SMEL/SECT/19/2023-24

Date: 31st July, 2023.

To,
The Secretary,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400 051

Scrip Code: SILLYMONKS

Dear Sir/Madam,

Sub: Intimation of 10th Annual General Meeting and Annual Report for the Financial year 2022-23.

The **10th Annual General Meeting** of the Members of **Silly Monks Entertainment Limited** will be held on Friday, the 25th August, 2023 at 01:00 P.M. at the registered office of the Company situated at Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad -500032, Rangareddi, Telangana, India. With reference to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith 10th Annual Report for the financial year 2022-23. Further, the Company has completed sending the physical copies of the annual report along with the Notice and other documents for the members who have not registered their email addresses through permitted mode on Monday, 31st July, 2023.

Friday, 18th August, 2023, (the "Cut Off Date") will be the cut-off date for the purpose of offering remote e-Voting facility to our members in respect of the businesses to be transacted at the 10th Annual General Meeting. **The e-voting period will commence on Tuesday, 22nd August, 2023 at 09:00 a.m. (IST) and will end on Thursday, 24th August, 2023 at 05:00 p.m. (IST).** During this period, members of the company or in the Register of beneficial owners maintained by the Depositories, holding shares either in Physical form or in Dematerialized form, as on Cut-Off Date i.e., Friday, 18th August, 2023, may cast their vote electronically. The Remote E-Voting shall not be allowed beyond 24th August, 2023 at 05:00 p.m. (IST) and the e-voting module shall be disabled by CDSL for voting thereafter. At the venue of AGM, voting shall be done through ballot papers ("Ballot Paper") and the Members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper. Ballot Papers will be made available at the venue of the AGM.

We request you to kindly take the information on your records.

Thanking you,

Yours faithfully,
For **SILLY MONKS ENTERTAINMENT LIMITED**

Naina Singh

Digitally signed by Naina Singh
Date: 2023.07.31 13:59:44 +05'30'

Naina Singh
Company Secretary & Compliance Officer
ICSI M. No.: A68201

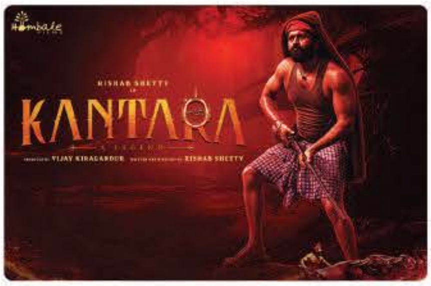
Encl: As above.

sillymonks
RIDE ON DIGITAL

Annual Report

2022 - 2023

OUR RECENT MOVIE PROMOTION
PROJECTS



OUR UPCOMING
MOVIE PRODUCTIONS

sillymonks STUDIOS

PRODUCTION - 6
UNDER
PRE PRODUCTION

sillymonks STUDIOS

PRODUCTION - 8
UNDER
STORY DEVELOPEMENT

sillymonks STUDIOS

PRODUCTION - 10
UNDER
STORY DEVELOPEMENT

sillymonks STUDIOS

PRODUCTION - 11
UNDER
STORY DEVELOPEMENT

MOVIES SYNDICATION ON
AMAZON PRIME

sillymonks®
RIDE ON DIGITAL

Chepur Ratnakar Rao

Chairman,
Silly Monks Entertainment Limited

Dear Invaluable Shareholders:

It is indeed my pleasure and privilege to extend a warm and hearty welcome to you all on this important occasion of the 10th Annual General Meeting of Silly Monks Entertainment Ltd. I trust you would have gone through our Annual Accounts and related information circulated as per mandate. I sincerely hope that your families continue to keep good health and cheer although the Covid pandemic is hopefully behind us, thankfully!

The mood across India continues to be jubilant as we approach the finale of celebrating 75 years of freedom along with a buoyant economic environment as compared to many other major economies around the world. This optimism is feeding the market and marketing sentiment in various important consumer sectors that auger well for our US$26.2 billion Media & Entertainment sector. India is making its presence felt as a dominant and leading economic power to partner with and actively attracts investments and entrepreneurial relationships from global players of utmost significance to us is the sweeping digital transformation and vast internet penetration that has made

the way we accepted Innovation as part of life. The exponential growth of data availability and consumption, aided by the power of Artificial Intelligence is redefining the access and ease of use of the internet. Internet penetration has grown to 866 million subscribers placing India second only to China. Smartphone user base touched 538 million in 2022. Today's content consumption is led by the millennials and gen Z who make up over 35% of our population. They have a strong influence on other age groups as well.

Indians consume over 4.9 hours of video content every day and in just 2022 they downloaded almost 29 billion Apps, with an average data consumption of over 25 GB. Today's consumer is also discerning in the quality of content they're offered and unless the content creators are tuned to their taste preferences, they're easily rejected. The growing power of Influencers is yet another force to reckon with. Brands have taken to digital marketing and the use of Influencers, shifting their spends from TV and other offline media.

The challenges before us are in terms of how insightful we are about our consumers and how strongly we're able to connect and engage with them. Loyalty is a fleeting phenomenon among younger consumers who seek only relevant and interesting content.

Silly Monks has been actively pursuing this angle and I'm confident that we'll continue to produce and market superior content that attracts consumers as well as Brand Marketers who bring in our revenues and eventually contribute to shareholder value.

I once again wish all of you good health, happiness and prosperity.

C Ratnakar Rao

Sanjay Reddy

Managing Director
Silly Monks Entertainment Limited

My Dear Shareholders,

In my last year's message I had mentioned that we want to complete the 10th year with a bang. Most of the shareholder would have thought that we can expect some miracles but in reality that is not possible. For us 10th year was the year of correction that we took very seriously and did whatever possible to get the company back on to the track for a promising future. I feel using the following analogy will suit the situation we are in right now. "When the lion takes two steps back, it is not ready to run but to pounce", we all believe that the two steps back have been taken and now we are ready to pounce.

We believe that this decade belongs to INDIA and we must take advantage of it. India's internet users are expected to reach 900 mn by 2025 a jump of 45% since 2020 & advertising based video on demand segment is expected to grow at 24% CAGR to reach USD 2.6 Billion by 2025.

Video remained the largest earning segment in 2022, and despite resumption of normal life after the pandemic, held on to a 11% gain in revenue share since 2019. The pandemic impacted 2020 and 2021 and little bit of 2022 as regards experiential revenues, but we believe we have now kind of recovered, and we expect our share to keep growing as India's PCI grows.

However we have been definitely effected as far as cash flows are concerned, hence trying to see how we can improve that and create some reserves to invest in verticals which are firing well. YouTube has been our bread earner and our well curated film production division will be the top line driver going forward. More cash will help us acquire content to monetise them better over multiple platforms and drive reach. Building YouTube creator network will be our focus.

Also finally we have been able to implement my long cherished desire of making every employee a stake holder in the company by implementing ESOP's. I sincerely want to create wealth for our employees who have given their sweat and blood.

I am ending this note with a promise and a hope that we will crawl back to our glorious past sooner than later.

Till then fingers crossed!!!

Sanjay Reddy.

Anil Pallala

Co-Founder | Whole Time Director
Silly Monks Entertainment Limited

Dear Shareholders,

Season's greetings from Team Silly Monks! We extend our heartfelt gratitude for your unwavering belief in our vision and continuous support.

Within the entertainment business, we have not only adapted to new models and processes but have also embraced them wholeheartedly, propelling us towards an aggressive growth trajectory.

As you are well aware, our production division has successfully produced and released three feature films. Leveraging our experience and expertise, we have developed a robust model that ensures accountability and profitability in the film industry. Through our 360-degree solution approach, we bridge the gap between independent movie project investors, filmmakers, and distribution platforms.

With this innovative film production model, we have achieved remarkable success within set budgets. Two of our feature films, namely "Happy Ending" and "Raja Ramyam," are scheduled for release this year. We have a pipeline of over a dozen feature films at different budget levels, currently in development and investment pitch processes. Our aim is to release them back-to-back starting from the 2024 fiscal year, which sets the stage for a promising growth pattern in the coming years.

The fill rates for YouTube and Facebook advertising remain stable. However, we are not resting on our laurels and are actively exploring additional revenue models developed by YouTube, such as memberships, super chats, and merchandise. Moreover, we have formed partnerships with leading lead generation agencies to onboard video creators from across the country. This extended collaboration is highly promising, and we are targeting the onboarding of hundreds of new creators in our MCN network, spanning various genres such as food, lifestyle, and wellness.

To further enhance our revenue generation, we are continuously strengthening our brand sales teams. This will enable us to foster collaboration between creators and brands, unlocking additional revenue streams.

Our ambitious goal is to reach 1 billion views per month on YouTube. Presently, we stand at over 500 million views per month, a testament to our growing influence. We are also expanding our presence on Facebook, which is aggressively venturing into the video business, offering a lucrative revenue opportunity. With our new partnerships, we anticipate widespread reach across states and genres, attracting hundreds of talented video creators.

Silly Monks aspires to become the go-to entertainment company in South India for new film producers, filmmakers, distribution platforms (OTT/Satellite), video creators, and brands. We remain committed to improving our business practices, ensuring accountability and transparency in all our endeavors.

As we gear up for our upcoming film releases, we are poised to make a resounding impact on the media landscape.

Sincerely,
Anil Kumar Pallala

10th Annual General Meeting

Friday, 25th August, 2023
at 01:00 P.M
at the registered office at Survey No. 91, 3rd Floor,
Technical Block, Sundarayya Vignana Kendram (SVK),
Gachibowli, Hyderabad-500032, Rangareddi, Telangana, India.

Board of Directors

Mr. Ratnakar Rao Chepur	Chairman & Independent Director
Mr. Tekulapalli Sanjay Reddy	Managing Director
Mr. Anil Kumar Pallala	Whole Time Director
Mrs. Swathi Reddy	Non- Executive Non - Independent Director
Mr. Rammohan Paruvu	Independent Director
Mr. Prasada Rao Kalluri	Independent Director

Chief Financial Officer (CFO)
Mr. Venkat Rama Naidu Guna

Company Secretary
Ms. Naina Singh

Statutory Auditors
M/s. Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn. No. 010396S/S200084

Internal Auditors
NSVR & Associates LLP
Chartered Accountants
Firm Registration No. 008801S/S200060

Registered Office:

Silly Monks Entertainment Limited
CIN: L92120TG2013PLC090132
Survey No. 91, 3rd Floor, Technical Block,
Sundarayya Vignana Kendram (SVK),
Gachibowli, Hyderabad - 500032, Rangareddi,
Telangana, India

Tele No.: +91-8008121236
Email: investor@sillymonks.com
Website: www.sillymonks.com

Bankers
ICICI Bank Ltd

Secretarial Auditors
M/s. P. S. Rao & Associates
Company Secretaries

National Stock Exchange of India Limited
NSE **Symbol**: SILLYMONKS

Registrar and Share Transfer Agents

M/s. Bigshare Services Pvt. Ltd,
306, Right Wing, Amrutha Ville, Opp. Yashodha
Hospital, Somajiguda, Raj Bhavan Road,
Hyderabad - 500 082, Telangana, India.
Email: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

BOARD COMMITTEES

Audit Committee:

Mr. Prasada Rao Kalluri	Chairman
Mr. Tekulapalli Sanjay Reddy	Member
Mr. Rammohan Paruvu	Member
Mr. Ratnakar Rao Chepur	Member

Nomination and Remuneration Committee

Mr. Prasada Rao Kalluri	Chairman
Mrs. Swathi Reddy	Member
Mr. Rammohan Paruvu	Member
Mr. Ratnakar Rao Chepur	Member

Stakeholders Relationship Committee

Mr. Prasada Rao Kalluri	Chairman
Mr. Tekulapalli Sanjay Reddy	Member
Mr. Rammohan Paruvu	Member
Mr. Ratnakar Rao Chepur	Member

CONTENTS

SILLY MONKS ENTERTAINENT LIMITED

CIN: L92120TG2013PLC090132
Registered Office: Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India
E-mail: investor@sillymonks.com, **Website**: www.sillymonks.com, **Tele No.:** +91-8008121236

NOTICE

Notice is hereby given that the **10th Annual General Meeting** of the Members of **Silly Monks Entertainment Limited** will be held on Friday, the 25th August, 2023 at 01:00 P.M. at the registered office of the Company situated at Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 together with the reports of the Auditors and Board of Directors thereon;

b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023 together with the reports of the Auditors thereon.

2. To Appoint a Director in place of Mrs. Swathi Reddy (DIN: 00297360), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. Approval of Silly Monks Employee Stock Option Plan - 2023 for the employees of the holding / subsidiary companies of the company.

To consider and if thought fit, to pass, the following resolution, with or without modification, as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the rules framed thereunder, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') as amended, the Foreign Exchange Management Act, 1999, as amended and other applicable regulations, rules and circulars / guidelines in force, from time to time and subject to any approval(s) of any authorities as may be required, the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed by such authorities while granting such approvals, permissions and sanctions and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall include the Nomination and Remuneration Committee constituted by the Board or any other committee which the Board may constitute to act as the 'Compensation Committee' under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 or their delegated authority and to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of 'Silly Monks Employee Stock Option Plan - 2023' (hereinafter referred to as 'ESOP 2023') and to create, grant, offer, issue and allot, from time to time, in one or more tranches, within the ceiling of 5,00,000 (Five Lakh only) stock options convertible into 5,00,000 (Five Lakh only) equity shares of face value of Rs. 10 /- (Rupees Ten only) each fully paid up, in aggregate under ESOP 2023, to or for the benefit of (i) such person(s) who are permanent employees (including the present and future employees) of the Holding / Subsidiary Companies (whether in existence or to be incorporated in future in India or outside India hereinafter referred to as 'Holding/Subsidiary Companies') of the Company whether working in India or outside India; (ii) directors of any Holding / Subsidiary Companies of the Company, whether whole-time or not but excluding independent director(s); and (iii) such other employees and persons as may be permitted under the applicable laws and as may be approved by the Board, from time to time, but excluding (i) an employee /director who is a promoter or a person belonging to the promoter group and (ii) director(s) who either himself or through his relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, on such terms and conditions as may be determined by the Board in accordance with the provisions of ESOP 2023 as summarized in the explanatory statement annexed hereto and in due compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable laws, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, decide upon and bring into effect the ESOP 2023 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2023 subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2023 and do all other things incidental to and ancillary thereof."

4. To take note and place before the shareholders the requirements in point (j to n) and point (r-s) under Part C of Schedule - I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as an addendum to the explanatory statement of the Postal Ballot Notice dated May 04, 2023 for item no 2 regarding "approval of Silly Monks Employee Stock Option Plan 2023".

To consider and if thought fit, to pass, the following resolution, with or without modification, as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the authority vested vide resolution no. 02 for the "approval of Silly Monks Employee Stock Option Plan 2023" to the Board of Directors of the Company to settle any questions, difficulties or doubts that may arise with respect to the approval of the Silly Monks Employee Stock Option Plan 2023, the members be and are hereby take note of the omission of the requirements in point (j to n) and point (r-s) under Part C of Schedule - I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as an addendum to the explanatory statement of the Postal Ballot Notice dated 04th May, 2023 for item no 2 regarding "approval of Silly Monks Employee Stock Option Plan 2023".

RESOLVED FURTHER THAT the members of the Company be and are hereby take note and approve the following:

a. Additional disclosure in point (j to n) and point (r-s) under Part C of Schedule - I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Sr. No.	Particulars	ESOP 2023
j.	Maximum quantum of benefits to be provided per Employee under the Scheme	The Maximum quantum of benefits underlying the Options issued to an employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of Options.
k.	Whether the Scheme(s) is to be implemented and administered directly by the Company or through a trust	ESOP 2023 shall be implemented and administered directly by the Company and not through a trust.
l.	Whether the Scheme(s) involves new issue of shares by the Company or secondary acquisition by the Trust or both	The scheme only involves new issue of shares by the Company.
m.	The amount of loan to be provided for the implementation of the Scheme(s) by the Company to the Trust, its tenure, utilization, repayment terms, etc.	Not applicable
n.	Maximum percentage of secondary acquisition (subject to limits specified under the SEBI regulations) that can be made by the Trust for the purposes of the Scheme(s)	Not applicable
r.	Lock-in period	The shares allotted pursuant to exercise of Options shall not be subject to any Lock-in unless specified by the Board / Committee at the time of grant of such Options.
s.	Terms & conditions for buyback, if any, of specified securities covered under these regulations.	Not applicable

By order of the Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ms. Naina Singh
Company Secretary & Compliance Officer
Membership No. A68201

Place: Hyderabad
Date: 29.07.2023

Registered Office:
Survey No. 91, 3rd Floor, Technical Block,
Sundarayya Vignana Kendram (SVK), Gachibowli,
Hyderabad - 500032, Rangareddi, Telangana, India
Tele No.: +91-8008121236
Email: investor@sillymonks.com
Website: www.sillymonks.com

NOTES FOR MEMBERS:

1. Proxy/Authorized Representative:

(i) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing proxy (Proxy Form), in order to be effective must be deposited at the registered office of the Company, not less than 48 (Forty-Eight) hours before the commencement of the AGM. Proxy Form is enclosed with the Notice.

Members are requested to note that a person can act as proxy on behalf of the Members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, during the period beginning 24 (Twenty-Four) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, provided that not less than 3 (three) days of notice in writing is to be given to the Company.

2. Members / proxies / authorized representatives are requested to bring duly filled admission / attendance slips and Annual Reports. Members are requested to come to the venue of the meeting well in advance for registration. No registration will be entertained after fifteen minutes from the scheduled time of the commencement of the meeting. The Proxy Form and the Attendance slip are enclosed with this notice.

(i) Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote in their behalf at the Meeting.
(ii) In case of joint holders attending the AGM, only such joint holders who is higher in the order of names will be entitled to vote.
(iii) Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.

3. Cut Off Dates:

(i) This Notice is being sent to all the Members whose names appears as on **Friday, 28th July, 2023**, in the Register of Members/in the Register of beneficial owners as received from M/s. Bigshare Services Private Limited, the Registrar and Transfer Agent ("RTA") of the Company.
(ii) A person whose name is recorded in the Register of Members/in the Register of beneficial owners maintained by the depositories as on **Friday, 18th August, 2023, (the "Cut Off Date")** only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-off Date.

4. Treatment of Unclaimed Dividend & Shares:

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and

Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The provisions with regard to transfer of dividend and shares to IEPF is not applicable to the Company as, 7 (Seven) years has not been completed since the first declaration of dividend by the Company.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount.

Members may address all the correspondences relating to dividend, unclaimed shares, change of address, share transfer, transmission, nomination etc. to the Company/ RTA at the below mentioned addresses:

(i) Registered office of the Company: M/s. Silly Monks Entertainment Limited, Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad, Rangareddi, Telangana, India-500032 Ph.: +91 80081 21236, Email: investor@sillymonks.com.

(ii) Registrar & Transfer Agents: M/s. Bigshare Services Pvt. Ltd., 306, Right Wing, Amrutha Ville, Opp. Yashodha Hospital, Somajiguda, Raj Bhavan Road, Hyderabad - 500082, Tel.: 040 4014 4967, Email Id.: bsshyd@bigshareonline.com

5. Disclosures with respect to demat suspense account/ unclaimed suspense account:

Since no shares of the Company have been transferred to Demat Suspense Account/ Unclaimed suspense Account in accordance with Regulation 39 of the SEBI (LODR) Regulations, 2015 read with Schedule VI thereto, disclosures w.r.t. the same are not applicable to the Company.

6. Communication to Members:

(i) The Notice of the AGM along with the Attendance Slip and Proxy Form, and a copy of Annual Report is being sent by electronic mode to all Members whose email addresses are registered with the Company / Depository Participant(s) and also to the Auditors and Directors of the Company. For the Members who have not registered their email addresses, physical copies of the annual report along with the aforesaid documents are being sent by the permitted mode.

(ii) Members may note that the Notice and the Annual Report will also be available on the Company's website www.sillymonks.com, website of the National Stock Exchange of India Limited at www.nseindia.com respectively, and on the website of Central Depository Services (India) Limited (CDSL) at www.cdslindia.com.

(iii) Members who have still not registered their e-mail IDs are requested to do so at the earliest. Members holding shares in electronic mode can get their e-mail IDs registered by contacting their respective Depository Participant. Members holding shares in physical mode are requested to register their e-mail IDs with the Company or the RTA (M/s Bigshare Services Pvt. Ltd.), for receiving the Notice and Annual Report. Requests can be e-mailed to investor@sillymonks.com or investor@bigshareonline.com. We urge members to support this environment friendly effort of the Company and get their e-mail IDs registered.

(iv) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, the certificate from the Statutory Auditors of the Company certifying that the ESOP Scheme of the Company are being implemented in accordance with the Securities And Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 are open for inspection at the registered office of the Company which is also the venue for the ensuing AGM, on all working days except Saturdays and Sunday, between 11.00 AM to 1.00 PM up to the date of AGM.

The aforesaid documents along with documents referred to in the Notice will also be available for inspection at the registered office of the Company by the members, without payment of any fees, from the date of circulation of this Notice up to the **date of AGM, i.e. Friday, 25th August, 2023**.

(v) In case you have any query related to the enclosed annual accounts you are requested to send the same to the Registered office of the Company or on email Id investor@sillymonks.com, at least 10 (ten) days before the date of AGM so as to enable the management to collect the relevant information and redress the queries.

7. Voting by Members:

The voting for the agenda items as mentioned in the Notice shall be done in the following manner:

(i) Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM ("Remote E-voting") in the manner provided below during the e-voting period as mentioned below in Para 7.1.

(ii) At the venue of AGM, voting shall be done through ballot papers ("Ballot Paper") and the Members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper. Ballot Papers will be made available at the venue of the AGM.

(iii) A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If Member casts vote through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.

7.1 VOTING THROUGH ELECTRONIC MEANS:

Details of E-Voting:

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 10th Annual General Meeting.

The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the E-voting facility.

