 26<sup>th</sup> Annual Report 2016 - 2017  
49

(CIN: L9211ITG1991PLC013222)  
 Regd. Office: Plot No. 138, H.No. 8-3-222/1/23,  
 Madhuramagar, YousufGuda, Hyderabad - 500 038, Telangana.  
 Website: [www.padmalaayatelfilms.com](http://www.padmalaayatelfilms.com); Email: [info@padmalaya.co.in](mailto:info@padmalaya.co.in),  
[padmalayatelfilms@gmail.com](mailto:padmalayatelfilms@gmail.com)

## ATTENDANCE SLIP FOR 26<sup>TH</sup> ANNUAL GENERAL MEETING

**Friday - 29th September 2017**

DP ID*	Folio No.
Client ID*	No. of Shares

Name and address of First/sole shareholder:

I, hereby record my presence at the 26th Annual General Meeting of the Company to be held on Friday 29th September, 2017 at 9.30 A.M at State Gallery of fine arts, Road No.1, Kavuri Hills, Madhapur, Hyderabad -500 033.

**Name of the Member/Proxy**

**Signature of the Member/Proxy**

Note:

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

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 26<sup>TH</sup> ANNUAL GENERAL MEETING OF M/S. PADMALAYA TELEFILMS LIMITED WILL BE HELD ON FRIDAY, THE 29<sup>TH</sup> DAY OF SEPTEMBER 2017 AT 9.30 AM AT STATE GALLERY OF FINE ARTS, ROAD NO.1, KAVURI HILLS, MADHAPUR 500 033 TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS

1. To Receive, Consider and Adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017 including audited Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To appoint a Director in place of Sri. S. Sreenivasa Rao who retires by rotation and being eligible offers himself for reappointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

#### To appoint Statutory Auditors of the Company and fix their remuneration

"RESOLVED THAT pursuant to Section 139(2) of the Companies Act 2013 & subject to Companies (Audit & Auditors) Rules 2014, approval of the Members of the Company be and is hereby accorded to the Board to appoint M/s. Chandra Babu Naidu & Co., (FRN: 016016S), Chartered Accountants, Hyderabad as Statutory Auditors of the Company w.e.f. the Conclusion of this Annual General Meeting for a term of Five Years subject to ratification at every Annual General Meeting and fix their remuneration".

### SPECIAL BUSINESS

4. To Re-appoint Sri. G.V. Narasimha Rao as Executive Director of the Company

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act 2013 and the Rules made there-under (including any statutory modification(s) re-enactments thereof for the time being in force) read with Schedule V of the Companies Act, 2013, and subject to approval of the Central Government or other Government authority, if any, and pursuant to approval of the Board of Directors and subject to such other approvals and consents as may be necessary, approval of the members be and is hereby accorded to reappoint Sri. G.V

- . **Narasimha Rao as Executive Director** of the Company for a period of five years w.e.f. 1<sup>st</sup> October 2017 on existing remuneration and terms & conditions.

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

By Order of the Board of Directors

Sd/-  
 (Bijoy Kumar Khemka)  
 Chairman

Place : Hyderabad  
 Date : 1<sup>st</sup> September, 2017



**Notes :**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act 2013 relating to re-appointment of Executive Director specified in Special Business to be transacted at the AGM is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23<sup>rd</sup> September, 2017 to Friday, 29<sup>th</sup> September, 2017 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
4. The relevant details of Directors seeking re-appointment under item no. 2, of this Notice are provided in the Annual Report.
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Share Transfer Agent of the Company. i.e. www.karyocomputershare.com, to M/s. Karyo Computershare Pvt. Ltd. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
6. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
7. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 22<sup>nd</sup> September 2017, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach the Share Transfer Agent of the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 10.00 a.m. on Tuesday, 26<sup>th</sup> September 2017 and will end at 5.00 p.m. on Thursday, 28<sup>th</sup> September 2017. The Company has appointed C.S. Mr. Puttaparthi Jagannadam, Advocate in Practice, 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.



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

**1 Registration Details**

CIN No. 

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

Balance Sheet 

3	1	0	3	2	0	1	7
---	---	---	---	---	---	---	---

  
Date Month Year

**NEED BALANCE SHEET**

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

Public Issue 

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

 Rights Issue 

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

  
Bonus Issue 

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

 Private Placement 

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

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

Total Liabilities 

2	3	5	8	0	0
---	---	---	---	---	---

 Total Assets 

2	3	5	8	0	0
---	---	---	---	---	---

**Sources of Funds**

Paid-Up Capital 

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

 Reserves & Surplus 

	1	9	0	9	5
--	---	---	---	---	---

  
Secured Loans 

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

 Differed tax lia. 