The e-voting period will commence on Tuesday, 22nd August, 2023 at 09:00 a.m. (IST) and will end on Thursday, 24th August, 2023 at 05:00 p.m. (IST). During this period, members of the company, holding shares either in Physical form or in Dematerialized form, as on **Cut-Off Date** i.e., **Friday, 18th August, 2023**, may cast their vote electronically. The Remote E-Voting shall not be allowed beyond **24th August, 2023 at 05:00 p.m. (IST)** and the e-voting module shall be disabled by CDSL for voting thereafter.

INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING

(i) **The e-voting period will commence on Tuesday, 22nd August, 2023 at 09:00 a.m. (IST) and will end on Thursday, 24th August, 2023 at 05:00 p.m. (IST).** During this period, members of the company or in the Register of beneficial owners maintained by the Depositories, holding shares either in Physical form or in Dematerialized form, as on **Cut-Off Date i.e., Friday, 18th August, 2023**, may cast their vote electronically. The Remote E-Voting shall not be allowed beyond 24th August, 2023 at 05:00 p.m. (IST) and the e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholder	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication,

	you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	**Helpdesk details**
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 022-23058738 and 22-23058542-43.
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 toll free no.: 1800 1020 990 and 1800 22 44 30

(i) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(ii) After entering these details appropriately, click on “SUBMIT” tab.

(iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; www.naturiteagroproducts.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2) For Demat shareholder, please update your email id & mobile no. with your respective Depository Participant (DP).

3) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.

7.2 VOTING THROUGH BALLOT PAPER:

Members who have not exercised the option of Remote E-voting shall be entitled to participate and vote at the venue of the AGM on the date of the AGM. Voting at the venue of AGM shall be done through Ballot Papers and Members attending the AGM shall be able to exercise their voting rights at the meeting through Ballot Papers. After the agenda item has been discussed, the Chairman will instruct the Scrutinizer to initiate the process of voting on all the resolutions through Ballot Papers. The Ballot Paper/s will be issued to the Shareholders / Proxy holders/ Authorized Representatives present at the AGM. The Shareholders may exercise their right of vote by tick marking as (√) against **"FOR"** or **"AGAINST"** as his/her choice may be, on the agenda item in the Ballot Paper and drop the same in the Ballot Box(es) kept at the meeting hall for this purpose.

Please note that the Members who have cast their vote by Remote E-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

(i) The Scrutinizer, after scrutinising the votes cast at the meeting through poll and through remote e-voting will, not later than two days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.sillymonks.com and on the website of www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

(ii) The result of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within two days of the AGM.

8. Scrutinizer:

(i) Mr. Jineshwar Kumar Sankhala, Company Secretary in Practice (COP No. **18365**) having consented to act as a scrutinizer has been appointed as "Scrutinizer" for scrutinizing the voting process (Ballot Paper as well as Remote E-voting) in a fair and transparent manner.

(ii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of **"Ballot Paper"** for all those Members who are present at the AGM but have not cast their votes by availing the Remote E-voting facility.

(iii) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not later than **2 (Two) days** from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.

9. Declaration of Results:

The Result of voting (Remote E-voting and the voting at the AGM) on the resolutions shall be declared not later than **2 (Two) days** from the date of AGM by the Chairman or any person authorized by him for this purpose. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.sillymonks.com and on the website of www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchange at www.nseindia.com.

10. Nomination:

Members holding shares in the physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment thereof, are requested to submit the request in prescribed Form SH-13 to the RTA. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

11. Dematerialization:

Pursuant to SEBI (LODR) (Fourth Amendment) Regulations, 2018 issued on 08th June, 2018 and effective from 05th December, 2018, SEBI has mandated that transfer of securities in a listed company will be processed only if the securities are held in dematerialized form. It is hereby confirmed that, total paid up equity shares of the Company are in de-materialized form.

12. Other Information:

(i) Route Map for the AGM is also enclosed with the Notice for easy location of the Venue, Copy of the AGM Notice along with the route map will also be available on the website of the Company at www.sillymonks.com in the Investor Relations section.

(ii) As per Section 118(1) of the Companies Act, 2013 read with the Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, "No gifts, gift coupons or cash in lieu of gifts shall be distributed to members at or in connection with the meeting".

(iii) Shareholders are requested to immediately notify any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) and to the Registrar and Share Transfer Agent of the Company viz. **Bigshare Services Pvt. Ltd.,** 306, Right Wing, Amrutha Ville, Opp. Yasodha Hospital, Somajiguda, Raj Bhavan Road, Hyderabad - 500082, having email Id bsshyd@bigshareonline.com to receive the soft copy of the annual report and all other communication and notice of the meetings etc., of the Company.

(iv) The annual report for the financial year 2022-23 is being sent through email to those members who have opted to receive electronic communication or who have registered their email addresses with the Company/depository participants. The members will be entitled to physical copy of the annual report for the financial year 2022-23, free of cost, upon sending a request to the registered office of the Company situated at Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad, Rangareddi, Telangana, India-500032 For any Communication, the shareholders may also send request to the Company's E-Mail Id: investor@sillymonks.com.

By order of the Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ms. Naina Singh
Company Secretary & Compliance Officer
Membership No. A68201

Place: Hyderabad
Date: 29.07.2023

Annexure to the Notice

Additional Information

1. Brief profile of the directors seeking re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36 (3) of SEBI (LODR) Regulations, 2015

Name of the Director	Swathi Reddy
DIN	00297360
Date of first appointment on the Board	20th day of September, 2013
Date of Birth	09.02.1971 (52 Years)
Qualification, Experience & Expertise	Mrs. Swathi Reddy holds a degree in Bachelor of Commerce and Master of Business Administration (MBA) from the Osmania University of Hyderabad, Telangana. She has more than two decades of work experience in the marketing sector. Currently, she is working with power generation industry as Vice President – Corporate Communication.
Directorships in other Companies	M/s. Dream Boat Entertainment Pte Limited – Wholly Owned Subsidiary of the Company incorporated outside India
No. & % of Shares held in the Company	2,45,960 equity shares i.e., 2.41%
Memberships/ Chairmanships of committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil
Relation between Directors inter-se	Wife of Mr. Tekulapalli Sanjay Reddy, Managing Director of the Company.

2. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3 & 4

Employee stock options plays a substantial role in promoting the culture of employee ownership and in attracting, retaining, motivating talented personnel by way of recognising and rewarding them. Employee stock options also provide the company with an opportunity to optimize its personnel cost which in turn provides an opportunity to employee to participate in the growth of the Company, besides creating long term wealth in their hands.

The Nomination and Remuneration Committee ('the Committee') at its meeting dated 04th May, 2023 inter-alia formulated the detailed terms and conditions of the said scheme which was duly approved by the board of directors of the Company ('the Board') at its meeting held on 04th May, 2023 along with the approval of the members at its meeting held through postal ballot and remote electronic voting dated Tuesday, 13th June, 2023 and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the 'SEBI SBEB Regulations').

The Board at its meeting dated 04th May, 2023 approved the issue of stock options under Silly Monks Employee Stock Option Plan 2023 ('ESOP 2023') to the employees (including the present and future employees) of the Company. However, pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, a separate resolution is required for extending the benefits of the ESOP 2023 to the employees (including the present and future employees) of its Holding / Subsidiary Companies whether existing or future.

Therefore, the Company is intending to issue employee stock options under Silly Monks Employee Stock Option Plan 2023 ('ESOP 2023') to the employees (including the present and future employees) of the

Company and / or its Holding / Subsidiary Companies whether existing or future by enabling them to participate in the ownership of the Company.

The Company seeks approval of the members for implementation of ESOP 2023 and for grant of stock options to the employees of the Holding / Subsidiary Companies along with the employees of the Company as may be decided by Board and/or the Committee from time to time in accordance with the provisions of the Companies Act, 2013 (including rules framed thereunder), SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable laws and regulations.

Further, the Board at its meeting dated Tuesday, 04th May, 2023 approved the Notice of postal ballot for the implementation of the ESOP 2023. However, additional disclosure in point (j to n) and point (r-s) under Part C of Schedule - I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 were not fully disclosed in the explanatory statement and which are included herein for your consideration and approval.

The salient features of ESOP 2023 in point (j to n) and point (r-s) under Part C of Schedule - I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are set out below:

Sr. No.	Particulars	ESOP 2023
j.	Maximum quantum of benefits to be provided per Employee under the Scheme	The Maximum quantum of benefits underlying the Options issued to an employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of Options.
k.	Whether the Scheme(s) is to be implemented and administered directly by the Company or through a trust	ESOP 2023 shall be implemented and administered directly by the Company and not through a trust.
l.	Whether the Scheme(s) involves new issue of shares by the Company or secondary acquisition by the Trust or both	The scheme only involves new issue of shares by the Company.
m.	The amount of loan to be provided for the implementation of the Scheme(s) by the Company to the Trust, its tenure, utilization, repayment terms, etc.	Not applicable
n.	Maximum percentage of secondary acquisition (subject to limits specified under the SEBI regulations) that can be made by the Trust for the purposes of the Scheme(s)	Not applicable
r.	Lock-in period	The shares allotted pursuant to exercise of Options shall not be subject to any Lock-in unless specified by the Board / Committee at the time of grant of such Options.
s.	Terms & conditions for buyback, if any, of specified securities covered under these regulations.	Not applicable

By order of the Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ms. Naina Singh
Company Secretary & Compliance Officer
Membership No. A68201

Place: Hyderabad
Date: 29.07.2023

DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting their **Tenth (10th) Annual Report** on the business and operations of the company together with the audited financial statements of the Company for the financial year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

The standalone and consolidated financial highlights of your Company for the Financial Year ended 31st March, 2023 are summarised as follows:

(₹ in Lakhs)

Particulars	**FY 2022-23**		**FY 2021-22**	
	Standalone	**Consolidated**	**Standalone**	**Consolidated**
Revenue from Operations	764.67	1,935.54	1,451.45	2,668.44
Add: Other Income	21.98	21.98	17.98	20.31
Total Revenue	**786.65**	**1,957.52**	**1,469.43**	**2,688.75**
Expenses				
Employee Benefit Expenses	302.64	302.64	282.46	282.46
Depreciation and amortisation expense	52.94	52.94	61.67	81.47
Finance Charges	-	-	0.24	0.24
Other Expenses	869.04	2154.09	1213.52	2563.13
Total Expenses	**1,224.63**	**2,509.67**	**1,557.88**	**2,927.30**
Net Profit / Loss Before Tax (PBT)	(437.98)	(552.15)	(88.45)	(238.55)
Current Tax	-	-	-	-
Previous Year Income Tax Short Provision	-	-	-	-
Deferred Tax	(93.01)	(93.01)	(22.43)	(22.43)
MAT Credit Entitlement	-	-	-	-
Net Profit /Loss (PAT)	**(344.97)**	**(459.14)**	**(66.02)**	**(216.11)**
Earnings Per Share	**(3.38)**	**(4.50)**	**(0.65)**	**(2.12)**

Your Company, along with its 100% Foreign Subsidiary posted financial results during the year under review. Consolidated Turnover is Rs. 1935.54 Lakhs and the net loss (PBT) of the Company is Rs. (552.15) Lakhs.

COMPANY PERFORMANCE

During the FY 2022-23, the total income stood at Rs. 786.65 lakhs as compared to Rs. 1,469.43 lakhs in the previous FY 2021-22, registering decrease of 46.47 %. During the FY 2022-23, the revenue from operations stood at Rs. 764.67 lakhs as compared to Rs. 1,451.45 lakhs in the previous FY 2021-22, registering decrease of 47.32 %. Profit before tax (PBT) during the FY 2022-23 stood at Rs. (437.98) lakhs as compared to Rs. (88.45) lakhs in the previous FY 2021-22 registering decrease of 395.17%. Profit After tax (PAT) during the FY 2022-23 stood at Rs. (344.97) lakhs as compared to Rs. (66.02) lakhs in the previous FY 2021-22 registering decrease of 422.52 %.

The Company is looking forward to increasing its profits in the coming financial years with the support of all the stakeholders of the Company.

DIVIDEND

As your Company has incurred net loss during the Financial Year 2022-23, your Directors have not recommended any dividend for the year.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company did not have any funds lying unpaid or unclaimed which were required to be transferred to Investor Education and Protection Fund (IEPF) under section 125 of Companies Act, 2013.

TRANSFER TO RESERVES

During the FY 2022-23, the Company has not transferred any amount to Reserves and the loss for the year has been retained in the profit and loss account.

CHANGE IN SHARE CAPITAL

During the year under review, there was no change in the share capital of the company.

SUBSIDIARIES AND JOINT VENTURES

The Company have following foreign Subsidiaries:
a. Dream Boat Entertainment Pte Limited (Hong Kong)
b. Dream Boat Entertainment LLC (USA)

Both the above mentioned companies are wholly owned subsidiaries of the Company.

The statement containing the salient features of the financial statements of Subsidiaries, Pursuant to Sub-Section 3 of Section 129 of the Companies Act, 2013, in **Form AOC-1** is herewith annexed to this report and marked as ***Annexure – I***. The statement also provides the details of performance, financial position of the subsidiaries.

Your Company does not have any Associate Companies or Joint Ventures.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As the Company does not fall under the criteria specified under Section 135 of the Act and the rules made thereunder, the Company does not have any CSR policy, any CSR Committee and did not spend any amount under corporate social responsibility.

EMPLOYEE STOCK OPTION SCHEMES

Your Company values its employees and is committed to adopt the best HR practices for rewarding them suitably. In this direction your Company had implemented the Silly Monks Employee Stock Option Plan – 2023 (ESOP 2023) with an objective of enabling the Company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in the Company by making grants in one or more tranches over a period of time as approved by the Board and members of the Company.

The Board of your Company has also approved broad parameters for implementing Silly Monks Employee Stock Option Plan – 2023 (ESOP 2023), which has also been approved by the members at their meeting held through postal ballot and remote electronic voting dated Tuesday, 13th June, 2023. The said Scheme is in the process of being implemented.

In terms of the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the details of the Stock Options under the above-mentioned scheme ESOP 2023 is available on your Company's website https://sillymonks.com/.

A certificate from M/s. P S Rao & Associates, Company Secretaries, Secretarial Auditors, certifying that the Company's Stock Option Plans are being implemented in accordance with the ESOP Regulations would be placed at the ensuing Annual General Meeting for inspection by Members.

DIRECTORS & KEY MANAGERIAL PERSONAL

The details of the directors and key managerial personnel of the company are provided as follows:

Sl. No.	Name	Designation
1.	Mr. Ratnakarrao Chepur	Chairman & Independent Director
2.	Mr. Tekulapalli Sanjay Reddy	Managing Director
3.	Mr. Anil Kumar Pallala	Whole Time Director
4.	Mrs. Swathi Reddy	Non- Executive Non - Independent Director
5.	Mr. Rammohan Paruvu	Independent Director
6.	Mr. Prasada Rao Kalluri	Independent Director
7.	Mr. Venkat Rama Naidu Guna	Chief Financial Officer
8.	Ms. Naina Singh	Company Secretary

Director Retiring by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mrs. Swathi Reddy (DIN: 00297360), Non- Executive Non - Independent Director of the Company, being longest in the office amongst the Directors liable to retire by rotation and is proposed to retire at the ensuing Annual General Meeting and being eligible has offered herself for re- appointment at the said meeting of the Company.

Changes in the Board of Directors and the Key Managerial Personnel

During the year under review, the following changes in the Board of Directors and the Key Managerial Personnel took place:

i. Mr. Prasada Rao Kalluri (DIN: 07780628), ceased to be the Independent Director of the Company with effect from 14th May, 2022 due to retirement. The Board upon recommendation of the Nomination and remuneration Committee and pursuant to the approval of the shareholders by way of Special resolution passed in its meeting through postal ballot and remote electronic voting dated 24th July, 2022 re-appointed him as the Independent Director of the Company for the second term of five (5) years commencing from 24th July, 2022 till 23rd July, 2027.

ii. Dr. Rama Kondamadugula Koti Reddy (DIN: 00259576), Independent Director of the Company had resigned due to pre-occupation with effect from 10th October, 2022. The Board placed on record its sincere appreciation for the valuable guidance and contribution made by Dr. Rama Kondamadugula Koti Reddy in the deliberations of the Board during his tenure as Independent Director of the Company.

iii. The Board based on the recommendation of the Nomination & Remuneration Committee in its meeting held on 11th November, 2022, appointed Mr. Rammohan Paruvu (DIN: 01284563) as the Additional Director of the Company under the Independent Category (Non-Executive). His appointment was regularised with the approval of the shareholders through postal ballot and remote electronic voting dated 28th January, 2023 for a term of 5 (five) years with effect from 11th November, 2022 till 10th November, 2027.

iv. The term of Mr. Tekulapalli Sanjay Reddy (DIN: 00297272), Managing Director and Mr. Anil Kumar Pallala (DIN: 02416775), Whole-Time Director of the Company, expired with effect from 31st March, 2023. The Board on the recommendation of the Nomination and Remuneration Committee in its meeting held on 24th December, 2022 and pursuant to the approval of the shareholders through postal ballot and remote electronic voting dated 28th January, 2023, approved the re-appointment of Tekulapalli Sanjay Reddy (DIN: 00297272) as the Managing Director and Mr. Anil Kumar Pallala (DIN: 02416775) as the Whole-Time Director of the Company, for a period of three years from 01st April, 2023 till 31st March, 2026.

v. The Board on the recommendation of the Nomination and Remuneration Committee of the Company in its meeting held on 13th August, 2022 appointed Mr. Venkat Rama Naidu Guna as the Chief financial officer of the Company.

vi. Mrs. Sushma Reddy, Company Secretary of the Company tendered her resignation from the post of Company Secretary with effect from 01st August, 2022. The Board placed on record its sincere appreciation for the valuable service offered by Mrs. Sushma Reddy in the deliberations of the Company.

vii. The Board on the recommendation of the Nomination and Remuneration Committee of the Company in its meeting held on 11th November, 2022 appointed Ms. Naina Singh as the Company Secretary of the Company.

Declaration by Independent Directors

All Independent Directors have submitted their declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise and hold highest standards of integrity.

Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV to the Act and Regulation 25(3) of the SEBI (LODR), 2015, separate meeting of the Independent Directors of the Company was held on 24th January, 2023 to discuss relevant items including the agenda items as prescribed under the applicable laws. The meetings were attended by all the Independent Directors of the Company.

Annual Performance Evaluation

The evaluation framework for assessing the performance of Directors of your Company comprises of contributions at the meetings, strategic perspectives or inputs regarding the growth or performance of your Company, among others.

The Nomination & Remuneration Committee have laid down the manner in which formal evaluation of the performance of the Board, its Committee and Individual Directors has to be made. The Board has carried out the Annual Performance Evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of Listing Regulations.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent

Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The details of programme for familiarization of Independent Directors of your Company is available on your Company's website https://sillymonks.com/stock-exchange-compliances/.

Board Meetings

During the year, Six (6) meetings of the Board of Directors were held complying with the Companies Act, 2013, SEBI Listing Regulations and Secretarial Standards on Board Meeting. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report which forms part of this report. Further, maximum interval between two meetings of the Board of the Directors has not exceeded 120 days.

Board Committees

Your Company has in place the Committee(s) as mandated under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are currently three (3) committees of the Board, namely:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee

Details of the Committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Related Party Transactions entered into during the financial year under review are disclosed in Notes forming part of standalone financials under the head **Related Party Disclosures (AS – 18)**. These transactions were at an arm's length basis and in the ordinary course of business.

During the year under review, transactions were conducted by the Company pursuant to the Agreements entered into with its Related Parties during previous years; the same were on an arm's length basis and in the ordinary course of business. There were no materially significant Related Party Transactions with the Company's promoters, directors, management or their relatives which could have had a potential conflict with the interests of the Company. **Form AOC-2**, containing a note on the aforesaid Related Party Transactions is enclosed herewith as ***Annexure – II*** to this report.

The policy on Related Party Transactions, as approved by the Board may be accessed on the Company's website https://sillymonks.com/stock-exchange-compliances/.

AUDITORS AND THEIR REPORTS AND RECORDS

Statutory Auditors:

M/s. Ramasamy Koteswara Rao and Co LLP (Formerly Known as **M/s. Ramasamy 19 Koteswara Rao & Co.**) (Registration No. 010396S/S200084), were appointed at the 06th Annual General Meeting as the Statutory Auditors of the Company for a term of five years to hold office till the conclusion of the 11th Annual General Meeting of the Company. They have confirmed their eligibility for the F.Y. 2022-23 under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

Internal auditors:
The Board on the recommendation of the Audit Committee of the Company in its meeting held on 24th May, 2022, appointed M/s. Murali and Sumeet, Chartered Accountants (Firm Registration No. 010590S) as the Internal Auditor of the Company to conduct the Internal Audit for the financial year 2022-23 as required under section 138 of the Companies Act, 2013 and rules made thereunder. However, they resigned from their office due to their personal obligations and pre-occupation. The same was taken on note in the Board meeting held on 31st March, 2023. The Board thanked them for the service rendered during the tenure they were appointed as the Internal Auditor of the Company.

Due to the casual vacancy caused by resignation in the office of the Internal Auditor of the Company for the FY 2022-23, the Board on the recommendation of the Audit Committee, appointed M/s. NSVR & Associates LLP (Firm Registration No. 008801S/S200060), Chartered Accountants, Hyderabad as the Internal Auditor of the Company to conduct the Internal Audit for the financial year 2022-23.

Secretarial Auditors:
In terms of the provision of the Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. P.S. Rao & Associates, Practicing Company Secretaries as the Secretarial Auditor for conducting the Secretarial Audit of your Company for the Financial Year ended 31st March, 2023. The Secretarial Audit Report, in form MR-3, for the financial year 2022-23 forms part of this Report as ***Annexure – III***. The contents of the Secretarial Audit Report are self-explanatory and do not contain any qualification, reservation or adverse remark.

A Secretarial Compliance Report for the financial year ended 31st March, 2023 on compliance of all applicable SEBI regulations and circulars/guidelines issued thereunder, was obtained from, M/s. P.S. Rao & Associates, Practicing Company Secretaries and the same has been submitted to the stock exchange (NSE). The said report do not contain any qualification, reservation or adverse remark.

Cost Audit and Cost Auditors:
The provisions of Section 148 of the Companies Act 2013 read with the Companies (Cost and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditor) Rules, 2014 are not applicable to the Company.

COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMERS

Statutory Auditors:
As there is no qualification, reservation or adverse remark in the reports given by the Statutory Auditors for the Financial Year 2022-23, your directors need not provide any clarification on the same.

Secretarial Auditors:
There is no qualification, reservation or adverse remark in the reports given by the Secretarial Auditors, for Financial year 2022-2023.

REPORTING OF FRAUDS
During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee, any instances of fraud committed against the Company by its officers and employees, the details of which would need to be mentioned in Board's Report under Section 143(12) of the Act.

NOMINATION AND REMUENRATION POLICY
A committee of the Board named as "Nomination and Remuneration Committee" has been formed in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of section 178 of Companies Act, 2013. The main object of this Committee is to identify persons

who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and the Key managerial personnel and makes appropriate recommendations to the Board and acts in terms of reference of the Board from time to time.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The policy can be accessed in the investors section of the company's website https://sillymonks.com/stock-exchange-compliances/.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS MADE BY THE COMPANY UNDER THE PROVISIONS OF SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, are given in the notes to the Financial Statements.

DEPOSITS

During the year under review, Your Company has not accepted any deposits within the meaning of Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Your Company has received declarations with respect of loans received from the directors of the company, stating that the amount is not being given out of funds acquired by them by borrowing or accepting loans or deposits from others.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

i) In preparation of annual accounts for the financial year ended 31st March, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
ii) 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 true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2023 and of the loss of the Company for that period;
iii) The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv) The Directors had prepared the annual accounts for the Financial year 2022-23 on a 'going concern' basis;
v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SHARE CAPITAL

The Authorised Share Capital of the Company as on date of Balance Sheet is Rs. 11,00,00,000/- divided into 1,10,00,000 equity shares of Rs.10/- each.

During the year under review, the Company has issued Employee Stock Options but have not issued any shares with differential voting rights, sweat equity shares.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2023 is available on the Company's website and can be accessed at https://sillymonks.com/annual-report/.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 (2) (e) of SEBI (LODR) Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as ***Annexure – IV***.

RISK MANAGEMENT POLICY

Risk management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events. The Company has initiated a process of preparing a comprehensive risk assessment and minimization procedures. The major risks are being identified by the Company in areas of operations, financial processes, human resources and statutory compliances.

The Company has developed and implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a) **Conservation of Energy, Technology Absorption**:
   The particulars prescribed by section 134(3)(m) the Companies Act, 2013, pertaining to disclosure measures taken in relation to conservation of energy and technology absorption are not applicable.

b) **Foreign Exchange earnings and Outgo:**
   Foreign Exchange Earnings: Rs. 3,72,27,160/-
   Foreign Exchange Outgoings: Nil

HUMAN RESOURCES

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

Particulars of Employees (Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014) Information in accordance with the provisions of Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration and other details is annexed as ***Annexure – V*** to this Report.

CORPORATE GOVERNANCE

The Company has in place a system of Corporate Governance. A separate report on Corporate Governance along with Auditors' Certificate regarding compliance of conditions of corporate governance set out by the Securities and Exchange Board of India (SEBI) under Listing Regulations is annexed to this Annual Report.

CEO / CFO CERTIFICATION

As required under Regulation 17(8) of the Listing Regulations, certificate duly signed by the CEO/ CFO of the Company is appended as an Annexure to this Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate system of internal financial controls with reference to financial statements, including but not limited to safeguard and protection of assets from loss, their unauthorized use or disposition. All the transactions were properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting in the financial statements. Your Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

LISTING AND DEPOSITORY FEE

Your Company has paid Annual Listing Fee for the financial year 2023-24 to National Stock Exchange of India Ltd according to the prescribed norms & regulations. Company has also paid Annual Custody Fee to National Securities Depository Limited and Issuer Fee to Central Depository Services (India) Limited for the financial year 2022-23.

ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism wherein the employees are free to report illegal or unethical behavior, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Chairman of the Audit Committee of the Company or Chairman of the Board.

The Whistle Blower Policy has been duly communicated within your Company. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected, and they are not subject to any discriminatory practices. No personnel have been denied access to the Audit Committee in this regard. The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website www.sillymonks.com.

POLICY ON SEXUAL HARASSMENT

Your Company has always provided a safe and harassment free workplace to every individual working in its premises through various policies and practices. Your Company always endeavors to create an environment that is free from discrimination and harassment, including sexual harassment. Your Company has been actively involved in ensuring that the clients and all the employees are aware of the provisions of the POSH Act, 2013 and the rights available to them there under.

Your Company has adopted policy on prevention of sexual harassment of women at workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the said Policy, an Internal Complaint Committee (ICC) has duly constituted by the Company.

During the financial year ended March 31, 2023, the company has not received any complaints pertaining to sexual harassment. The policy adopted by the Company for Prevention of Sexual Harassment is available on its website at www.sillymonks.com.

PARTICLARS OF EMPLOYEES

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as ***Annexure- VI.***

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of Rs. 120 Lakhs or more, or employees who are employed for part of the year and in receipt of Rs. 8.50 Lakhs or more per month.

The Company does not have any employee who is employed throughout financial year or part thereof, who was in receipt of remuneration in financial year under review which in aggregate, or as the case may be, at a rate which in the aggregate is in excess of that drawn by the Managing Director or Whole-Time director and holds by himself/herself or along with his/her spouse and dependent children not less than 2% of the equity shares of the Company.

APPLICATION OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your company has neither made any application nor has any proceedings pending under the Insolvency and Bankruptcy Code, 2016, during the financial year 2022-23.

ONE-TIME SETTLEMENT

Your company has not made any one-time settlements against loans taken from banks or financial institutions during the financial year 2022-23.

OTHER INFORMATION

(i) Significant and material orders passed by the regulators

No significant and material orders have been passed during the year under review by the regulators or courts or tribunals affecting the going concern status and Company's operations in the future.

(ii) Material Changes & Commitments

Due to the Global Coronavirus (COVID-19) pandemic, your Company is forced to temporarily reduce the remuneration paid to employees, Senior Management and Executive Directors till the time as the management deems fit, for ensuring financial health of the Company.

(iii) Change in Nature of business, if any

There is no change in the nature of business of the Company during the year under review.

(iv) Compliance with Secretarial Standards

Your Company has complied with the secretarial standards i.e., SS-1, and SS-2 relating to Meetings of the Board of Directors and General Meetings respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

ACKNOWLEDGMENT AND APPRECIATION

Your directors express their sincere appreciation to all the stakeholders of the Company for the trust, confidence and support bestowed on the Company. The Board of Directors is also grateful to the subsidiary company for its contribution towards the growth and success of the Company.

The Board of Directors assures to uphold the Company's commitment towards acting with honesty, integrity and respect and to be responsible and accountable to all the stakeholders of the Company.

Further your directors convey their appreciation for the whole hearted and committed efforts by all its employees.

Your directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, RBI and other Regulatory Bodies.

By Order of The Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ratnakar Rao Chepur
Chairman
DIN: 08744674

Place: Hyderabad
Date: 29.07.2023

ANNEXURES TO DIRECTORS' REPORT

ANNEXURE – I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies /joint ventures

Part "A": Wholly Owned Subsidiaries

Subsidiary Financial Highlights

(Amount in Rs.)

Sl. No.	Particulars	Dream Boat Entertainment Pte. Ltd	Dream Boat Entertainment LLC
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1 USD = 82.2169	1 USD = 82.2169
3.	Share capital	80,000	76,780
4.	Reserves & surplus	(80,000)	(1,12,30,407)
5.	Total assets	-	1,10,92,046
6.	Total Liabilities	-	2,22,45,673
7.	Investments	-	-
8.	Turnover	-	15,43,13,921
9.	Profit/Loss before taxation	-	(1,14,97,373)
10.	Provision for taxation (Includes DTL/ DTA)	-	-
11.	Profit after taxation	-	(1,14,97,373)
12.	Proposed Dividend	-	-
13.	% of shareholding	100%	100%

Part "B": Associates and Joint Ventures – Not Applicable

Sd/-	Sd/-	Sd/-	Sd/-
Tekulapalli Sanjay Reddy	Anil Kumar Pallala	Venkat Rama Naidu Guna	Naina Singh
Managing Director	Whole Time Director	Chief Financial Officer	Company Secretary
DIN: 00297272	DIN: 02416775		M. No.: A68201

Place: Hyderabad
Date: 29.07.2023

Annexure – II

Form No. AOC-2
DETAILS OF RELATED PARTY TRANSACTIONS
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form is pertaining to disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**
   The company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangement / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount In Rs.
Dream Boat Entertainment Pte Ltd	Wholly Owned Subsidiary	Service Income	01.04.2015 - On going	Not applicable	Not applicable	NIL*
Dream Boat Entertainment LLC	Wholly Owned Subsidiary	Service Income	25.11.2022- Ongoing	Not applicable	Not applicable	3,72,27,160

***Note:** Dream Boat Entertainment Pte Ltd is in process of dissolution for the year ended 31st March, 2023. Special resolution for Disinvestment in wholly owned subsidiary is passed by members on 29th September, 2021.

By Order of The Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ratnakar Rao Chepur
Chairman
DIN: 08744674

Place: Hyderabad
Date: 29.07.2023

ANNEXURE - III

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
M/s. Silly Monks Entertainment Limited
Hyderabad-500032

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Silly Monks Entertainment Limited** (Hereinafter referred to as the Company) having its registered office at Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India, Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year 2022-2023 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under, as applicable
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (to the extent applicable);
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ; (not applicable to the Company during the financial year under review);
d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable to the Company during the financial year under review);
f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the Audit Period).
g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable to the Company during the financial year under review); and
i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable to the Company during the financial year under review).

(vi) **The industry specific major laws that are applicable to the Company are as follows**

a) Cinematograph Act, 1952, and
b) Copyright Act, 1957 and the rules made thereunder, being laws that are specifically applicable to the Company based on their sector/industry.

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

a) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes are made in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the rules made thereunder.

- Adequate notice has been given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and few board meetings were at a shorter notice (in compliance with the applicable provisions of the Act), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that no prosecutions were initiated and no fines or penalties were imposed for the year, under the Companies Act, the SEBI Act, the SCRA or other SEBI Regulations, on the Company or its directors.

We further report that:

Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For P S Rao & Associates
Company Secretaries

Sd/-
Jineshwar Kumar Sankhala
Company Secretary
M. No: 21697
C P No: 18365
UDIN: A021697E000700903

Place: Hyderabad
Date: 29.07.2023

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

Annexure A

To,
The Members,
M/s. Silly Monks Entertainment Limited
Hyderabad.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For P S Rao & Associates
Company Secretaries

Sd/-
Jineshwar Kumar Sankhala
Company Secretary

M. No: 21697
C P No: 18365
UDIN: A021697E000700903

Place: Hyderabad
Date: 29.07.2023

ANNEXURE-IV

MANAGEMENT DISCUSSION ANALYSIS

a) COMPANY OVERVIEW

We are a ‘South India’ based entertainment & media with a focus of being a recognized & fast-growing player in areas such as movie/series/music/other creator content production, content distribution, content marketing on digital and traditional mediums.

Our business lines / model is illustrated below:

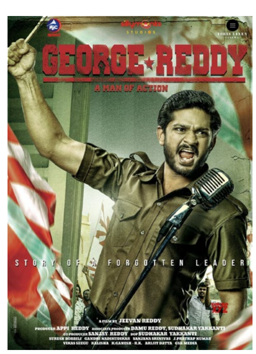
Our primary focus currently is Content production, distribution and marketing on Digital media and traditional mediums. We publish our content on various digital platforms such as YouTube, Facebook, Amazon, Netflix etc. We also distribute or syndicate the content on satellite channels, cinema theatres, airborne and many more offline platforms.

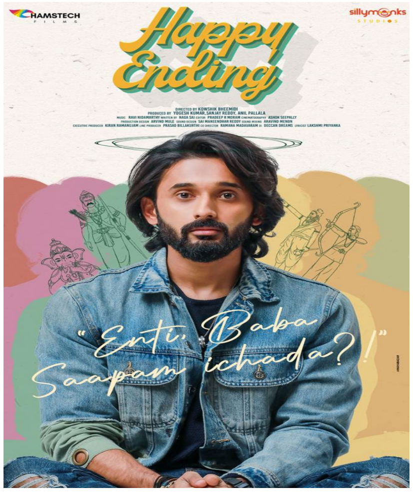
All the said content is either created by us, i.e. by our in-house production or acquired through outright purchase or aggregated on a revenue share method. Produced or acquired Content 100% rights, all revenues generated from such content is fully accrued to us.

When we aggregate content from third parties content partners for distribution, we share the revenue with the content partner.

Through YouTube, Facebook, Instagram and other social media channels we are building communities in various genres like music, food, wellness, devotional etc., We distribute and monetise all the content produced by the creators in all possible publishing mediums to maximise the revenue. The more the fan base, the more branded content revenue opportunities will unlock.

Silly Monks Studios (Movie/Series Production): We have co-produced Telugu Movies like Maa Vintha Gadhaa Vinuma, George Reddy, 24 Kisses, and few movies co-produced with Vaaraahi Chalana Chitram like Oohalu Gusagusalade’ ‘Dikkulu Choodaku Ramayya’, & Tungabhadra.





Upcoming releases in 2024:

Happy Ending & Raja Ramyam.

In our studio division, we identify stories, develop, pitch and onboard project independent investors, produce, market and distribute/sell the project on various mediums. With our expertise, we are bridging between film directors/writers, investors & the platforms and making it a viable and profitable business. In this model SillyMonks retains 20-30% asset holding in each project that we are developing. Two film porjects are ready to release and many under development stage and pitching stage. We bring content production and distribution expertise. We are currently developing many movie concepts in south India along with potential film directors and setting up the complete project end-to-end. We will be collaborating with potential project investors to execute the plans and maximize the film business.

Web Series Production: We have produced a Telugu series titled **Gangstars** for Amazon Prime Video before. We are currently producing another series for Amazon Prime Video. Our content team is developing many more series concepts for many OTT platforms. For every developed idea that gets approved and produced by the OTT platforms, we accrue a profit margin on each project.

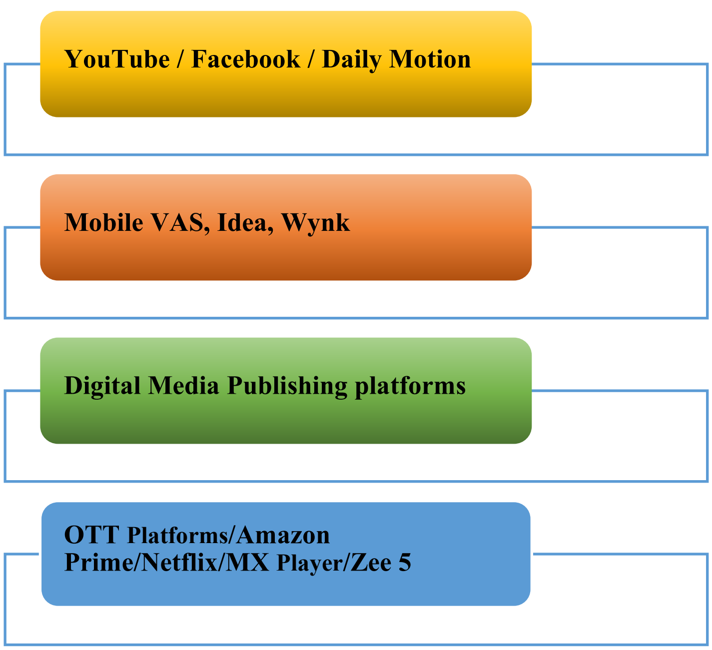
Apart from our promoters Mr. Tekulapalli Sanjay Reddy & Mr. Anil Kumar Pallala, our Company has got angel investment from well-renowned personalities such as;

1) Mr. Ranganathasai Korrapati, who is a Telugu film Producer and distributor known for his works predominantly in Telugu cinema.
2) Mr. Sreenivasa Reddy Musani who is chairman and MD of Hyderabad-based Ektha Group which operates in Information Technology, Engineering, Business Process, Data Processing, Multimedia & Real Estate.

Range of our Products & Services

Our products and services can be summarized as illustrated below:

Content Publishing



Our primary focus is on Content production, marketing and distribution. Content which we publish over various platforms is Movies, music, short films, short videos, web Series and a creator video. Income from content publishing on YouTube constitute a significant portion of Digital Media Publishing. We have published over 100+ movies like Act 1978, Bombhaat and many more on Amazon Prime. We extending our distribution partnership with more OTT plaforms and also dubbing the content into multi-lingiual.

YouTube

Dream Boat Entertainment LLC is one of the top enterprise partners (MCN - Multi-Channel Network) with YouTube. On YouTube, Income generates through monetization of content. Monetization of content means, enabling YouTube to place an advertisement and generate revenue.

YouTube enables every content creator to publish his/her content to monetize. We own a few channels and we also aggregate 3rd party channels into our network (MCN).

When a 3rd party YouTube channel connects his/her channel to Dream Boat MCN network, we bring together the advantages of professional tools like copyright management, collaborations, brand associations, cross-promotions for better monetization. A state of the art 'Audio/video studio' to help indigenous, but popular, YouTubers.

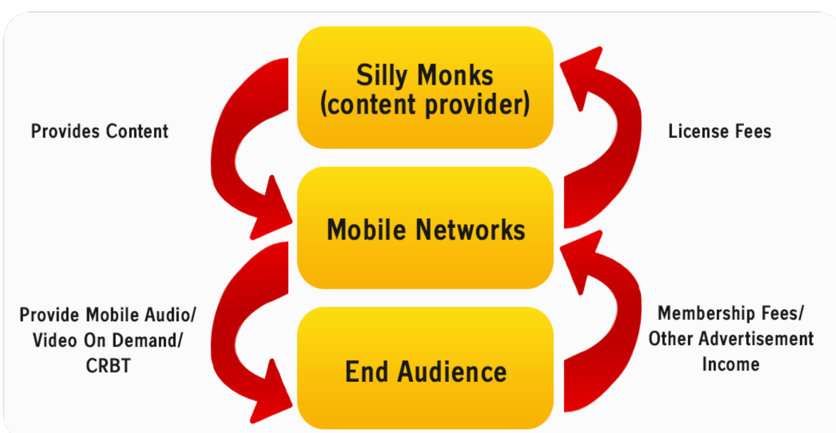
Dream Boat shares an agreed revenue share generated with content partners. This amount varies contractually.

Branded content is another stream of revenue that we generate when we collaborate with brands to promote their products.

OTT Platforms:

We produce content, acquire content and aggregate content (Movies, Series, short films etc.,) to distribute on a revenue share or a fixed license fee. We also distribute the content produced for YouTube on OTT platforms.

Mobile VAS & Audio streaming /distribution:



Mobile VAS (Value added services) is another medium for our digital content publishing. With the increase in number of smartphone users in India, this is one of the rapidly growing platforms for Digital Media Publishing. We have entered into an alliance with Idea cellular, PDL for Content License & Distribution on various streaming platforms like Apple music, spotify etc.,

Silly Monks earns the revenue in the form of License Fees from mobile networks and streaming platforms which was agreed in the agreement between two & when content is being published by Mobile VAS and streaming platforms, the end user subscribes for the service by paying subscription fees. This is the revenue source to Mobile networks.

Silly Monks has an alliance with music apps such as 'Saavn' / Gaana / PDL and various mobile networks to publish songs and CRBT's (Caller ring back tones), wherein we provide the audio content to Saavn, which is then published through Saavn. We have started acquiring film music and independent music aggressively in South India.

We also publish the same content on YouTube.

Content Life Cycle

Celebrity Digital Management:

Social Media

We have on boarded few celebrities and building them as a brand on digital platforms. We make strategies to create content for social media and YouTube to engage the followers and subscribers of the celebrity. We generate revenue from monetizing the content on the said platforms and also collaborate with various brands for brand endorsements and generate revenue.

Facebook, Instagram, Twitter, YouTube are the top platforms for celebrities, quickly gaining importance in terms of total users and traffic. These platforms present a unique marketing opportunity for businesses through the creation of verified accounts for celebrities. As more people explore social media, social networking sites have become some of the critical online sources they use to learn more about products, organizations, artists and world events. We manage celebrities over social media platforms. Income will be generated through these platforms by monetizing the content and brand associations. No. of followers and subscribers with good engagement on the platforms decides the revenues.

Production House Management and film Content Digital marketing and Advertising:

Movie Marketing/Promotions:
We are associated as a digital partner with top movie production houses like Hombale Films, Vyjayanthi Movies, Vaaraahi Chalana Chitram, Gunaa TeamWorks, KVN Productions, Vibri Media, Sukumar Writings, Prakash Raj Productions, Swapna Cinemas and many more, working on movies like KGF 1 & 2, Jathi Ratnalu, Salaar, Shakuntalam, Project K, Muddy, Yuvaratna, Talaivi, Chakra and many more where we give 360 degree solutions on digital promotions, produce exclusive promotions content around the film story to create momentum for the films and drive audience to the theatres. We generate revenue by providing marketing strategy, creative services, advertising, influencer promotions & creator collaborations.

We manage the majority of the movie production house in South India. Our role is to manage the brand of the production house on digital platforms, market their films, monetise the content produced by the production house on digital platforms like OTT platforms (Amazon Prime), YouTube branded channel

We also do online advertising for films with Google AdWords. Google AdWords is one of the most effective ways to reach new customers and grow your business. Google AdWords is the online advertising platform owned and operated by Google. AdWords is also the largest and most widely used online advertising network in the world, and millions of businesses advertise online using AdWords to reach new customers and grow their business. Advertisers who choose to use Google AdWords can target users across two main networks – the search network, and the Display network.