		1	8	5	1
--	--	---	---	---	---

**Application Funds**

Net Fixed Assets 

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

 Investments 

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

Net Current Assets 

2	2	1	1	3	1
---	---	---	---	---	---

Accumulated Losses 

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

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

Turn Over 

	2	2	6	9	2
--	---	---	---	---	---

 Total Expenditure 

	2	0	4	4	3
--	---	---	---	---	---

  
Loss Before Tax 

		2	2	4	9
--	--	---	---	---	---

 Loss After Tax 

			2	2	6	2
--	--	--	---	---	---	---

  
Earning Per Share 

1	3
---	---

 Dividend Rate (Weighted Average) 

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

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

Item Code No. 

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

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



33. **Foreign exchange inflow and Outflow**
  - a) Foreign exchange inflow - Nil (Previous Year - Nil)
  - b) Foreign exchange outflow - Nil (Previous Year - Nil)
34. **Contingent Liabilities**  
The company's has filed appeal before Honble Commissioner of Income Tax (Appeals), Hyderabad against the demand of Income Tax amounting to Rs. 1.50 crores for the Assessment years 2003-2004 and the same is disposed - off in favour of the company.
35. **Legal cases:**  
M/s Data Soft, Mumbai filed recovery petition against the company for recovering its dues to the tune of Rs. 2.52 lakhs. The company negotiating with the party for settlement.
36. Balances of Sundry debtors/creditors, loans are subject to Confirmations.
37. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
38. Previous years' figures are restated/regrouped/rearranged wherever necessary in order to confirm to the current years' grouping and classifications.
39. Figures have been rounded off to the nearest rupee.  
Signatures to the notes no. 1 to 38

As per our report of even date

for and on behalf of the Board

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

Sd/-  
Director  
Whole Time Director

P.Murali Mohana Rao

Partner  
Member Ship No. 23412

Sd/-

Place: Hyderabad

Date: 30<sup>th</sup> May, 2017

## PROCEDURE FOR E-VOTING

- I. The Company has entered into an arrangement with M/s Kary Computershare Pvt. Ltd for facilitating e-voting to all the Share Holders of the company for AGM.  
The instructions for e-voting are as under:
- A. In case a Member receiving an email from Kary [for Members whose email IDs are registered with the Company / Depository Participant(s)]:
  - i) Launch internet browser by typing the URL: <https://evoting.kary.com>
  - ii) Enter the login credentials (i.e., User ID and password mentioned below). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Kary for e-voting, you can use your existing User ID and password for casting your vote.
  - iii) After entering these details appropriately, Click on "LOGIN".
  - iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.) The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v) You need to login again with the new credentials.
  - vi) On successful login, the system will prompt you to select the "EVENT" i.e., Padmalaya Telefilms Limited.
  - vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
  - ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - x) You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution(s).
  - xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID: [schid285@gmail.com](mailto:schid285@gmail.com) with a copy marked to [evoting@kary.com](mailto:evoting@kary.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO".
- B. In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
  - i) User ID and initial password as provided below:
  - ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. The e-voting period commences on the Tuesday, September 26<sup>th</sup>, 2017 at 10:00 A.M. and ends on Thursday, September 28<sup>th</sup>, 2017 at 5.30 P.M. During this period, the Members of the Company

holding shares in physical form or in dematerialized form, as on the cut-off date being Friday 22<sup>nd</sup> September, 2017, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.

D. In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.kary.com>. (Kary's website).

E. The voting rights of the Members shall be proportion to their shares of the paid up equity share capital of the Company as on the cut-off date being Monday, September 22, 2017.

F. The Company has appointed Company Secretary Mr. Puttaparthi Jagannadham, Practising Advocate as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

G. The Scrutinizer after conclusion of the e-voting period will unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company.

H. The Results on resolutions shall be declared on or before 3<sup>rd</sup> October, 2017 and the resolution will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolution(s).

I. The Results declared along with the Scrutinizer's Report(s) will be available on the Service Provider's website (<https://evoting.kary.com>) within three (3) days of passing of the resolutions and communication of the same to the stock exchanges, where the equity shares of the company are listed.

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

7. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Kary Computershare Pvt. Ltd / Investor Service Department of the Company immediately.

8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Kary Computershare Pvt. Ltd / Investor Service Department of the Company.

9. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.

10. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

#### **Additional information on Retiring Directors required to be furnished.**

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

Name of the Director	Sri. S. Sreenivasa Rao
Date of Birth/Age	05/04/1970 (47 Years)
Education Qualification	Diploma in Mechanical Engineering
Expertise in Specific functional areas	In post Production Activity of the Films & Television Serials and Animation
List of Companies in which Directorships held as on 31.03.2017.	2
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2017.	Nil

### **30. Managerial Remuneration**

(Rs. In lakhs)

Particulars	31-03-2017	31-03-2016
Salaries	11.40	11.40
Perquisites & Allowances	0.90	0.90
Total	12.30	12.30

### **31. Auditors Remuneration**

(Rs. In lakhs)

Particulars	31-03-2017	31-03-2016
Statutory Audit Fees	0.60	0.60
Tax Audit Fees	0.30	0.30
Certification Fees	0.13	0.13
Others	0.21	0.21
Total	1.24	1.24

### **32. Disclosures as required under Accounting Standard AS-15**

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

(Rs. In lakhs)

Particulars	31-03-2017	31-03-2016
Gratuity	0.12	0.12
Leave Encashment	0.19	0.19

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

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

(Rs. in lakhs)

Particulars	31-03-2017	31-03-2016
Contribution to Provident fund	0.45	0.39
Contribution to Employee State Insurance Scheme (ESI)	0.07	0.07

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

**NOTES ON ACCOUNTS:**

25. **Share Capital**  
Company is having existing Equity share capital to the extent of 1,70,00,000 Shares @ Rs.10/- each fully subscribed as on 01.04.2015 and no further issue of shares during the year under review.
26. **Secured Loans:**  
Term loan of Rs.448.78 Lakhs (Previous year Rs.448.78 Lakhs) from HDFC Bank, Mumbai is secured by fixed and Current Assets of the Company. The Executive Director and chief promoter have given their personal guarantees to the Bank in their personal capacity.
27. **Depreciation:**  
a. During the year the Company has provided Depreciation on Fixed Assets based on the Useful life in the manner prescribed in Schedule II Part C to the Companies Act, 2013.  
b. Other Assets include Ornaments, Costumes, Library Etc.
28. **Segment Reporting:**  
The Company operates in four segments, T.V.Software, Infrastructure, Films and Animation. Segments wise operational information have been reported based on the guiding principles of Accounting Standard 17 (A.S.17) issued by the Institute of Chartered Accountants of India.  
Financial information about the business segments is presented in the table given below:  
Segment Wise Results:  
Particulars

	For the year 2016-2017	Rs. In Lakhs For the year 2015-2016
<b>1. Segment Revenue / Income</b>		
T.V.Software	20.78	25.40
Integrated Communication Group	40.16	44.51
Films	99.07	114.63
Animation	70.93	38.89
Total	230.94	218.37
Less: Inter Segmental Revenue	-	-
Total Revenue from Operations	230.94	223.43
<b>2. Segment wise Profit / (Loss) before Tax and interest</b>		
T.V.Software	1.21	1.33
Integrated Communication Group	6.24	9.25
Films	9.55	11.78
Animation	4.58	9.32
Total	21.58	31.68
Add: Un-allocable Income net off		
Un-allocable expenditure	(133.31)	9.19
<b>Profit before Tax and Prior period expenditure</b>	<b>(111.73)</b>	<b>22.49</b>
Revenue and expenses in relation to segments is categorized based on items that are individually identifiable to that segment.		
Expenses like Depreciation have been segregated among the segments according to the period of usage of Fixed Assets by the Segments. However, the Management believes that it is not practicable to provide segment wise capital employed, as the Assets are being used interchangeably by different segments.		
<b>29. Details of Related Party Transactions</b>		
Name of the Party	Relationship	
Padmalaya Studios LLP	- Controlled by key managerial personnel	
Yamuna Enterprises Private Limited	- Controlled by key managerial personnel	
Green Chillies entertainment (P) Ltd.	- Controlled by key managerial personnel	
Sri Geethika Films & Media Ltd.,	- Controlled by key managerial personnel	
Transaction details	- Nil	

**Explanatory Statement**

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

Item No. 4:

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

Sri. G.V. Narasimha Rao (DIN: 01763565) was appointed as an Executive Director for a period of 5 years, in the 21<sup>st</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September 2012

Pursuant to the provisions of Section 196, 197, 203 of the Companies Act 2013 and the Rules made thereunder and subject to approval of the Central Government or other Government authority, Sr. G.V. Narasimha Rao is proposed to be re-appointed as an Executive Director of the Company for a period of five years w.e.f. 1<sup>st</sup> October 2017.

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

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

None of the Directors and Key Managerial Persons of the Company except is concerned or interested in this resolution.