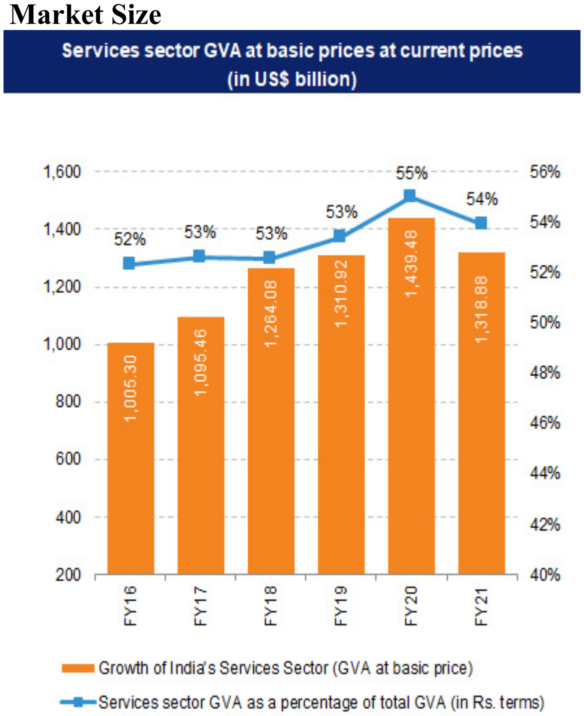
INDIAN SERVICE SECTOR INDUSTRY

Introduction

The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment, has contributed significantly to export and has provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. In order to enhance India's commercial services exports share in the global services market from 3.3% and permit a multi-fold expansion in the GDP, the government is also making significant efforts in this direction.

India is a unique emerging market in the globe due to its unique skills and competitive advantage created by knowledge-based services. The Indian services industry, which is supported by numerous government initiatives like smart Cities, clean India, digital India are fostering an environment that is strengthening the services sector. The sector has the potential to open up a multi-trillion dollar opportunity that might stimulate symbiotic growth for all nations.

Market Size



The services sector of India remains the engine of growth for India's economy and contributed 53% to India's Gross Value Added at current prices in FY21-22 (as per advance estimates). India's services sector GVA increased at a CAGR of 11.43% to Rs. 101.47 trillion (US$ 1,439.48 billion) in FY20, from Rs. 68.81 trillion (US$ 1,005.30 billion) in FY16. Between FY16 and FY20, financial, real estate and professional services augmented at a CAGR of 11.68% (in Rs. terms), while trade, hotels, transport, communication and services related to broadcasting rose at a CAGR of 10.98% (in Rs. terms). India's IT and business services market is projected to reach US$ 19.93 billion by 2025. In September 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.1. With the fastest growing (9.2%) service sector globally, the sector accounts for 66% share in India's GDP and generates about 28% of the total employment in India.

Recent investments/ developments

Some of the investments/ developments in the services sector in the recent past are as follows:

- According to the IVCA-EY monthly PE/VC roundup, October 2022 recorded investments worth US$ 3.3 billion across 75 deals, including six large deals worth US$ 2.2 billion. Exits were recorded at US$ 1.6 billion across 15 deals in October 2022.
- The Indian services sector was the largest recipient of FDI inflows worth US$ 96.76 billion between April 2000-June 2022.
- According to RBI:
  - Bank credit stood at Rs. 126.30 trillion (US$ 1.55 trillion) as of September 23, 2022.
  - Credit to non-food industries stood at Rs. 126.08 trillion (US$ 1.54 trillion) as of September 23, 2022.

- Coforge Limited, a global digital services and solutions provider announced the opening of its center of excellence (CoE) for the Metaverse and Web3 on August 30, 2022.

- In June 2022, HCL Technologies (HCL), a leading global technology company, announced the opening of its new 9,000 sq. ft. delivery center in Vancouver, Canada. The new center will significantly expand its presence in the country to serve clients primarily in the HiTech industry.
- India's telephone subscriber base stood at 1,171.92 million as of September 30, 2022.
- IT-BPM industry revenues stood at US$ 227 billion in FY22 with a YoY growth rate of 15.5%.
- By October 2021, the Health Ministry's eSanjeevani telemedicine service, crossed 14 million (1.4 crore) teleconsultations since its launch, enabling patient-to-doctor consultations, from the confines of their home, and doctor-to-doctor consultations.
- The Indian healthcare industry is expected to shift digitally enabled remote consultations via teleconsultation. The telemedicine market in India is expected to increase at a CAGR of 31% from 2020 to 2025.
- In December 2020, the 'IGnITE' programme was initiated by Siemens, BMZ and MSDE to encourage high-quality training and technical education. 'IGnITE' aims to develop highly trained technicians, with an emphasis on getting them ready for the industry and future, based on the German Dual Vocational Educational Training (DVET) model. By 2024, this programme aims to upskill ~40,000 employees.

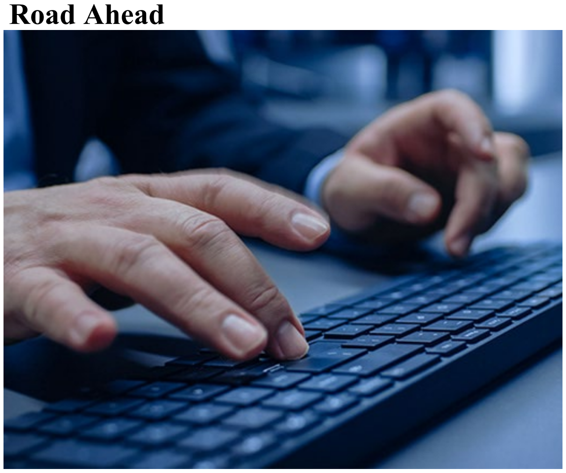
Government Initiatives

The Government of India recognises the importance of promoting growth in services sector and provides several incentives across a wide variety of sectors like health care, tourism, education, engineering, communications, transportation, information technology, banking, finance and management among others.

- The Government of India has adopted few initiatives in the recent past, some of these are as follows:As of November 9, 2022, the number of bank accounts opened under the government's 'Pradhan Mantri Jan Dhan Yojana (PMJDY)' scheme reached 47.39 crore and deposits in Jan Dhan bank accounts totalled Rs. 1.76 lakh crore (US$ 21.59 billion).
- In October 2021, the government launched a production-linked incentive (PLI) scheme to boost manufacturing of telecom and networking products in India. The scheme is expected to attract an investment of ~Rs. 3,345 crore (US$ 446.22 million) over the next four years and generate additional employment for >40,000 individuals.
- In October 2021, the government launched phase-II of the Mahatma Gandhi National Fellowship to empower students and boost skill development.
- In October 2021, the PM Ayushman Bharat Health Infrastructure Mission was launched by the government, to strengthen the critical healthcare network across India in the next four to five years.
- The Indian government is planning to introduce a credit incentive programme worth Rs. 50,000 crore (US$ 6.8 billion) to boost healthcare infrastructure in the country. The programme will allow companies to access funds to ramp up hospital capacity or medical supplies with the government acting as a guarantor.
- Under Union Budget 2021-22, the government allocated Rs. 7,000 crore (US$ 963.97 million) to the BharatNet programme to boost digital connectivity across India.
- FDI limit for insurance companies has been raised from 49% to 74% and 100% for insurance intermediates.
- On January 15, 2021, the third phase of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was launched in 600 districts with 300+ skill courses. Spearheaded by the Ministry of Skill Development and Entrepreneurship, the third phase will focus on new-age and COVID-related skills. PMKVY 3.0 aims to train eight lakh candidates.
- In January 2021, the Department of Telecom, Government of India, signed an MoU with the Ministry of Communications, Government of Japan, to strengthen cooperation in the areas of 5G technologies, telecom security and submarine optical fibre cable system.
- In the next five years, the Ministry of Electronics and Information Technology is working to increase the contribution of the digital economy to 20% of GDP. The government is working to build cloud-based infrastructure for collaborative networks that can be used for the creation of innovative solutions by AI entrepreneurs and startups.

- On Independence Day 2020, Prime Minister Mr. Narendra Modi announced the National Digital Health Mission (NDHM) to provide a unique health ID to every Indian and revolutionise the healthcare industry by making it easily accessible to everyone in the country. The policy draft is under 'public consultation' until September 21, 2020.
- In September 2020, the Government of Tamil Nadu announced a new electronics & hardware manufacturing policy aligned with the old policy to increase the state's electronics output to US$ 100 billion by 2025. Under the policy, it aims to meet the requirement for incremental human resource by upskilling and training >100,000 people by 2024.
- Government of India has launched the National Broadband Mission with an aim to provide Broadband access to all villages by 2022.

Road Ahead



Both domestic and global factors influence the growth of the services sector. An extensive range of service industries have experienced double digit growth in recent years, supported by digital technologies and institutional frameworks made possible by the government. The ease of doing business in India has significantly increased for domestic and foreign firms due to considerable advancements in culture and the government outlook. Due to ongoing changes in the areas of lowering trade barriers, easing FDI regulations, and deregulation, India's services sector is poised to grow at a healthy rate in the coming years.

By 2025, healthcare industry is expected to reach US$ 372 billion. India's digital economy is estimated to reach US$ 1 trillion by 2025. By end of 2023, India's IT and business services sector is expected to reach US$ 14.3 billion with 8% growth. The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run-on account of availability of GST input credit, which will result in the reduction in prices of services. India's software service industry is expected to reach US$ 1 trillion by 2030.
Due to ongoing changes in the areas of lowering trade barriers, easing FDI regulations, and deregulation, India's services sector is poised to grow at a healthy rate in the coming years.

Note: Conversion rate used for November 2022 is Rs. 1 = US$ 0.012

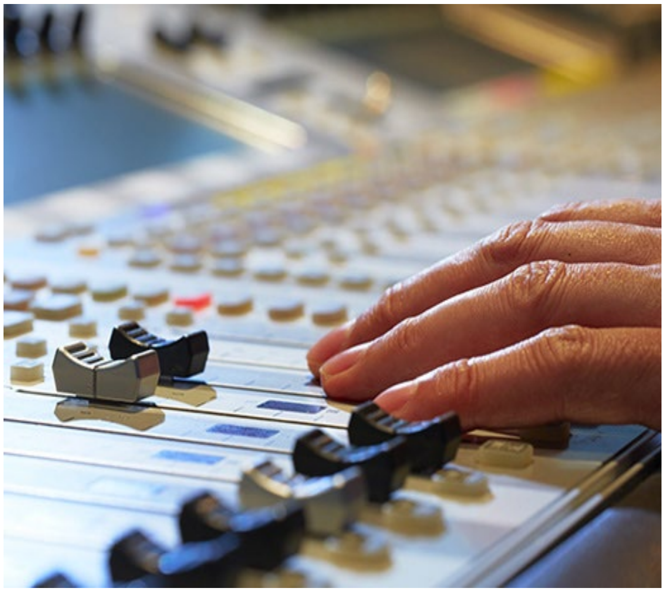
References: Media Reports, Press Releases, DPIIT publication, Press Information Bureau

Note: *- Services sector includes Financial, Banking, Insurance, Non-Financial / Business, Outsourcing, R&D, Courier, Tech Testing and Analysis, Other

Source: https://www.ibef.org/industry/services

INDIAN MEDIA AND ENTERTAINMENT INDUSTRY

Introduction



The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making significant strides. The increasing availability of fast and cheap internet, rising incomes, and increasing purchases of consumer durables have significantly aided the industry. India's media and entertainment industry are unique as compared to other markets. The industry is well known for its extremely high volumes and rising Average Revenue Per User (ARPU). This significantly aided the country's industry and made India leading in terms of digital adoption and provided companies with uninterrupted rich data to understand their customers better.

India has also experienced growing opportunities in the VFX sector as the focus shifted globally to India as a preferred content creator.

Proving its resilience to the world, Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenue. According to a FICCI-EY report, the advertising to GDP ratio is expected to reach 0.4% by 2025 from 0.38% in 2019.

Market Size

As per the latest report by the PwC, India's Media and entertainment Industry is expected to reach Rs. 4,30,401 crores (US$ 53.99 billion) by 2026. Advertising revenue in India is projected to reach Rs. 394 billion (US$ 5.42 billion) by 2024.

Television would account for 40% of the Indian media market in 2024, followed by print media (13%), digital advertising (12%), cinema (9%), and the OTT and gaming industries (8%).

Within the M&E sector, Animation, Visual Effects, Gaming and Comic (AVGC) sector is growing at a rate of ~29%, while the audio-visual sector and services is rising at the rate ~25%; is recognised as of one of the champion sectors by the Government of India. The AVGC sector is estimated to grow at ~9% to reach ~Rs. 3 lakh crore (US$ 43.93 billion) by 2024, stated Union Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles, Mr. Piyush Goyal.

As of 2020, India registered ~803 million online video viewers, including streaming services and videos on free platforms such as YouTube. Mobile video viewers stood at 356 million in 2020, driven by rising number of users preferring video content over the last few years.

OTT video services market (video-on-demand and live) in India is likely to post a CAGR of 29.52% to reach US$ 5.12 billion by FY26, driven by rapid developments in online platforms and increased demand for quality content among users.

Recent development/investments

Recent Developments in the Media and Entertainment Industry are:

- In June 2022, the exclusive rights for the television broadcast of the Indian Premier League (IPL) from 2023-2027 was acquired by Disney Star.
- In March 2022, Pocket FM in India raised US$ 65 million and has plans to expand in new regional languages.
- In March 2022, Krafton infused US$ 19.5 million in Indian audio content platform Kuku FM.
- In November 2021, media consulting firm Ormax Media, launched an OTT Brand Health Tracking Tool called Ormax Brand Monitor (OBM). The tool is based on syndicated research conducted every month among SVOD & AVOD audiences across India, to track the performance of 16 OTT platforms on key brand measures.
- In November 2021, social gaming platform WinZO, with Kalaari Capital announced a new investment initiative, 'Gaming Lab', to encourage and support India's gaming ecosystem.

Government Initiatives

The Telecom Regulatory Authority of India (TRAI) is set to approach the Ministry of Information and Broadcasting, Government of India, with a request to Fastrack the recommendations on broadcasting, in an attempt to boost reforms in the broadcasting sector. The Government of India has agreed to set up National Centre of Excellence for Animation, Gaming, Visual Effects and Comics industry in Mumbai. The Indian and Canadian Government have signed an audio-visual co-production deal to enable producers from both the countries exchange and explore their culture and creativity, respectively.

In October 2021, Prasar Bharati decided to auction its archives with the hope of monetising the content through sale to television and OTT platforms.

In June 2021, the Union Ministry of Information and Broadcasting notified the Cable Television Network (Amendment) Rules, 2021, which aims to establish a three-layer statutory mechanism for citizens to raise grievances with respect to broadcasted content.

As part of the expansion to include all digital platforms and digital (OTT) players under a single roof, in May 2021, the Indian Broadcasting Foundation (IBF) announced the move to be renamed as the Indian Broadcasting and Digital Foundation (IBDF).

As per the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, IBDF would also form a self-regulatory body (SRB) soon.

To ease filming in railways, the Film Facilitation Office (FFO) set up in the National Film Development Corporation (NFDC) collaborated with the Ministry of Railways to develop an integrated single window filming mechanism to streamline the permission process for filming across railway premises.

In November 2021, the government announced that it is working towards creating a National Centre of Excellence for AVGC (animation, visual effects, gaming and comics).

On February 25, 2021, the government outlined the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules 2021 to establish a progressive institutional mechanism and a three-tier grievance redressal framework for news publishers and OTT platforms on the digital media.
In February 2021, the digital entertainment committee of the Internet and Mobile Association of India (IAMAI) finalised a code of conduct to form the basis for self-regulation code for OTT content. The code has been endorsed by 17 OTT platforms including Netflix, Amazon Prime Video, Disney+ Hotstar, ZEE5 and Voot.

In February 2021, Prasar Bharati (India) and PSM (the official State Media of Maldives) inked an agreement to facilitate collaboration and capacity building in the field of broadcasting.
Digital audio–visual content including films and web shows on over-the-top (OTT) streaming platforms, as well as news and current affairs on online platforms, have been brought under the Ministry of Information and Broadcasting in November 2020.

Road Ahead

The Indian M&E industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate. This can be majorly credited to rising incomes, increasing internet penetration and a growing push toward digital adoption.
In the long run, growth is the M&E industry is expected in retail advertisement on the back of several players entering the food and beverages segment, E-commerce gaining more popularity in the country, and domestic companies testing out the waters. India's rural regions are expected to be the next regions for growth.
India has also gotten on board with 5G and is already planning for 6G well ahead of the future. This push towards digital adoption especially in the rural regions will provide advertisers and publishers with an immense opportunity to capture untapped markets and help grow India's media and entertainment industry forward.
By 2025, the healthcare industry is expected to reach US$ 372 billion. India's digital economy is estimated to reach US$ 1 trillion by 2025. By the end of 2023, India's IT and business services sector is expected to reach US$ 14.3 billion with 8% growth.
The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run-on account of availability of GST input credit, which will result in the reduction in prices of services.

Note: Conversion rate used for February 2023 is Rs. 1 = US$ 0.012

References: Media Reports, Press Releases, Press Information Bureau, Department for Promotion of Industry and Internal Trade (DPIIT), Crisil report
Source: https://www.ibef.org/industry/services.aspx

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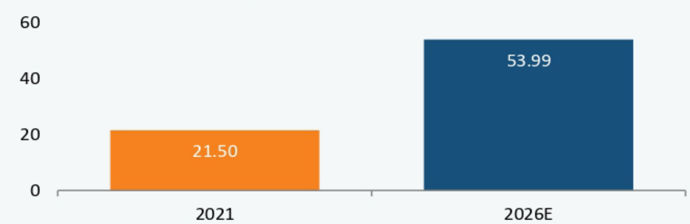
INDIA BRAND EQUITY FOUNDATION

February I 2023

MEDIA AND ENTERTAINMENT

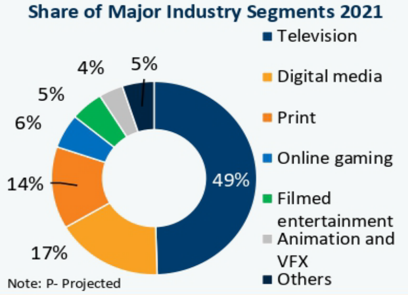
MARKET SIZE

Total Media and Entertainment Market (US$ billion)



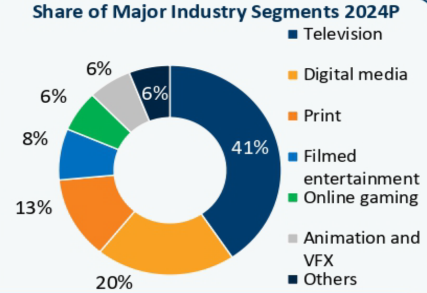
SECTOR COMPOSITION

Share of Major Industry Segments 2021



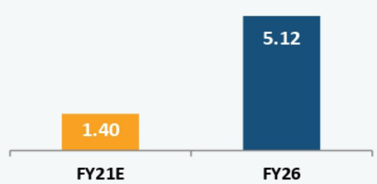
Note: P- Projected

Share of Major Industry Segments 2024P



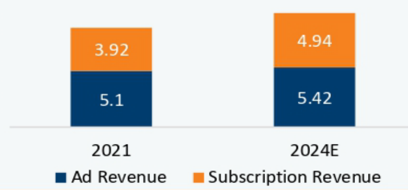
KEY TRENDS

India OTT Video Services (Video-on-Demand and Live) Market (US$ billion)



Note: E– Estimated

Advertising Revenue (US$ billion)



GOVERNMENT INITIATIVES

FDI Limit (%)

- **49** – **Radio including private FM channels**
- **100** – **DTH satellite and digital cable network**
- **100** – **Automatic Route Films**

ADVANTAGE INDIA

- **Robust demand:** According to a FICCI-EY report, the advertising to GDP ratio is expected to reach 0.4% by 2025 from 0.38% in 2019.
- **Higher Investments:** FDI inflows in the information and broadcasting sector (including print media) stood at US$ 9.85 billion between April 2000-September 2022.
- **Policy support:** On February 25, 2021, the government outlined the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules 2021. In November 2021, the government announced that it is working towards creating a National Centre of Excellence for AVGC (animation, visual effects, gaming and comics).
- **Attractive opportunities:** Between 2020 and 2021, the number of OTT viewers in India increased by 47%, driven by 'stay at home' restrictions; this is expected to boost market opportunities for content platforms and app developers in the country. The Indian mobile gaming market is poised to reach US$ 7 billion, in value, by 2025.

 www.ibef.org

SEGMENT-WISE OR PRODUCT WISE PE

The segment wise performance of the company can be analyzed on the basis of the Audited Financial Statements for the financial year 2022-23 annexed with this report.

a) OPPORTUNITIES AND THREATS:

In line with global trends, the Indian consumer is increasingly consuming the content on digital platforms. This trend is observed for all type of content including news (text), music (audio), or video. Increasing internet penetration and mobile device proliferation and convenience of consuming the content anytime, anywhere are the key drivers for this trend.

Growth opportunities/ parameters for SMEL are based on the following:

- Rapidly increasing number of internet users
- Higher spend on entertainment services by youth
- Rising data consumption with smartphone penetration
- Ever growing need for unique content for various segments
- Increasing pan-India presence to garner more visibility and which helps in acquisition of quality content

Only threats beyond our control could stop the juggernaut from its path. That is what we like to believe as we continue to grow.

b) OUTLOOK

The team continues to rely on the core strengths of experience and a strategically qualified team of professionals, but more so with a strong focus on quality content we believe that we have become a well-known brand name in the business of Digital Media Marketing. The growing market in that space gives us a larger playing field.

The digital media entertainment space is as yet a niche space and yet with the foreseen growth, it can only get more interesting in the days ahead. Our main strategy is to continually build on the diverse content library and strong fiscal planning and growth projections.

c) RISKS AND CONCERNS

Risks are a part of every growing entity and especially when it concerns businesses that are in a sunrise industry as ours. There are always risks and concerns and the only way to deal with them are to plan strategically. To be aware always of every risk potential is the only thumb rule we follow.

However, the main risks that would be incomparable in terms of our growth would probably be:

- Force Majeure – superior or overpowering force beyond control of mankind
- Collapse of the Internet/ shutting down of Google / Facebook servers
- Facebook monetising content that may reduce YouTube viewership

d) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate and efficient internal control systems that provide protection of all the assets against losses from unauthorized use and for appropriate reporting of transactions. The Company has implemented proper controls which are reviewed at regular intervals to ensure that the authenticity of the transactions.

e) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

STANDALONE FINANCIAL CONDITION:

Capital Structure: The Paid-up Share Capital of the Company as on 31st March, 2023 is Rs.10,21,13,000/- divided into 1,02,11,300 Equity Shares of Rs.10/- each fully paid up.

Reserves and Surplus: The Reserves and Surplus of the company as on 31st March, 2023 stand at Rs.(186.99) lakhs as compared to Rs.156.47 lakhs in the previous year.

Property, Plant and Equipment: The value on Property, Plant and Equipment stood at Rs.19.80 lakhs in the financial year 2022-23 as compared to Rs.19.12 in the previous year.

Trade Receivables: Trade Receivables of the stood at Rs. 72.17 lakhs as on 31st March, 2023 as compare with previous year Rs.395.41 lakhs. These debtors are considered good and realizable.

Cash and Bank Balances: Cash and Bank balances with Scheduled Banks stood to Rs.145.78 lakhs as against Rs.104.02 lakhs in the previous year.

Loans and Advances: Long Term Loans and Advances is Rs.81.20 lakhs as against Rs.198.34 lakhs in the previous year. Short Term Loans and Advances is Rs.216.11 lakhs and has not changed from the previous year.

Current Liabilities: Current Liabilities as on 31st March, 2023 is Rs. 214.56 lakhs.

CONSOLIDATED FINANCIAL CONDITION:

Reserves and Surplus
The Reserves and Surplus of the company as on 31st March, 2023 stand at Rs. (297.39) lakhs as compared to Rs.157.67 lakhs in the previous year.

Property, Plant and Equipment
The Company investments on Property, Plant and Equipment Rs.19.80 lakhs in the financial year 2022-23 as compared to Rs.19.12 lakhs in the previous year.

Trade Receivables: Trade Receivables of the stood at Rs. 72.17 lakhs as on 31st March, 2023 as compare with previous year Rs. 539.47 lakhs. These debtors are considered good and realizable.

Cash and Bank Balances:
Cash and Bank balances with Scheduled Banks stood to Rs. 258.71 lakhs as against Rs. 221.6 Lakhs in the previous years.

Loans and Advances:
Long Term Loans and Advances is Rs. 81.20 lakhs as against Rs.198.34 in the previous year. Short Term Loans and Advances is Rs. 216.11 lakhs and has not changed from the previous year.

Current Liabilities: Current Liabilities as on 31st March, 2023 is Rs. 437.12 lakhs.

STANDALONE OPERATIONAL RESULTS:

Turnover:
During the financial year 2022-23 the turnover of the Company was Rs. 764.67 lakhs as against Rs. 1,451.45 lakhs in the previous year and income from other sources as on 31st March, 2023 was Rs. 21.98 lakhs as against Rs.17.98 lakhs in the previous year.

Depreciation:
The Company has provided Rs. 52.94 lakhs for depreciation during the financial year 2022-23 as against Rs.61.67 lakhs in the previous year.

Provision for Tax:
The Company has provided nil tax provision in the financial year 2022-23.
Net Profit:
The Net Profit of the Company after tax is Rs. (344.97) lakhs for the financial year 2022-23 as against Rs. (66.02) lakhs in the previous year.

Earnings per Share:
The Earnings per Share of the Company as on 31st March, 2023 is Rs. (3.38)/- per share for Face Value of Rs.10/- as against Rs. (0.65)/- per share for Face Value of Rs.10 in the previous year.

CONSOLIDATED OPERATIONAL RESULTS:

Turnover
During the financial year 2022-23 the turnover of the Company was Rs. 1935.54 lakhs as against Rs. 2668.44 lakhs in the previous year and income from other sources as on 31st March, 2023 was Rs. 21.98 lakhs as against Rs. 20.31 lakhs in the previous year.

Depreciation
The Company has provided Rs. 52.94 lakhs for depreciation during the financial year 2022-23 as against Rs. 81.47 lakhs in the previous years.

Net Profit:
The Net Profit of the Company after tax is Rs. (459.14) lakhs for the financial year 2022-23 as against Rs. (216.11) lakhs in the previous year.

Earnings per Share:
The Earnings per Share of the Company as on 31st March, 2023 is Rs. (4.50)/- per share for Face Value of Rs.10/- as against Rs. (2.12)/- per share for Face Value of Rs.10/- in the previous year.

f) Material developments in Human Resources/Industrial Relations front including number of people employed

HUMAN CAPITAL
Our employees are our most important assets. We believe that the quality and level of service that our professionals deliver are among the highest in the Digital Media services. We are committed to remaining among the industry's leading employers.
The Company has a mix of both experienced with 20 plus years in the industry as well as others with 10 plus and some with 2 to 3 plus years' experience which gives us fresh lease and extra edge to the competitors.

As on 31st March 2023, we have 50 employees in total (31 Whole-Time Employees, 19 - Contract employees). We have hired approximately 10 employees between April 2022 to March 2023.

The key aspects of our HR practice include:
- Recruitment
- Training and development
- Compensation.

HUMAN CAPITAL VALUE CHAIN – WORKING ETHICALLY AND UPHOLDING HUMAN RIGHTS:
Our human capital interventions are dynamic driven having different groups working here like:
- Social media marketing
- Digital Marketing/Promotions
- YouTube creators
- Company Secretary & Legal
- Content Department

- Mobile & OTT platform
- Film Productions
- Networking
- Financial Department
- Human Resources
- Graphic Designing

RECRUITMENT

Attracting and recruiting the best-in-class talent, while ensuring long term people sustainability is a key business objective. We are an equal opportunity employer and focus on meritocracy and innovate creative at all stages of the hiring and which required credible manpower in YouTube Creators, Social-Media, App development, Mobile & OTT platforms, Brand Management, Film Productions, Digital promotions for films.

In FY 2023, we moved towards digitalizing and exploring new talents to get the best out for the hiring process to our organisation. Company have hired efficient and experienced manpower from recruiters and employee referrals. Company rely on a rigorous selection process involving technical interviews with senior management and HR interviews to identify the best applicants. This selection process is continually assessed and refined based on the performance tracking of past recruits.

COMPENSATION/REMUNERATION:

Our technology professionals receive competitive salaries and benefits. Overall compensation at the Company as compared to competitors is highly competitive. We believe to have best of talents in the organization as we deal with reputed projects.

HUMAN RIGHTS & VALUES AT SM:

Silly Monks is committed to protecting and respecting Human Rights and remedying rights violations in case they are identified. Providing equal employment opportunity, ensuring distributive, procedural and interactional fairness, creating a harassment-free, safe environment and respecting fundamental rights are some of the ways in which we do so.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS:

Details of significant changes in key financial ratios, along with detailed explanations therefor, has been mentioned in note 38 of notes to financial statements.

CAUTIONARY STATEMENT:

Statements in this management discussion analysis describing the Company's objectives, projections, estimates, expectations may be forward looking within the meaning of applicable securities-laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make difference to Company's operations include economic conditions affecting the domestic market and the overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

By Order of The Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ratnakar Rao Chepur
Chairman
DIN: 08744674

Place: Hyderabad
Date: 29.07.2023

Annexure – V

Details pertaining to Employees as required under Section 197(12) of the Companies Act, 2013

Statement of Particulars of Employees Pursuant to Provisions of Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) In the financial year, there were no changes in the remuneration of Executive Directors.

ii) The median remuneration of employees of the Company during the financial year Rs.52,990.00/- Per Month. (Rs. 6,35,881.00/- p.a.)

iii) In the financial under review, there was increase of 37.62% in the median remuneration of employees.

iv) There were 31 full time employees on the rolls of Company as on 31st March, 2023.

v) We herewith affirm that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

vi) **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23:**

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director /KMP for the financials Year 2022-23 (In Rs.)	% increase in Remuneration in the Financial Year 2022-23	Ratio of remuneration of each Director/to median remuneration of employees
1.	Tekulapalli Sanjay Reddy, Managing Director	78,00,000.00	0%	48.26
2.	Anil Kumar Pallala, Whole Time Director	39,00,000.00	0%	24.13
3.	Sushma Barla CS & Compliance Officer	4,11,500.00	-28.96%	2.55
4.	Naina Singh, CS & Compliance Officer	6,24,000.00	0%	
5.	Guna Venkat Rama Naidu, CFO	2,87,733.00	0%	

Annexure-VI

Top 10 Employees in Terms of Remuneration

S. No	Name of the Employee	Date of Joining (dd -mm-yyyy)	Designation	Salary Draw (In Rs)	% of Increase	Educational Qualification	Age	Experience (Yrs)	Last Employment	Relations with Management
1.	Tekulapalli Sanjay Reddy	20.09.2013	Chairman & Managing Director	78,00,000	0%	MBA	54	31	Zee Entertainment	Husband of Mrs. Swathi Reddy, Non-Executive Director
2.	Anil Kumar Pallala	01.10.2013	Whole Time Director	39,00,000	0%	DIPLOMA	40	18	Whacked Out Media Pvt Ltd	_
3.	Anil Kumar Putta	12.11.2018	Business Development Manager |YouTube	12,00,000	61%	B-TECH	32	10	iDream Media Pvt Ltd	_
4.	Satish Raj	07.12.2017	Sr.Web developer	6,00,000	33%	B-TECH	39	15	Infotect pvt ltd	_
5.	Prasad B	18.11.2013	Manager-Digtal PR	12,00,000	100%	B-TECH	30	10	_	_
6.	Prasad Billakurthi	16.06.2019	Line Producer	7,20,000	33%	B.COM	33	11	Early Monsoon Tales	_
7.	Vasala Kiran Kumar	14.04.2021	Executive Producer	7,20,000	33%	DIPLOMA	43	11	Yupp TV	_
8.	Kumar Jagannath	11.01.2018	Branch head	7,20,000	33%	MBA	47	15	Amigos	_
9.	Srikanth	31.07.2017	OTT-Manager	6,00,000	25%	MBA	40	14	Voice services	_
10.	Vasanthi	25.10.2014	Content Manager	6,60,000	57%	MCA	35	10	MIMSME	_

By Order of The Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ratnakar Rao Chepur
Chairman
DIN: 08744674

Place: Hyderabad
Date: 29.07.2023

REPORT ON CORPORATE GOVERNANCE

[As required under Reg.34 (3) and Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. A brief statement on company's philosophy on code of governance

Being a corporate citizen, your company is committed to best corporate governance practices by ensuring timely information, integrity, accountability and transparency to all of its stakeholders which lays strong foundation for achieving sustained growth and long-term success.

And the corporate governance system of your company is driven by the following principles:

a. Optimum composition of board and its committees
b. Making timely and accurate disclosures
c. Integrity in financial reporting
d. Promoting responsible and informed decision making
e. Identifying and managing business risks
f. Protecting interests of its shareholders and stakeholders
g. Complying legal and statutory compliance in true letter and spirit

2. Board of Directors ("Board")

As on 31st March, 2023, the composition of board consists of Six (6) Directors. The board consists of optimum combination of Executive and Non- Executive Directors. The Managing Director and the Whole-time Director are the 2 (two) Executive Directors. There are 4 (Four) Non-Executive Directors, out of which 3 (three) Directors, including the Chairman, are Independent Directors. The Board also consists of 1 (one) Woman Director.

a) Composition and Category of directors as on 31st March, 2023:

Category	No. of Directors
Promoter, Executive Directors (Managing Director & Whole Time Director)	2 (Two)
Non-Executive, Independent Directors	2 (Two)
Non-Executive Independent Director (Chairman)	1 (One)
Non-Executive Director (Women Director)	1 (One)
Total	**6 (Six)**

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of the Director	Category
1. Mr. Ratnakar Rao Chepur	Chairman - Non-Executive Independent Director
2. Mr. Tekulapalli Sanjay Reddy	Managing Director - Promoter
3. Mr. Anil Kumar Pallala	Whole Time Director - Promoter
4. Mrs. Swathi Reddy	Non-Executive Director - Women Director
5. Mr. Rammohan Paruvu	Non-Executive, Independent Director
6. Mr. Prasada Rao Kalluri	Non-Executive, Independent Director

b) Attendance of each director at the Board meetings held during the year 2022-23 and at the last Annual General Meeting:

Sl. No.	Name of the Director	Category of Directorship	No. of. Board Meeting during the year 2022-23		Attendance at the last AGM held on September 29, 2022
			Held	Attended	
1.	Mr. Ratnakar Rao Chepur DIN: 08744674	Chairman (Independent, Non-Executive)	6	6	Not Attended
2.	Mr. Prasada Rao Kalluri DIN: 07780628	Director (Independent, Non-Executive)	6	5	Not Attended
3.	Dr. Rama Kondamadugula Koti Reddy (DIN: 00259576)	Director (Independent, Non-Executive)	6	1	Attended
4.	Mr. Rammohan Paruvu DIN: 01284563	Director (Independent, Non-Executive)	6	3	Not Applicable
5.	Mr. Tekulapalli Sanjay Reddy DIN: 00297272	Managing Director (Promoter, Executive)	6	6	Attended
6.	Mr. Anil Kumar Pallala DIN: 02416775	Whole Time Director (Promoter, Executive)	6	6	Attended
7.	Mrs. Swathi Reddy DIN: 00297360	Director (Non-Executive)	6	6	Attended

c) Number of directorships / committee memberships held by the Directors of the Company in other Companies including the names of the other listed entities where the Director is a Director and the category of their directorship as on 31st March, 2023:

Name of the Director	Number of directorships in other Companies	Committee Chairmanship and Membership*		Names of other Listed Companies in which he/she holds Directorship and category of Directorship
		Chairmanship**	Membership**	
Mr. Ratnakar Rao Chepur	-	-	-	-
Mr. Prasada Rao Kalluri	4	2	4	Independent Director in Genesis IBRC India Limited
Mr. Rammohan Paruvu	4	-	-	-
Mr. Tekulapalli Sanjay Reddy	-	-	-	-
Mr. Anil Kumar Pallala	1	-	-	-
Mrs. Swathi Reddy	-	-	-	-

* Only Audit Committee and Stakeholder's Relationship Committee of Public Limited Company (whether listed or not) has been consider as per Regulation 26(1) of the SEBI Listing Regulations.

**Excludes Directorship and Committee chairmanship / membership of Silly Monks Entertainment Limited.

d) Number of meetings of the Board of directors held and dates on which held:

The Board met 6 times in the financial year 2022-23 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings:

24.05.2022	13.08.2022	11.11.2022	24.12.2022	24.01.2023	31.03.2023

Further none of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a director. Necessary disclosures regarding their committee positions have been made by all the Directors.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the SEBI Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.

The Independent Directors do not have any material pecuniary relationship or transactions with the Company, Promoters or Management, which may affect their judgement in any manner.

e) Inter-se Relationship

Except Mrs. Swathi Reddy, Non-Executive Director is spouse of Mr. Tekulapalli Sanjay Reddy who is the Managing Director of the Company, no other Director has any relationship with any other Director.

f) Number of shares and convertible instruments held by non- executive directors

Sl. No.	Name of the Director	Designation	No. of Share held by the director
1.	Mr. Ratnakar Rao Chepur	Non-Executive, Independent Director	Nil
2.	Mr. Prasada Rao Kalluri	Non-Executive, Independent Director	Nil
3.	Mr. Rammohan Paruvu	Non-Executive, Independent Director	Nil
4.	Mrs. Swathi Reddy	Non-Executive Director	2,45,960

g) weblink where details of familiarisation programmes imparted to independent directors is disclosed

The Board members are provided with necessary documents, reports, internal policies, amendments to the various enactments, statutory laws, etc., to enable them to familiarise themselves with the Company's operations. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, updates on products of the Company, Company plans and strategies, budgets, risk management mechanism, investments, fund flows, operations of subsidiary(s) etc., the details pertaining to the familiarisation program can be accessed at the Company's Website https://sillymonks.com/stock-exchange-compliances/.

h) The matrix presenting the directors' area of expertise against their experience in the respective field is specified hereunder:

Name of the Director	Designation	Fields of Expertise
Mr. Ratnakar Rao Chepur	Chairman (Independent, Non-Executive)	Sales, Marketing, Advertisement and Business Administration

Mr. Prasada Rao Kalluri	Director (Independent, Non-Executive)	Finance, Law, Secretarial and Compliance
Mr. Rammohan Paruvu	Director (Independent, Non-Executive)	Independent writer-producer.
Mr. Tekulapalli Sanjay Reddy	Managing Director (Promoter, Executive)	Finance, Production, Media, Marketing and Entertainment Industry
Mr. Anil Kumar Pallala	Whole Time Director (Promoter, Executive)	Media and Entertainment Industry
Mrs. Swathi Reddy	Director (Non-Executive)	Marketing and Corporate Communication

i) Confirmation that in the opinion of the Board the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management:
The Board of Directors confirms that in its opinion the Independent Directors fulfill the conditions specified by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

No Independent Director except Dr. Rama Kondamadugula Koti Reddy (DIN: 00259576), resigned before their tenure during the financial year under review.

The notice of resignation was placed before the Board of the Company for their consideration and approval.

3. Code of conduct:
Details of the code of conduct for board members and senior management of the company are available on the company's website at https://sillymonks.com/stock-exchange-compliances/, annual declaration signed by the Managing Director of the company pursuant to regulation 26(3) read with Schedule V (Part D) of the Listing Regulations is annexed to this report as "***Annexure-A***".

4. Committees of directors:

A. <u>Audit Committee (AC)</u>

As on 31st March 2023, the Audit Committee consists of Four directors, three being independent directors viz. Mr. Prasada Rao Kalluri, Mr. Ratnakarrao Chepur, Mr. Rammohan Paruvu and one executive director viz. Mr. Tekulapalli Sanjay Reddy.

Role of Audit Committee
The role of the Audit Committee is in accordance with the SEBI (LODR) Regulations and the terms of reference specified under Section 177 of the Companies Act, 2013.

The Primary objective of the Committee is to monitor and provide effective supervision of management's financial reporting process with a view to ensure accurate, timely and proper disclosures, transparency, integrity & quality of financial reporting and minimisation of risk.

During the Financial year 2022-23, Audit Committee met 5 (Five) times dated 24.05.2022, 13.08.2022, 11.11.2022, 21.01.2023 and 31.03.2023. The necessary quorum was present for all the meetings. The gap between two Audit Committee meetings was not more than one hundred and twenty days (120 days). The Chairman of the Audit committee, Dr. Rama Kondamadugula Koti Reddy was present at the last Annual General Meeting of the Company held on 29th September, 2022.

Thereafter, Dr. Rama Kondamadugula Koti Reddy placed his resignation dated 10th October, 2022. The same was take on note by the Board of Directors in the Board meeting held on 11th November, 2022.

In the Board Meeting held on 24th January, 2023, Mr. Prasada Rao Kalluri, Director (Independent, Non-Executive) was appointed as the Chairman of the Audit Committee of the Company.

No. of Meetings Held	Nature of Directorship	Designation	No. of Meetings	
			Held	Attended
Mr. Prasada Rao Kalluri	Chairman*	Independent	5	4
Mr. Tekulapalli Sanjay Reddy	Member	Executive	5	5
Mr. Rammohan Paruvu	Member	Independent	5	2
Mr. Ratnakar Rao Chepur	Member	Independent	5	5
Dr. Rama Kondamadugula Koti Reddy	Chairman	Independent	5	1

* Mr. Prasada Rao Kalluri, was elected as the Chairman of the Audit Committee with effect from 24th January, 2023.

The Company Secretary of the Company acts as Secretary to the Committee.

B. Nomination and Remuneration Committee (NRC)

The composition of the Nomination and Remuneration Committee and the scope of its activities and powers are in conformity with and includes the areas prescribed under the Regulations 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and the rules framed thereunder.

Dr. Rama Kondamadugula Koti Reddy placed his resignation dated 10th October, 2022. The same was take on note by the Board of Directors in the Board meeting held on 11th November, 2022.

In the Board Meeting held on 24th January, 2023, Mr. Prasada Rao Kalluri, Director (Independent, Non-Executive) was appointed as the Chairman of the Nomination and Remuneration Committee of the Company.
During the Financial year 2022-23, Nomination and Remuneration Committee met 3 (Three) times dated 24.05.2022, 11.11.2022 and 24.12.2022.

No. of Meetings Held	Nature of Directorship	Designation	No. of Meetings	
			Held	Attended
Mr. Prasada Rao Kalluri	Chairman*	Independent	3	2
Mrs. Swathi Reddy	Member	Non-Executive	3	3
Mr. Rammohan Paruvu	Member	Independent	3	1
Mr. Ratnakar Rao Chepur	Member	Independent	3	3
Dr. Rama Kondamadugula Koti Reddy	Chairman	Independent	3	1

* Mr. Prasada Rao Kalluri, was elected as the Chairman of the Nomination and Remuneration Committee with effect from 24th January, 2023.

The Company Secretary of the Company acts as Secretary to the Committee

Performance evaluation criteria for Independent Directors:
Independent Directors have three key roles to play; those are:

a. Governance
b. Control
c. Guidance

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has recommended the guidelines for the evaluation of performance of Independent Directors. This largely includes:

- The qualification and experience of Independent Directors
- The groundwork the Independent Directors perform before attending the meetings to enable them in giving valuable inputs during meetings.
- The exposure of Independent Directors in different areas of risks the entity faces and advices the entity them to mitigate the same.

In line with the Corporate Governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman with specific focus on the performance and effective functioning of the Board, the Committees of the Board and the individual directors a reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of Directors (excluding the director being evaluated) held the performance evaluation of Independent Directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of Independent Directors.

Remuneration of Directors

The Company has a well-defined policy for the remuneration of the Directors, Key Managerial Personnel and other employees. The said policy was reviewed and approved by the Board at its meeting based upon the recommendation of the Nomination and Remuneration Committee. All components of remuneration to the Executive Directors are fixed and in line with the Company's policies. During Financial Year 2022-2023 company has not granted any stock options to its directors and employees.

However, in the meeting dated 04th May, 2023, the Board has approved the Silly Monks Employee Stock Option Plan 2023 (ESOP 2023) and has appointed the Committee to play the role of Compensation Committee for the implementation and administration of the ESOP 2023.

The details of remuneration to Non-Executive Directors:

During the FY 2022-23, no remuneration is paid to the non-executive directors apart from sitting fee for attending board and committee meetings.

No pecuniary relations of the non-executive directors vis-à-vis the listed entity.

The details of remuneration to the executive directors for the financial year 2022-23 are as given below:

(Amount in Rs.)

Name of the Director	**Salary and Perquisites**
Mr. Tekulapalli Sanjay Reddy	78,00,000
Mr. Anil Kumar Pallala	39,00,000

C. <u>Stakeholders' Relationship Committee</u>

The composition of the Stakeholders' Relationship Committee and the scope of its activities and powers are in conformity with and include the areas prescribed under Regulations 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and the rules framed thereunder.

The Company's Stakeholders' Relationship Committee is responsible for the satisfactory redressal of investor complaints. During the year under review, the Committee met once on 24.01.2023.

Dr. Rama Kondamadugula Koti Reddy placed his resignation dated 10th October, 2022. The same was take on note by the Board of Directors in the Board meeting held on 11th November, 2022.

In the Board Meeting held on 24th January, 2023, Mr. Prasada Rao Kalluri, Director (Independent, Non-Executive) was appointed as the Chairman of the Stakeholders' Relationship Committee of the Company. The composition and details of the meetings attended by the members are given below:

No. of Meetings Held	Nature of Directorship	Designation	No. of Meetings	
			Held	Attended
Mr. Prasada Rao Kalluri	Chairman*	Independent	1	1
Mr. Tekulapalli Sanjay Reddy	Member	Executive	1	1
Mr. Rammohan Paruvu	Member	Independent	1	1
Mr. Ratnakar Rao Chepur	Member	Independent	1	1
Dr. Rama Kondamadugula Koti Reddy	Chairman	Independent	1	0

* Mr. Prasada Rao Kalluri, was elected as the Chairman of the Stakeholders' Relationship Committee with effect from 24th January, 2023.

The Company Secretary of the Company acts as Secretary to the Committee

A summary of various complaints received and resolved to the satisfaction of the Shareholders by the Company during the year is given below:

Nature of Complaint	Received	Resolved	pending
Non-receipt of Dividend	0	0	0
Non-receipt of Bonus Shares	0	0	0
SEBI/Stock Exchange Letter/ROC/NSDL/CDSL	0	0	0
Miscellaneous	0	0	0
Total	**0**	**0**	**0**

5. General body Meetings:

a) The details pertaining to last three Annual General Meetings of the Company are provided:

Financial Year Ended	Date	Time	Venue	Special Resolution Passed
31st March, 2022 (9th AGM)	29th September 2022	3:00 P.M	Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India.	Nil

31st March 2021 (8th AGM)	29th September 2021	3:00 P.M	Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India.	1. To approve the proposal of dissolution of Wholly Owned Subsidiary – Dream Boat Entertainment Pte Limited, Hong Kong
31st March 2020 (7th AGM)	30th December, 2020	3:00 P.M	4th Floor, Ektha Towers, Plot No. 2&3, Whitefields, Kondapur, Hyderabad – 500084, Telangana, India.	1. Appointment of Mr. Chepur Ratnakar Rao (DIN: 08744674) as an Independent Director of the Company. 2. To consider the re-appointment of Mr. Tekulapalli Sanjay Reddy (DIN: 00297272) as the Managing Director of the Company. 3. To consider the re-appointment of Mr. Anil Kumar Pallala (DIN: 02416775) as the Whole Time Director of the Company.

All special resolutions set out in the Notices for the Annual General Meetings were passed by the Members at the respective meetings with requisite majority.

Mr. Jineshwar Kumar Sankhala, Practising Company Secretary, conducted the e-voting process and the Poll for the AGM's held on 29th September, 2022, 29th September 2021 and 30th December, 2020.

b) The details of Special Resolutions passed through postal ballot during the financial year 2022-23:

i. The company sought the approval of the shareholders by way of a special resolution through notice of postal ballot dated 24th May, 2022, for Re-appointment of Mr. Prasada Rao Kalluri (DIN: 07780628) as an Independent Director of the Company, which was duly passed on 24th July, 2022.

ii. The company sought the approval of the shareholders by way of special resolutions through notice of postal ballot dated 24th December, 2022, for

a) To regularise the appointment of Mr. Rammohan Paruvu as the Director of the Company.
b) To re-appoint Mr. Tekulapalli Sanjay Reddy as the Managing Director of the Company.
c) To re-appoint Mr. Anil Kumar Pallala as a Whole Time Director of the Company.

The aforesaid Special resolutions were duly passed on 28th January, 2023.

c) Person who conducted the postal ballot:

The Board of directors of the company, at their meeting held on 24th May, 2022 and 24th December, 2022, appointed Mr. Jineshwar Kumar Sankhala (Membership No. FCS. 21697) of M/s. P.S. Rao & Associates, Practising Company Secretaries, as the scrutiniser to conduct the postal ballot through the remote e-voting process in a fair and transparent manner for seeking the approval of shareholders for the item mentioned above.

d) Procedure for Postal ballot:

In compliance with sections 108 and 110 and other applicable provisions of the Act, read with the related rules framed thereunder and read with related notifications and circulars, the company provided electronic voting (e-voting) facilities to all its members, and for this purpose, the company had engaged Central Depository Services (India) Limited (CDSL) as the agency to provide e-voting facilities to enable the members to exercise their right to vote on proposed resolutions by electronic means, i.e., remote e-voting services. Postal ballot notices were sent through email to the members, and the company also published a notice in the newspaper declaring the details and requirements as mandated by the Act and the Listing Regulation.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as of the cut-off date, and the shareholders were requested to vote before the close of business hours on the last date of e-voting. The scrutiniser completed his scrutiny and submitted his report to the chairman, and the results of the voting were announced by the company secretary. The results were also displayed on the company website, www.sillymonks.com, besides being communicated to the stock exchange.

6. Means of Communication:

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good corporate governance practice. Towards this end, the following information are being disclosed to the investors:

a) Quarterly Results:

Quarterly, half yearly and annual results of the Company are sent to the Stock Exchange (NSE) immediately after they are approved by the Board.

b) Newspapers wherein results normally published:

The results are normally published by the Company in the newspaper (Financial Express) in English version circulating in the whole of India and in regional newspaper (Nava Telangana, Telugu) in the vernacular language in all editions.

Quarterly, half yearly and annual results of the Company are published in the prescribed format within 48 hours of the conclusion of the meeting of the Board.

c) Any website, where displayed

These results are sent to the Stock Exchange as well as displayed on Company's website www.sillymonks.com.

d) Whether it also displays official news releases:

The newsletters and press releases made from time to time, if any, are also displayed on the Company's website www.sillymonks.com.

7. General Shareholder Information

Annual General Meeting (AGM) Date & Time	Friday, 25th August, 2023 at 01:00 P.M
Venue	Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad -500032, Rangareddi, Telangana, India
Financial Year	01st April, 2022 to 31st March, 2023
Last Date of Proxy forms submission	48 hours before the meeting i.e., 23rd August, 2023.
Period Date for exercising e-voting	22.08.2023 to 24.08.2023
Date of Book Closure	NA
Cut off date for e-voting	18.08.2023
Dividend Payment Date	NA
Name of the Stock Exchange	National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

Stock Code	Name of the Stock Exchange / Stock Code / Scrip Code NSE / N. A. / SILLYMONKS
Demat ISIN in NSDL and CDSL for Equity Shares	INE203Y01012
Corporate Identification Number (CIN)	L92120TG2013PLC090132

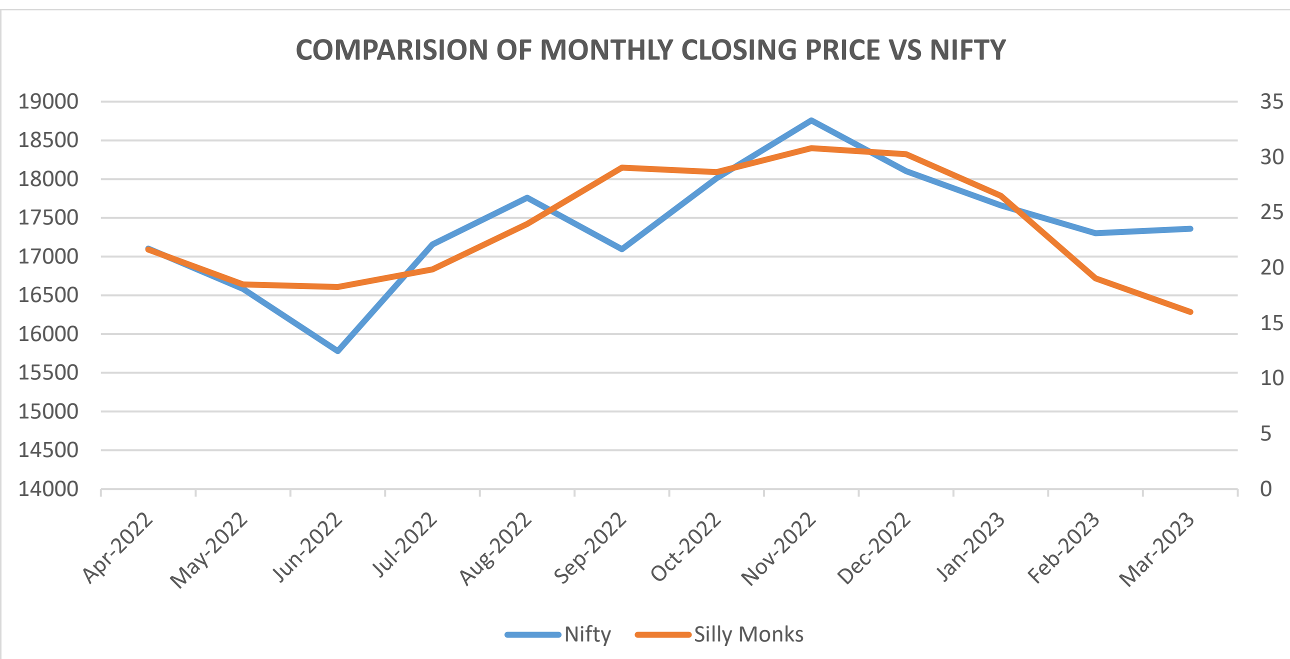
8. Market Price Data and Performance

Table 1 below gives the monthly high and low prices of the Company's equity shares at the NSE for the year 2022-23.

High and Low Prices at the NSE (Rs.) for the F.Y.2022-23:

Date	Price	Open	High	Low	Volume
Apr-2022	21.65	22.8	27.75	19.15	506.16K
May-2022	18.5	20.25	22.15	16.65	89.66K
Jun-2022	18.25	18.8	25.4	16.4	965.42K
Jul-2022	19.85	18.5	22.85	17.7	461.20K
Aug-2022	23.95	19.5	26.75	19.5	641.22K
Sep-2022	29.05	23.95	33.7	22.9	3.94M
Oct-2022	28.65	30.05	31.25	25.15	861.33K
Nov-2022	30.8	28.8	37.8	27.95	1.30M
Dec-2022	30.25	31.1	33.6	26.6	305.94K
Jan-2023	26.5	30.25	30.8	25.4	158.79K
Feb-2023	19.05	26.95	27	18.1	148.40K
Mar-2023	16	18.5	22.25	15.8	199.97K

Share Performance of the Company in comparison with broad based indices- NIFTY 50
NIFTY 50 v/s SILLYMONKS Close Price



In case the securities are suspended from trading, the directors' report shall explain the reason thereof:
During the reporting period there are no instances of suspension of trading in the shares of the Company.

9. Dematerialisation of Shares and Transfer of Shares:

The Company's shares are compulsorily traded in dematerialised form. The Company has made arrangements for transfer of shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility.

100 percentage of shares of the Company are held in dematerialization form as on 31st March, 2023.

Number of shares	% of total shares	Number of Shareholders	% of total shareholders
10211300	100.00	2367	100.00

The breakup of Shares in demat and physical form as on 31st March, 2023 is as follows:

Particulars	No. of Shares of Rs.10/- each	% of Shares
Demat Mode i) NSDL ii) CDSL	 6882005 3329295	 67.40 32.60
Physical Mode	**-**	**-**
Total	**10211300**	**100.00**

Share Transfer System:

The Company has appointed M/s. Bigshare Services Pvt. Ltd, as Registrar and Share Transfer Agents. No case is pending for transfer as well as dematerialization of shares as on 31st March, 2023.

10. Distribution of shareholding as on 31st March, 2023

Shareholding of Nominal value (Rs.)	No. of Shareholders	Percentage of total shareholders	Share amount (Rs.)	Percentage of total amount
1 to 500	1785	75.4119	154483	1.5129
501 to 1000	165	6.9708	138484	1.3562
1001 to 2000	115	4.8585	177162	1.7350
2001 to 3000	140	5.9147	361075	3.5360
3001 to 4000	21	0.8872	71832	0.7035
4001 to 5000	23	0.9717	108659	1.0641
5001 to 10000	52	2.1969	340982	3.3393
10001 and above	66	2.7883	8858623	86.7531
Total	**2367**	**100**	**102113000**	**100**

Shareholding Pattern: The shareholding pattern of the Company as on 31st March, 2023 is as follow:

Sr.no	Category	Total shareholders	% of shareholders	Total shares	Percentage
1	Promoters & Promoter Group	6	0.257400257	4852113	47.52
3	Public	2326	98.24109824	4820614	47.21
4	Clearing Member	3	0.128700129	64335	0.63
5	Corporate Bodies	12	0.514800515	400544	3.92
6	Non-Resident Indian	20	0.858000858	73694	0.72
	Total	**2367**	**100**	**10211300**	**100**

11. Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

No GDR/ADRs/ warrants or any convertible instruments have been issued by the Company during the year under review or are outstanding as at the end of the financial year 2022-23.

12. Registrar and Share Transfer Agents

M/s. Bigshare Services Pvt. Ltd, 306, Right Wing, Amrutha Ville, Opp. Yashodha Hospital, Somajiguda, Raj Bhavan Road, Hyderabad - 500 082, Telangana, India. Email: bsshyd@bigshareonline.com Website: www.bigshareonline.com. They are also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

13. Commodity price risk or foreign exchange risk and hedging activities:

The company is exposed to foreign exchange fluctuation risk with respect to foreign currencies on exports and imports. Though the risk associated with foreign currency fluctuation is hedged to some extent naturally, as the Company is engaged both in imports and exports, the Company majorly hedges its import transactions to minimize the risk.

a) Total exposure of the listed entity to commodities : **Nil**
b) Exposure of the listed entity to various commodities : **Nil**
c) Commodity risks faced by the listed entity during the year and how they have been managed: **Nil**

14. Address for Correspondence

For general correspondence:
Tekulapalli Sanjay Reddy
Managing Director
Silly Monks Entertainment Limited
Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032,
Rangareddi, Telangana, India
Tele No.: +91-8008121236
Email: investor@sillymonks.com

For Share transfer/ dematerialisation/ change of address etc:
M/s. Bigshare Services Pvt. Ltd,
306, Right Wing, Amrutha Ville, Opp. Yashodha Hospital, Somajiguda,
Raj Bhavan Road, Hyderabad - 500 082, Telangana, India.
Email: bsshyd@bigshareonline.com
Website: www.bigshareonline.com.

15. Other Disclosures

A. Related Party Transactions:

The Company has formulated a policy on Materiality of and dealing with Related Party Transactions and the same is available on the website of the Company i.e., www.sillymonks.com.
There are no significant material transactions with the related parties that had potential conflict with the interest of the Company. All these transactions are in the ordinary course of business and are carried out on an arm's length basis.

B. Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During the Financial year 2020-21, National Stock Exchange of India Limited (NSE) levied a penalty of 7080/- (incl. of GST) for delay in submission of Annual Report for the F Y 2019-20 to the Exchange by 3 days to the said Exchange. The Company had filed a waiver application before Stock Exchange for relaxation from strict enforcement of the aforesaid Regulation and waiver of penalty levied by the Stock Exchange, Considering the pandemic situation. The exchange has considered and refunded the penalty paid.

Apart for the above, there was no non-compliance by the Company nor were any penalties or strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

C. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the provisions of SEBI Listing Regulations, the Company has formulated Whistle Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle Blower Policy has been hosted on the website of the Company at i.e., www.sillymonks.com.

D. Weblink of the Policy for determining "material" subsidiaries is disclosed.

During the Financial year ended 31st March, 2023, the Company has material unlisted subsidiaries **Dream Boat Entertainment Pte. Ltd** and **Dream Boat Entertainment LLC**. The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the SEBI Listing Regulation and the same is disclosed on the Company's website i.e., www.sillymonks.com.

E. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the SEBI Listing Regulations.

During the year, the Company has complied with the mandatory requirements as stipulated in SEBI Listing Regulations. With respect to the compliance with the non-mandatory requirements, the Company has adhered to maximum extent.

F. Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of SEBI Listing Regulations:

Not applicable, as there was no Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of SEBI Listing Regulations.

G. Certificate from Company Secretary in practice

A Certificate has been received from P S RAO & Associates, Practicing Company Secretaries that none of the Directors on the Board of Directors of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such Statutory Authority is annexed to this report as **"*Annexure-B*".**

H. Compliance certificate of the Auditors:

The Secretarial Auditors have certified that the company has complied with the conditions of corporate governance as stipulated in the Listing Regulations and the same is annexed to this report as "***Annexure-C***".

I. Disclosure of instances along with the reasons, where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the financial year 2022-23:

There was no instance during the financial year 2022-23, where the Board of Directors did not accept the recommendation of any Committee of the Board which it was mandatorily required to accept.

J. Total fees paid/payable to statutory auditor

The total amount paid & payable for financial year 2022-23 by company to statutory Auditor is Rs. 3,00,000 /- for all services.

K. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
The disclosure pertaining to the complaints are given hereunder:
a. Number of complaints filed during the financial year 2022-23: Nil
b. Number of complaints disposed of during the financial year 2022-23: Nil
c. Number of complaints pending as on end of the financial year 2022-23: Nil

Non-compliance of any requirement of Corporate Governance Report, with reasons thereof shall be disclosed: All the above requirements w.r.t. this Report have been complied with.

The extent to which the discretionary requirements as specified in the Part E of Schedule II have been adopted.

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

(i) Shareholders Rights:
All quarterly /half yearly/ annual financial results are submitted to the stock exchanges and are simultaneously placed on the website of the Company at www.sillymonks.com apart from being published in the newspapers.

(ii) Modified opinion(s) in audit report
There are no modified opinions in the Audit Report for the financial year ended 31st March, 2023.

(iii) Reporting of Internal Auditor:
The Internal Auditor of the Company reports directly to the Chairman of the Audit Committee, stating observations, if any.

The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report:

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	NA
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	Yes
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

L. <u>Managing director and ceo and cfo certification:</u>
The Managing Director and CEO and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations certifying, inter alia, that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the company's affairs. The said certificate is annexed to this report as "***Annexure-D***".

M. Disclosures with respect to demat suspense account/ unclaimed suspense account: **Not Applicable**

By Order of The Board of Directors
For Silly Monks Entertainment Limited

Sd/-
Ratnakar Rao Chepur
Chairman
DIN: 08744674

Place: Hyderabad
Date: 29.07.2023

ANNEXURE TO CORPORATE GOVERNANCE REPORT

ANNEXURE -A

Declaration by the Managing Director and CEO under Regulation 26(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Compliance with Code of Conduct

To
The Members,
Silly Monks Entertainment Limited

In accordance with regulation 26(3) read with part D of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the directors and senior management personnel of the company have affirmed compliance with the code of conduct as applicable to them, for the financial year ended 31st March, 2023.

Sd/-
Tekulapalli Sanjay Reddy
Managing Director
(DIN: 00297272)

Place: Hyderabad
Date: 29.07.2023

ANNEXURE -B

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) Regulation 2015)

To
The Members,
Silly Monks Entertainment Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Silly Monks Entertainment Limited** having CIN L92120TG2013PLC090132 and having registered office at Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of the Director	Category of Directorship	DIN	Date of Appointment
1.	Mr. Ratnakar Rao Chepur	Chairman - Non-Executive Independent Director	08744674	27.05.2020
2.	Mr. Tekulapalli Sanjay Reddy	Managing Director - Promoter	00297272	20.09.2013
3.	Mr. Anil Kumar Pallala	Whole Time Director - Promoter	02416775	01.09.2014
4.	Mrs. Swathi Reddy	Non-Executive Director - Women Director	00297360	20.09.2013
5.	Mr. Rammohan Paruvu	Non-Executive, Independent Director	01284563	11.11.2022
6.	Mr. Prasada Rao Kalluri	Non-Executive, Independent Director	07780628	31.03.2017

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the bases of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P S Rao & Associates
Company Secretaries

Sd/-
Jineshwar Kumar Sankhala
M No : 21697
C P No : 18365
UDIN: A021697E000700991

Place: Hyderabad
Date: 29.07.2023

ANNEXURE -C

CERTIFICATE ON CORPORATE GOVERNANCE ISSUED BY PRACTICING COMPANY SECRETARIES

To
The Members,
Silly Monks Entertainment Limited

We have examined the compliance of conditions of Corporate Governance by Silly Monks Entertainment Limited ('the Company') for the year ended 31st March, 2023 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

In our opinion, and to the best of the information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For P S Rao & Associates
Company Secretaries

Sd/-
Jineshwar Kumar Sankhala
M No : 21697
C P No : 18365
UDIN: A021697E000701101

Place: Hyderabad
Date: 29.07.2023

ANNEXURE -D

Certification by Chief Executive Officer and
Chief Financial Officer
Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members,
Silly Monks Entertainment Limited

1. We have reviewed the financial statements and the cash flow statement for the financial year ended on March 31, 2023 and that to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   b) 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.

2. There are, to the best of our knowledge and belief, no transactions entered by the company during the year which are fraudulent, illegal, or violative of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the audit committee that there are no:

   i. Significant changes in internal control over financial reporting during the year.
   ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
   iii. Instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Tekulapalli Sanjay Reddy **Managing Director** **DIN: 00297272**	**Anil Kumar Pallala** **Whole-time Director** **DIN: 02416775**	**Venkat Rama Naidu Guna** **Chief Financial Officer**

Place: Hyderabad
Date: 29.07.2023

INDEPENDENT AUDITOR'S REPORT

To
The Members of Silly Monks Entertainment Limited
Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Silly Monks Entertainment Limited ("the Company"), which comprise the Balance Sheet as on March 31, 2023 and the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and the Statement of cash flows for the year then ended and notes to the Standalone 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, the aforesaid Standalone 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 Indian Accounting Standards 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, 2023, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	How the Matter was addressed in Audit
1	Provision made for Loans & Advances. Company made provision for doubtful advances of	Our audit procedures amongst others included the following: • Performed audit procedures in confirming with financial position of the parties from whom advances are due and recoverability from those parties.

	Rs.117.13 Lakhs which are may not be recoverable from the respective parties.	• Examined management's assessment of recoverability of Advances. • Assessed the appropriateness of the disclosures made in the financial statements in accordance with the applicable financial reporting framework.

Information Other than the Standalone 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 Board's Report including Annexures to Board's Report, but does not include the Standalone financial statements and our auditor's report thereon.

• Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone financial statements.

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

• Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Undersection 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 the 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 Standalone 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 Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

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

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

From the matters communicated with those charged with Governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the act.

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 any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.(a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") 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 (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend has been declared or paid during the financial year by the company.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Ramasamy Koteswara Rao and Co LLP,
Chartered Accountants
Firm Registration Number: 010396S/S200084

Place: Hyderabad
Date: 04.05.2023

Murali Krishna Reddy Telluri
Partner
Membership No.223022
UDIN: 23223022BGQJLM7445

Annexure-A to the Auditors' Report

(Referred to in paragraph under heading "Report on other legal and regulatory requirements- 2 of our Report of even date to the Members of "Silly Monks Entertainment Limited" for the year ended March 31, 2023)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that;

i. In respect to Company's Property, Plant and Equipment and Intangible assets.

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals.

(c) The Company does not have any immovable properties and hence reporting under clause(i)(c) of the Order is not applicable.

d) The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the company as at March 31,2023 for holding any benami property under the Benami Transactions (prohibition), Act,1988 (as amended in 2016) and rules made thereunder.

ii. a) The Company is in the business of making motion pictures/series/other creator content production, content distribution, content marketing on digital and traditional mediums and sale/ licensing of films. accordingly, does not hold any inventory (i.e., goods). Therefore, the provisions of clause 3(ii)(a) of the said Order are not applicable to the Company.

b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us and based on the audit procedures performed, the company has not granted/ advanced any loans to directors during the year, hence provisions of section 185 of The Act is not applicable. The company has complied with provisions of section 186.

v. The Company has neither accepted any deposits from the public nor accepted any which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause (v) of the Order are not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause vi of the order is not applicable to the Company.

vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income- Tax, Duty of Customs, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax outstanding on account of dispute.

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. a) According to the information and explanation given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful 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 unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

d) According to the information and explanation given to us and 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) On an overall examination of the financial statements of the Company, loans taken from any entity or person during the year or any unutilised funds as at the beginning of the year of the funds raised through borrowings in the previous year are not for to meet the obligations of its subsidiaries, associates.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies and hence reporting on clause (ix)(f) of the Order is not applicable.

x. a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence the reporting under clause 3(x)(a) of the order is not applicable.

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) and hence reporting under clause 3(x)(b) of the order is not applicable.

xi. a) According to the information and explanations given by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) According to the information and explanations given by the management, 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 up to the date of this report.

c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. 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) We have considered, the internal audit reports issued to the Company during the year and covering the period March 2023.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with its directors. Hence provisions of section 192 of Companies Act, 2013 are not applicable to the company.

xvi. (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Hence reporting under clause 3(xvi)(a), (b)and(c) of the order is not applicable.

(d) According to the information and explanations given by the management, there is no core investment company within the group (as defined in the core investment companies (reserve bank) Directions,2016) and accordingly reporting under clause 3(xvi)(d) of the order is not applicable.

xvii. The Company has incurred Rs.218.32 lakhs cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs.26.79 lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the company during the year.

xix. On the basis of financial ratios as per note 38 ageing and expected dates of realisation 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 the balance sheet 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 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. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Ramasamy Koteswara Rao and Co LLP,
Chartered Accountants
Firm Registration Number: 010396S/S200084

Place: Hyderabad
Date: 04-05-2023

Murali Krishna Reddy Telluri
Partner
Membership No.223022
UDIN: 23223022BGQJLM7445

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIALSTATEMENTS OF SILLY MONKS ENTERTAINMENT LIMITED

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

To the Members of **Silly Monks Entertainment Limited**

We have audited the internal financial controls over financial reporting of Silly Monks Entertainment Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone 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. 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 the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India.

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 Standalone financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

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 Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 Standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ramasamy Koteswara Rao and Co LLP,
Chartered Accountants
Firm Registration Number: 010396S/S200084

Place: Hyderabad
Date: 04-05-2023

Murali Krishna Reddy Telluri
Partner
Membership No.223022
UDIN: 23223022BGQJLM7445

AUDITED STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs In Lakhs)

	Particulars	Notes	March 31, 2023	March 31, 2022
I	**Assets**			
	Non-current assets			
	Property, plant and equipment	3	19.80	19.12
	Goodwill	4	0.08	0.08
	Other intangible assets	4	77.87	123.18
	Intangible assets under development	4	7.36	7.36
	Financial assets			
	(a) Investment in subsidiary	5 (a)	0.77	1.57
	(b) Investments	5 (b)	8.49	8.49
	(c) Loans	6	81.20	198.34
	(d) Other financial assets	7	8.56	9.96
	Deferred tax assets (net)	8	213.42	120.41
	Current assets			
	Inventories	9	166.00	123.93
	Financial assets			
	(a) Investments	10	-	-
	(b) Trade receivables	11	72.17	395.41
	(c) Cash and cash equivalents	12	145.78	104.02
	(d) Bank balances other than (c) above	13	-	-
	(e) Loans	14	216.11	216.11
	Other current assets	15	62.58	270.43
	Total		**1080.20**	**1,598.41**
II	**Equity and liabilities**			
	Equity			
	Equity share capital	16	1,021.13	1,021.13
	Other equity			
	(a) Reserves and surplus	17	(186.99)	156.47
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	(a) Borrowings	18	-	-
	Deferred tax liabilities (net)	8	-	-
	Employee benefit obligations	33	31.50	27.23
	Current liabilities			
	Financial liabilities			
	(a) Borrowings	19	-	24.00
	(b) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	20	-	-
	(ii) Total outstanding dues other than micro enterprises and small enterprises	20	178.62	337.57
	(c) Other financial liabilities	21	29.98	18.16
	Employee benefit obligations	33	1.98	1.55

	Current tax liabilities	22	-	-
	Other current liabilities	23	3.98	12.30
	Total		**1080.20**	**1,598.41**

As per our Report of even dated attached

By order of the Board

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
Whole Time Director
DIN: 02416775

Murali Krishna Reddy Telluri
Partner
Membership No.223022

Naina Singh
Company Secretary
M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

AUDITED STANDALONE PROFIT AND LOSS STATEMENT AS AT 31ST MARCH, 2023

(Rs In Lakhs)

	Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations	24	764.67	1,451.45
II	Other income	25	21.98	17.98
III	**Total revenue (I + II)**		**786.65**	**1,469.43**
IV	**Expenses:**			
	Changes in inventories	26	(42.07)	250.16
	Direct cost	27	609.26	862.71
	Employee benefit expense	28	302.64	282.46
	Finance cost	29	-	0.24
	Depreciation and amortisation expense	30	52.94	61.67
	Other expenses	31	301.85	100.65
	Total expenses		**1224.63**	**1,557.88**
V	**Profit before tax (III-IV)**		**(437.98)**	**(88.45)**
VI	Income tax expense:			
	- Tax relating to earlier years		-	-
	- Current tax		-	-
	- Deferred tax		(93.01)	(22.43)
	- MAT Credit Entitlement		-	-
	Total tax expense		**(93.01)**	**(22.43)**
VII	**Profit/(loss) for the year (V-VI)**		**(344.97)**	**(66.02)**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurement of post-employment benefit obligations	33	2.01	5.90
	- Income tax relating to these items		(0.51)	(1.49)
	Other comprehensive income for the year		**1.50**	**4.42**
IX	**Total comprehensive income (VII+VIII)**		**(343.46)**	**(61.61)**
X	**Earnings per equity share (in Rupees)**	32		
	- Basic		(3.38)	(0.65)
	- Diluted		(3.38)	(0.65)

As per our Report of even dated attached

By order of the Board

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
Whole Time Director
DIN: 02416775

Murali Krishna Reddy Telluri
Partner
Membership No.223022

Naina Singh
Company Secretary
M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In lakhs)

Particulars	Year ended	
	March 31, 2023	March 31, 2022
A. Cash flows from operating activities		
Net profit/(loss) before tax	(437.98)	(88.45)
Adjustments for:		
Capital WIP and Property, plant and equipment written off	-	-
Dividend income	-	-
Interest income from financial assets at amortised cost	(2.69)	(17.75)
Finance cost	-	0.24
Profit/loss on sale of property, plant and equipment	-	-
Liabilities no longer required written back	(3.93)	(0.16)
Expected credit loss	48.79	17.70
Depreciation and amortisation expense	52.94	61.67
Operating profit before working capital changes	**(224.94)**	**(26.76)**
Changes in operating assets and liabilities		
Increase/(decrease) in trade payables	(155.02)	136.88
Increase/(decrease) in other financial liabilities	11.93	(23.90)
Increase/(decrease) in employee benefit obligations	6.71	6.58
Increase/(decrease) in other current liabilities	(8.32)	7.48
(Increase)/decrease in inventories	(42.07)	250.16
(Increase)/decrease in trade receivables	274.46	(237.03)
(Increase)/decrease in other financial assets	1.40	5.47
(Increase)/decrease in other current assets	207.26	(9.66)
Cash generated from operating activities	**71.40**	**109.22**
Income taxes paid	-	(66.43)
Net cash inflow/(outflow) from operating activities (A)	**71.40**	**42.79**
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(8.32)	(1.01)
Loans repaid by parties	-	100.00
Sale of property, plant and equipment	-	-
Payments for intangible assets	-	-
Deposits with banks/ (deposits matured)	-	20.10
Dividend from investments measured at fair value	-	-
Interest income from financial assets at amortised cost	2.69	0.90
Purchase/sale of investments	-	14.37
Investment in subsidiary	-	(0.77)
Net cash inflow/(outflow) from investing activities (B)	**(5.64)**	**133.59**
C. Cash flows from financing activities		
Proceeds from long term borrowings	-	70.50
Repayment of borrowings	(24.00)	(167.01)
Dividend paid	-	-
Interest paid	-	(0.24)
Net cash inflow/(outflow) from financing activities (C)	**(24.00)**	**(96.75)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**41.76**	**79.63**
Cash and cash equivalents at beginning of period	104.02	24.39
Cash and cash equivalents at end of period	**145.78**	**104.02**

Cash and cash equivalents as per above comprise of the following: Cash on hand	-	-
Balance with banks in current accounts	48.20	7.95
Balance with banks in deposit accounts	97.57	96.07

As per our Report of even dated attached

By order of the Board

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
Whole Time Director
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M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(A) Equity share capital

[[

(₹ In Lakhs)

Particulars	Note	Amount
Balance as at April 1, 2021		1,021.13
Changes in equity share capital	16	-
Balance as at March 31, 2022		**1,021.13**
Changes in equity share capital	16	-
Balance as at March 31, 2023		**1,021.13**

(B) Other equity

(₹ in Lakhs)

Particulars	Note	Reserves and surplus		Total
		Securities premium	Retained earnings	
Balance as at April 1, 2021		475.80	(257.73)	218.07
(Profit)/loss for the year		-	(66.02)	(66.02)
Other comprehensive income		-	4.42	4.42
Total comprehensive income		**-**	**(61.61)**	**(61.61)**
Interim dividend for Financial Year 2021-22		-	-	-
Dividend distribution tax		-	-	-
Bonus shares issued		-	-	-
Balance as at March 31, 2021		**475.80**	**(319.33)**	**156.47**
Balance as at April 1, 2022		**475.80**	**(319.33)**	**156.47**
(Profit)/loss for the year		-	(344.97)	(344.97)
Other comprehensive income		-	1.50	1.50
Total comprehensive income		**-**	**(343.46)**	**(343.46)**
Proposed dividend		-	-	-
Balance as at March 31, 2023		**475.80**	**(662.80)**	**(187.00)**

The accompanying notes form an integral part of the financial statements

As per our Report of even dated attached
For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

Murali Krishna Reddy Telluri
Partner
Membership No.223022

By order of the Board

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
Whole Time Director
DIN: 02416775

Naina Singh
Company Secretary
M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

Notes to the financial statements for the year ended March 31, 2023
(All amounts in INR lakhs, unless otherwise stated)

1. Company background

Silly Monks Entertainment Limited ("the Company"), was incorporated September 20, 2013, in accordance with the provisions of the Companies Act, 1956 ("the Act"). With effect from May 24, 2017 the company was converted from a Private Limited Company to a Public Limited Company and consequently, the name of the company changed from Silly Monks Entertainment Private Limited to Silly Monks Entertainment Limited.

The registered office of the Company is Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad, Rangareddi, Telangana - 500032. The Company is primarily engaged in the business of motion picture, radio, television and other entertainment activities.

2. Summary of significant accounting policies

2.1 Basis of preparation and presentation
Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Defined benefit plans	Plan assets measured at fair value

Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2023, MCA Issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

2.2 Foriegn currency translation

a) Functional and presentation currency

These financial statements are presented in Indian rupees (Rs.) which is also the Company's functional currency.

b) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates at the dates of transactions. 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 generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair vlaue are reported as part of the fair value gain or loss.

2.3 Property, plant and equipment

Recognition and measurement
On transition to Ind AS, the Company has adopted previous GAAP carrying amount as deemed cost for all the categories of property, plant and equipment.

Post transition to Ind AS, property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor and any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The costs of the property plant and equipment, which are not ready for their intended use on such date, are disclosed as capital work-in-progress.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit or Loss.

Subsequent expenditure
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation
Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the Statement of Profit and Loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life (in years)
Computers	3
Furniture and fixtures	10
Office equipment	5
Vehicles	10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and supported by technical advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

2.4 Impairment

i. Impairment of financial assets
The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for one year or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are always measured using the simplied approach.

The Company considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is one year or more past due.

Measurement of expected credit losses:
Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet:

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Impairment of non financial assets:

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.5 Inventories

Inventories are measured at the lower of cost and net realisable value. In case of finished goods and work-in-progress, costs include an appropriate share of fixed overhead based on normal operating capacity.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

2.6 Revenue recognition

Services

Revenue from services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenue or costs reflected in profit or loss in the period in which the circumstances that give rise to the revision becomes known by management.

Interest

Interest income is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.

2.7 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of year or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Infosys's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.8 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit or Loss in the period in which they are incurred.

2.9 Employee benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit or Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit or Loss.

2.10 Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Minimum alternate tax (‘MAT’) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as ‘MAT Credit Entitlement’. The Company reviews the ‘MAT credit entitlement’ asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.11 Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible or a present obligations where the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions and contingent liability are reviewed at each balance sheet date.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

2.12 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of 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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.14 Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

A. Financial assets

On initial recognition, a financial asset is classified as measured at:
- Amortised cost;
- FVTPL
- FVTOCI

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

a. Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at an individual asset level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

− the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Company's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

b. Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

− contingent events that would change the amount or timing of cash flows;

− terms that may adjust the contractual coupon rate, including variable interest rate features;

− prepayment and extension features; and

− terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

c. Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

B. Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

iv. Derecognition

A. Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

B. Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit or loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

vi. Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

2.15 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 37 for details.

2.16 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2.17 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

i) Employee benefit obligation (note 33)
ii) Estimation of useful life of assets

3. **Property, plant and equipment**

(Rs in lakhs)

Sl. No.	Particulars	Gross block				Accumulated depreciation				Net block	
		As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
1	Computer	95.75	3.26	0.89	98.13	88.16	2.88	0.89	90.16	7.97	7.59
2	Furnitures and fixtures	13.01	1.87	-	14.88	6.46	2.80	-	9.26	5.61	6.54
3	Office equipments	14.60	0.17	-	14.76	10.58	1.63	-	12.22	2.55	4.01
4	Recording equipment	1.74	3.03	-	4.77	0.76	0.33	-	1.10	3.67	0.97
	Total	**125.09**	**8.32**	**0.89**	**132.53**	**105.98**	**7.64**	**0.89**	**112.73**	**19.80**	**19.12**

(Rs in lakhs)

Sl. No.	Particulars	Gross block				Accumulated depreciation				Net block	
		As at pril 1, 20	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the year	On disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
1	Computer	95.08	0.67	-	95.75	77.41	10.76	-	88.16	7.59	17.68
2	Furnitures and fixtures	13.01	-	-	13.01	3.77	2.70	-	6.46	6.54	9.24
3	Office equipments	14.26	0.34	-	14.60	8.80	1.78	-	10.58	4.01	5.45
4	Recording equipment	1.74	-	-	1.74	0.64	0.12	-	0.76	0.97	1.10
	Total	**124.08**	**1.01**	**-**	**125.09**	**90.62**	**15.36**	**-**	**105.98**	**19.12**	**33.47**

4 **Intagible assets**

(Rs in lakhs)

Sl. No	Particulars	Gross block				Accumulated amortisation				Net block	
		As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
1	Software	36.54	-	-	36.54	34.82	1.01	-	34.83	1.71	1.72
2	Trademark	1.95	-	-	1.95	0.70	0.17	-	0.87	1.08	1.25
3	Copyrights	240.13	-	-	240.13	134.40	40.29	-	174.69	65.44	105.73
4	Content development	61.36	-	-	61.36	46.89	4.83	-	51.72	9.64	14.47
	Total	**339.98**	**-**	**-**	**339.98**	**216.81**	**45.30**	**-**	**262.11**	**77.87**	**123.17**
	Goodwill	0.08	-	-	0.08	-	-	-	-	0.08	0.08
	Intangible assets under development	7.36	-	-	7.36	-	-	-	-	7.36	7.36

(Rs in lakhs)

Sl. No	Particulars	Gross block				Accumulated amortisation				Net block	
		As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the year	On disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
1	Software	36.54	-	-	36.54	33.80	1.01	-	34.82	1.72	2.73
2	Trademark	1.95	-	-	1.95	0.53	0.17	-	0.70	1.25	1.42
3	Copyrights	240.13	-	-	240.13	94.11	40.29	-	134.40	105.73	146.02
4	Content development	61.36	-	-	61.36	42.06	4.83	-	46.89	14.47	19.30
	Total	**339.98**	**-**	**-**	**339.98**	**170.50**	**46.31**	**-**	**216.81**	**123.18**	**169.48**
	Goodwill	0.08	-	-	0.08	-	-	-	-	0.08	0.08
	Intangible assets under development	7.36	0.02	0.02	7.36	-	-	-	-	7.36	7.36

(a) Aging of Intangible assets under development

Amounts in intangible assets under development for projects in progress:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	-	7.36
1 - 3 years	7.36	-
More than 3 years	-	-
Total	7.36	7.36

5 Non-current investments

Particulars	As at March 31, 2023	As at March 31, 2022
a. Investment in Subsidiary		
Unquoted		
10,000 (March 31, 2021: 10,000) equity shares of HKD 1/- each fully paid up in Dream Boat Entertainment Pte Ltd.	0.80	0.80
100 (March 31, 2021: Nil) equity shares of USD 10/- each fully paid up in Dream Boat Entertainment LLC.	0.77	0.77
Less: Provision for impairment in Dream Boat Entertainment Pte. Ltd	(0.80)	
	0.77	**1.57**
b. Investments measured at FVOCI		
Unquoted		
30,000 (March 31, 2021: 30,000) equity shares of Rs. 10/- each fully paid up in Thinkwide Hospitality Pvt Ltd.	8.30	8.30

1,900 (March 31, 2021: 1,900) equity shares of Rs. 10/- each fully paid up in Inani Media Pvt Ltd			0.19	0.19
			8.49	**8.49**
Total			**9.26**	**10.06**

* Dream Boat Entertainment Pte Ltd is in process of dissolution for year ended 31 st March 2023. Special resolution for Disinvestment in wholly owned subsidiary is passed by memebers on 29th September 2021.

6 Non-current loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured (measured at amortised cost)		
Inter corporate loans	188.83	198.34
Less: Loss allowance	(107.63)	-
Total	**81.20**	**198.34**

7 Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured (measured at amortised cost)		
Rental deposit	8.56	9.70
Other deposits	-	0.26
Total	**8.56**	**9.96**

8 Deferred tax assets/(liabilities) – net

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligations	8.43	7.25
Property, plant and equipment	4.43	(0.57)
Tax losses	200.57	113.74
Net deferred tax assets/(liabilities)	**213.42**	**120.41**

Movement in deferred tax assets

Particulars	As at April 1, 2022	(Charged)/ credited to profit or loss	(Charged)/ credited to other comprehensive income	As at March 31, 2023
Defined benefit obligations	7.25	1.69	(0.51)	8.43
Property, plant and equipment	(0.57)	5.00	-	4.43
Tax losses	113.74	86.83	-	200.57
Total	**120.41**	**93.52**	**(0.51)**	**213.42**

Particulars	As at April 1, 2021	(Charged)/ credited to profit or loss	(Charged)/ credited to other comprehensive income	As at March 31, 2022
Defined benefit obligations	7.07	1.66	(1.49)	7.25
Property, plant and equipment	(4.73)	4.16	-	(0.57)
Tax losses	97.12	16.62	-	113.74
Total	**99.46**	**22.43**	**(1.49)**	**120.41**

9 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Work-in-progress	166.00	75.59
Finished product	-	48.35
Total	**166.00**	**123.93**

10 Current investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in mutual funds - FVTPL		
Quoted		
Nil (March 31, 2021: 68,983) units of Nippon India mutual fund	-	-
Total	**-**	**-**

11 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables - considered good, unsecured	72.17	395.41
	72.17	395.41
Trade receivables - credit impaired, unsecured	48.79	12.70
Less: Loss allowance	(48.79)	(12.70)
	-	-
Total	**72.17**	**395.41**

Ageing of trade receivables

As at March 31, 2023	Undisputed trade receivables - considered good	Undisputed trade receivables - credit impaired	Total
Outstanding for following periods from due date			
Less than 6 months	29.09	-	29.09
6 months - 1 year	10.83	0.02	10.85
1 - 2 years	32.25	3.47	35.72
2 - 3 years	-	1.48	-
more than 3 years	-	43.82	-
Loss allowance	-	**(48.79)**	-
Total	**72.17**	**0.00**	**75.66**

As at March 31, 2022	Undisputed trade receivables - considered good	Undisputed trade receivables - credit impaired	Total
Outstanding for following periods from due date			
Less than 6 months	345.26	-	345.26
6 months - 1 year	3.23	-	3.23
1 - 2 years	46.93	-	46.93
2 - 3 years	-	12.70	-
more than 3 years	-	-	-
Loss allowance	-	(12.70)	-
Total	**395.41**	**(0.00)**	**395.41**

12 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- in current accounts	48.20	7.95
Deposits with original maturity of less than three months	97.57	96.07
Cash on hand	-	-
Total	**145.78**	**104.02**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

13 Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity of more than 3 months	-	-
Total	**-**	**-**

14 Current loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Inter corporate loans	204.10	216.11
Other loans	21.51	-
Less: Loss allowance	(9.50)	-
Total	**216.11**	**216.11**

15 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with revenue authorities	27.42	208.91
GST (net)	12.64	11.23
Prepaid expenditure	5.35	6.52
Others	17.18	16.85

Advance to suppliers		
Unsecured and Good	0.00	26.92
Unsecured and Doubtful	9.50	-
Less: Loss Allowance	(9.50)	-
Total	**62.58**	**270.43**

16 Share capital

(a) Authorised equity share capital

Particulars	No. of shares	Amount
As at April 1, 2021	**1,10,00,000**	**1,100.00**
Increase during the year	-	-
As at March 31, 2022	**1,10,00,000**	**1,100.00**
Increase during the year	-	-
As at March 31, 2023	**1,10,00,000**	**1,100.00**

(b) Movement in issued, subscribed and paid-up equity share capital

Particulars	No. of shares	Amount
As at April 1, 2021	1,02,11,300	1,021.13
Shares issued during the year	-	-
Bonus shares issued during the year	-	-
As at March 31, 2022	**1,02,11,300**	**1,021.13**
Shares issued during the year	-	-
Bonus shares issued during the year	-	-
As at March 31, 2023	**1,02,11,300**	**1,021.13**

(c) Terms and rights attached to equity shares

Equity shares have a par value of INR 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
T. Sanjay Reddy	36,56,627	35.81%	32,89,548	32.21%
Korrapati Ranganathasai	8,82,640	8.64%	8,82,640	8.64%
Ektha.com Pvt Ltd	-	0%	20,29,060	19.87%
Anil Kumar Pallala	6,60,000	6.46%	6,60,000	6.46%
Divi Satya Sai Babu	5,83,440	5.71%	6,19,837	6.07%

(e) Details of shareholding of promoters:

Name of the promoter	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total no. of shares	% of change during the year	No. of shares	% of total no. of shares	% of change during the year
T. Sanjay Reddy	36,56,627	35.81%	3.59%	32,89,548	32.21%	0.32%
Pallala Anil Kumar	6,60,000	6.46%	0.00%	6,60,000	6.46%	0.00%
Swathi Reddy	2,45,960	2.41%	0.00%	2,45,960	2.41%	0.00%
T. Mahikaansh Reddy	1,27,826	1.25%	0.27%	1,00,100	0.98%	0.27%
Gaurika Reddy	1,00,100	0.98%	0.00%	1,00,100	0.98%	0.00%
Karyampudi Koti Sridevi	61,600	0.60%	0.00%	61,600	0.60%	0.00%
Total	**48,52,113**	**47.52%**	**0.04%**	**44,85,034**	**43.92%**	**0.59%**

(f) There are no shares issued for consideration other than cash.

[

(g) There are no shares bought back during five years immediately preceding March 31, 2023.

17 Reserves and surplus

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Securities premium account	475.80	475.80
Retained earnings	(662.79)	(319.33)
Total	**(186.99)**	**156.47**

(i) Securities premium account

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Opening balance	475.80	475.80
Add: Addition during the year	-	-
Less: Bonus share issued during the year	-	-
Closing balance	**475.80**	**475.80**

(ii) Retained earnings

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Opening balance	(319.33)	(257.73)
Add: Profit/(loss) for the year	(344.97)	(66.02)
Less: Interim dividend for Financial Year 2020-21	-	-
Less: Dividend distribution tax	-	
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post employment benefit obligations, net of tax	1.50	4.42
Closing balance	**(662.79)**	**(319.33)**

Nature and purpose of reserves

Securities premium:

Securities premium account is used to record the premium on issue of shares. The reserves is utilised in accordance with the provisions of the Companies Act, 2013.

18 Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecure loans Loan from banks	-	-
Total	-	-

19 Current borrowings

Particulars	Maturity date	Terms of repayment	As at March 31, 2023	As at March 31, 2022
(a) Unsecured loans (i) From related parties	Payable on demand	Payable on demand	-	24.00
Total			-	**24.00**

Net debt reconciliation

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	145.78	104.02
Current borrowings	-	(24.00)
Total	**145.78**	**80.02**

Movement in net debt

Particulars	Cash and cash equivalents	Liquid investments	Current borrowings	Non-current borrowings	Total
Net debt as at April 1, 2021	24.39	14.37	(120.51)	-	(81.75)
Cash flows	79.63	(14.37)	96.51	-	161.77
Interest expense	-	-	0.24	-	0.24
Interest paid	-	-	(0.24)	-	(0.24)
Net debt as at March 31, 2022	**104.02**	**-**	**(0.24)**	-	**80.02**
Cash flows	41.76	-	24.00	-	65.76
Interest expense	-	-	-	-	-
Interest paid	-	-	-	-	-
Net debt as at March 31, 2023	**145.78**	**-**	**0.00**	-	**145.78**

20 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables: micro and small enterprises	-	-
Trade payables: others	178.62	337.57
Total	**178.62**	**337.57**

Trade payables ageing schedule

As at March 31, 2023	**Outstanding dues to MSME**	**Others**	**Total**
Outstanding for following periods from due date			
Less than 6 months	-	151.14	151.14
6 months - 1 year	-	6.22	6.22
1 - 2 years	-	12.70	12.70
2 - 3 years	-	1.11	1.11
more than 3 years	-	7.44	7.44
Total	**-**	**178.62**	**178.62**

As at March 31, 2022	**Outstanding dues to MSME**	**Others**	**Total**
Outstanding for following periods from due date			
Less than 6 months	-	312.64	312.64
6 months - 1 year	-	17.93	17.93
1 - 2 years	-	7.00	7.00
2 - 3 years	-	-	-
more than 3 years	-	-	-
Total	**-**	**337.57**	**337.57**

21 Other financial liabilities

Particulars	**March 31, 2023**	**March 31, 2022**
Current		
Audit fee payable	5.60	4.69
Salary payable	18.52	9.56
Dividend payable	0.09	0.09
Professional fee payable	-	1.05
Others payables	5.88	2.77
Total	**30.08**	**18.16**

22 Current tax liabilities

Particulars	**March 31, 2023**	**March 31, 2022**
Provision for income tax	-	-
Total	**-**	**-**

23 Other current liabilities

Particulars	**March 31, 2023**	**As at March 31, 2022**
Statutory liabilities	3.98	8.12
Advance from customers	-	4.19
Total	**3.98**	**12.30**

24 Revenue from operations

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Revenue from		
- rendering of services	764.67	1,451.45
Total	**764.67**	**1,451.45**

25 Other income

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Interest income from financial assets at amortised cost	2.69	17.75
Interest on Income Tax refund	15.35	-
Discount received	0.01	0.02
Gain on sale of mutual funds measured at FVTPL	-	0.05
Miscellaneous income	3.93	0.16
Total	**21.98**	**17.98**

26 Changes in inventories

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Work-in-progress		
Opening balance	75.59	310.10
Less: closing balance	(166.00)	(75.59)
Finished product		
Opening balance	48.35	63.98
Less: closing balance	-	(48.35)
Total	**(42.07)**	**250.16**

27 Direct cost

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Content expenses	609.26	862.71
Total	**609.26**	**862.71**

28 Employee benefits expense

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Salaries, wages and bonus	171.08	149.48
Directors remuneration	117.00	117.00
Contribution to provident and other funds	4.87	7.21
Gratuity (*refer note 33)*	6.64	6.58
Staff welfare expenses	3.05	2.20
Total	**302.64**	**282.46**

29 Finance cost

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Interest paid on loans	-	0.24
Total	**-**	**0.24**

30 Depreciation and amortisation expense

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment	7.64	15.36
Amortisation of intangible assets	45.30	46.31
Total	**52.94**	**61.67**

31 Other expenses

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Electricity charges	4.36	3.20
Administration expenses	9.08	1.18
Office expenses	12.61	17.13
Tours, travelling and conveyance expenses	6.85	1.78
Registration filing fees	0.29	1.22
Printing and stationery	0.77	1.72
Rent	37.10	28.79
Expected credit loss allowance	48.79	17.70
Professional charges	3.56	-
- Sitting fee to directors	1.03	1.14
- Others	11.36	6.72
Statutory Fee	1.98	1.63
Bank charges	0.15	0.24
Franking charges	-	0.04
Courier charges	0.42	0.30
Business promotion	9.37	1.59
Registers and transfers expenses	-	0.20
Repairs and maintenance	2.29	3.21
Rates & taxes	7.18	-
Payments to auditors (refer note below)	3.00	3.00
Stamp duty	-	0.04
Telephone charges	0.06	0.07
Provision for Doubtful advances	117.13	-
Provision for Impairment of Investments	0.80	-
Other miscellaneous expenses	23.67	9.75
Total	**301.85**	**100.65**

Note: Payments to auditors

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
As auditor		
- for statutory audit	3.00	2.00
- for tax audit	-	1.00
- for other services	-	-
Total	**3.00**	**3.00**

32 Earnings per share

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
Profits attributable to equity shareholders of the Company	(344.97)	(66.02)
Weighted average no. of equity shares	1,02,11,300	1,02,11,300
Earnings per equity share (in Rupees)		
- Basic	(3.38)	(0.65)
- Diluted	(3.38)	(0.65)

33 Employee benefits obligations

Particulars	**March 31, 2023**	**March 31, 2022**
Non-current		
Gratuity	31.50	27.23
Total	**31.50**	**27.23**
Current		
Gratuity	1.98	1.55
Total	**1.98**	**1.55**

(i) Leave obligations

The leave obligations covers the liability for earned leaves which are classified as other short-term obligations.

(ii) Defined contribution plans

The Company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contracual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 4.87 (in lakhs).

(iii) Post employment obligations

Gratuity

The company provides for gratuity for employees as per the Payment of Gratuity Act, 1972 of India. Employees who are in continous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Liability with regard to such gratuity is determined by an independent actuarial valuation using the projected unit credit method and are charged to the statement of profit and loss in the period determined.

The amounts recognised in the balance sheet and the movement in the net defined obligation over the year are as follows:

Change in defined benefit obligation:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2021	28.11	-	28.11
Current service cost	4.54	-	4.54
Interest expense/(income)	2.04	-	2.04
Total amount recognised in profit or loss	**6.58**	**-**	**6.58**
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Included in other comprehensive income:			
- Actuarial (gains)/ losses arising from changes in financial assumptions	(0.58)	-	(0.58)
- Actuarial (gains)/ losses arising from changes in demograpic assumptions	-	-	-
- Actuarial (gains)/ losses arising from experience adjustments	(5.32)	-	(5.32)
Benefits settled	-	-	-
As at March 31, 2022	**28.79**	**-**	**28.79**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2022	28.79	-	28.79
Current service cost	4.61	-	4.61
Interest expense/(income)	2.09	-	2.09
Total amount recognised in profit or loss	**6.70**	**-**	**6.70**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/ (income)	-	-	-
Included in other comprehensive income:			
Actuarial (gains)/ losses arising from changes in financial assumptions	(0.58)	-	(0.58)
Actuarial (gains)/ losses arising from changes in demograpic assumptions	-	-	-
Actuarial (gains)/ losses arising from experience adjustments	(5.32)	-	(5.32)
Benefits settled	(1.95)	-	(1.95)
As at March 31, 2023	**33.48**	**-**	**33.48**

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	**March 31, 2023**	**March 31, 2022**
Present value of funded obligations Fair value of plans assets Fair value of plans assets	33.48 -	28.79 -
Deficit of funded plans Unfunded plans	33.48 -	28.79 -
Deficit of gratuity plan	**33.48**	**28.79**

Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	**March 31, 2023**	**March 31, 2022**
Discount rate	7.50%	7.25%
Salary escalation rate	5.00%	5.00%
Retirement age	60 Years	60 Years
Withdrawal rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14

Risk exposure

Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	**March 31, 2023**	**March 31, 2022**
Impact on defined benefit obligation		
Discount rate		
Increase by 100 basis points	(2.50)	(2.26)
Decrease by 100 basis points	2.87	2.60
Salary escalation rate		
Increase by 100 basis points	2.91	2.64
Decrease by 100 basis points	(2.58)	(2.33)
Employee attrition rate		
Increase by 100 basis points	0.45	0.34
Decrease by 100 basis points	(0.51)	(0.39)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Defined benefit liability and employer contribution

Expected contributions to post-emplyment benefit gratuity plan for the year ending March 31, 2024 is Rs. 5.42 (in lakhs)

The weighted average duration of the defined benefit obligation is 14 years (March 31, 2022: 15 years). The expected maturity analysis of undiscounted gratuity benefit is as follows:

Particulars	March 31, 2023
Less than a year	1.98
Between 1 to 2 years	1.00
Between 2 to 5 years	3.04
Over 5 years	27.46
Total	**33.48**

34 Contingent liabilities:

There are no Contingent liabilities to report as at the respective year end.

35 Capital commitments

There are no Capital commitments to report as at the respective year end.

36 Non-cancellable leases

There are no non-cancellable lease arrangements outstanding as on the reporting date.

37 Segment information

The Company is engaged in the business of movie production and digital media. The operating segment of the Company is identified to be "Movie production" as
the chief operating decision maker (CODM) reviews business performance at an overall Company level as one segment.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Particulars	March 31, 2023	March 31, 2022
India	371.23	1055.34
Outside the India	393.44	396.11
Total	**764.67**	**1451.45**

38 Key financial ratios

Sl. No.	Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Reason for variance more than 25%
1	Current Ratio	Current assets	Current liabilities	3.09	2.82	10%	Not applicable
2	Debt-equity ratio	Debt	Shareholders equity	0.00	0.02	-100%	All Borrowings which are due have been repaid in whole during the year resulting in no debt balances for year ending

3	Debt service coverage ratio	Profit before interest and taxes	Debt	(8.56)	(1.12)	667%	Net losses for the company before interest,taxes and depreciation increased more than previous and principal repayments during the year is less than previous year.
4	Return on equity ratio	Net profit/(loss) after tax	Shareholders equity	(0.41)	(0.06)	638%	Net losses has reduced during the year
5	Inventory turnover ratio	Turnover	Average inventory	5.27	5.83	-10%	Not applicable
6	Trade Receivables turnover ratio	Turnover	Average trade receivables	3.27	5.12	-36%	Turnover for the FY 2022-23 has reduced resulting decrease in trade receivables and opening trade receivables realised in current year.
7	Trade payables turnover ratio	Turnover	Average trade payables	2.96	5.39	-45%	Decreased on account of decrease in turnover, opening trade payables have been paid cleared of their dues.
8	Net capital turnover ratio	Turnover	Net working capital	1.71	2.03	-16%	Not applicable
9	Net (loss)/profit ratio	Net profit/(loss) after tax	Turnover	(0.45)	(0.05)	892%	Net losses are increased during the year due to writing off Loans and advances receivables which will not be realised in future.
10	Return on Capital employed	Profit before interest and taxes	Total assets minus current liabilities	(0.51)	(0.07)	589%	Net losses are increased during the year due to writing off Loans and advances receivables which will not be realised in future.
11	Return on Investment	Profit before interest and taxes	Average networth	(0.44)	(0.07)	495%	Net losses increased during the year

39 Fair value measurements

(a) Financial instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
	Level 1	Level 3	Level 3	Level 1	Level 3	Level 3
Financial assets						
Investments	-	8.49	-	-	8.49	-
Security deposits	-	-	8.56	-	-	9.96
Loans	-	-	297.31	-	-	414.45
Trade receivable	-	-	72.17	-	-	395.41
Cash and cash equivalents	-	-	145.78	-	-	104.02
Other bank balances	-	-	-	-	-	-
	-	**8.49**	**523.82**	**-**	**8.49**	**923.85**
Financial liabilities						
Borrowings	-	-	-	-	-	24.00
Trade payables	-	-	178.62	-	-	337.57
Others	-	-	29.98	-	-	18.16
	-	**-**	**208.60**	**-**	**-**	**379.72**

(i) Fair value hierarchy

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for security deposit received and paid and are included in level 3.

Note:

1. There are no transfers between levels during the year.
2. The Companies policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- for other financial instruments - the discounted cash flow technique.

(iii) Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports to the Board of Directors. Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(iv) Fair values of financial assets and liabilities measured at amortised cost

The carrying amount of trade receiveables, trade payables, capital creditors and cash and cash equivalent are considered to be the same as their fair values, due to short term nature.
The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

40 Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance Company's regular operations. The Company's principal financial assets include trade receivables, cash and cash equivalents, loans and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable security deposits, loans to employees and other financial instruments.

(i) Credit risk management Trade receivables

The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. There are no significant concentrations of credit risk, whether through exposure to individual customer, specific industry sectors and/or regions.

(ii) Expected credit loss for trade receivables under simplified approach

Particulars	**March 31, 2023**	**March 31, 2022**
Gross carrying amount	120.96	408.11
Expected loss rate	40.34%	3.11%
Expected credit loss	48.79	12.70
Carrying amount of trade receivables	**72.17**	**395.41**

Reconciliation of loss allowance

Particulars	**Trade receivables**
Loss allowance on April 1, 2021	-
Change in loss allowance	12.70
Loss allowance on March 31, 2022	12.70
Change in loss allowance	36.09
Loss allowance on March 31, 2023	**48.79**

(b) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

The amounts disclosed in the table are the undiscounted cash flows. Balances due within 12 months equals their carrying balances as the impact of discounting is not significant.

Particulars	**As at March 31, 2023**		
	Upto 1 year	**More than 1 year**	**Total**
Non-derivative			
Borrowings	-	-	-
Trade payables	178.62	-	178.62
Others	29.98	-	29.98
Total non-derivative liabilities	**208.60**	**-**	**208.60**

Particulars	**As at March 31, 2022**		
	Upto 1 year	**More than 1 year**	**Total**
Non-derivative			
Borrowings	24.00	-	24.00
Trade payables	337.57	-	337.57
Others	18.16	-	18.16
Total non-derivative liabilities	**379.72**	**-**	**379.72**

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company, through its Board of Directors manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings (excluding borrowings from group companies) less cash and cash equivalents. The disclosure below could be different from the debt and equity components which have been agreed with any of the lenders.

The capital structure is as follows:

Particulars	**March 31, 2023**	**March 31, 2022**
Net debt	0.00	24.00
Total equity	834.14	1177.60
Net debt equity ratio	**0.00%**	**2.04%**

42 Related party disclosures

(a) Names of related parties and nature of relationship:

Nature of relationship	Name of the related party
Key managerial persons (KMP)	Sanjay Reddy Tekulapalli, Managing Director Anil Kumar Pallala, Wholetime Director Venkat Rama Naidu Guna, CFO Naina Singh, Company Secretary
Chairman and Independent Director	Chepur Ratnakar Rao
Non-Executive Director	Swathi Reddy
Independent Directors	Prasad Rao Kalluri Rammohan Paruvu Chepur Ratnakar Rao
Wholly Owned Subsidiaries	Dreamboat Entertainment Pte Ltd Dreamboat Entertainment LLC

(b) Transactions with related parties during the year:

Particulars	March 31, 2023	March 31, 2022
KMP		
Salaries	117.00	117.00
Loans taken	3.00	-
KMP		
Loan repayment	(3.00)	(3.00)
Non Executive Director		
Loans taken	21.00	73.50
Non Executive Director		
Loans repayment	(45.00)	(146.50)
Wholly owned subsidiary		
Sale of services	372.27	334.44

(a) Outstanding balances as at the end of reporting period with related parties:

Particulars	March 31, 2023	March 31, 2022
KMP		
Salary payable	9.75	9.75
Loans taken	-	-
Independent Directors		
Loans taken	-	24.00
Wholly owned Subsidiaries		
Advance taken for services	-	4.19

Terms and conditions

All transactions and outstanding balances with these related parties are priced on an arm's length basis and are to be settled within the credit period allowed as per the policy. None of the balances are secured.

43 Other Statutory Information

a) The company does not have any immovable property other than Properties where company is Lessee and lease agreements are duly executed in the favour of lessee.
b) The Company did not have any Investment Property during the year.
c) The company has not revalued its property, plant and equipment.
d) The Company has not Revalued any of its Intangible assets held in the name of the company during the year.
e) The Company has not made Loans and Advances in the nature of Loans granted to Promoters, Director's, KMP's and related parties.
f) No proceedings have been initiated during the year or are pending against the company at March 31, 2023 and March 31, 2022 for holding any binami property under Binami transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
g) There are no charges or satisfaction to be registered with ROC beyond the statutory period.
h) The Company has not declared as wilful defaulter by any bank, financial Institution or other lender.
i) There are no Transactions with struck off companies u/s 248/250 of the Companies Act, 2013.
j) The Company is in compliance with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules,2017.
k) The company has not advanced/loaned/invested or received 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 (lntermediaries) 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 by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
l) There are no regulatory account balances during the year.
m) The Company is not required to apply its funds to CSR u/s 135 of The Companies Act,2013.
n) Company does not have any Undisclosed Income during the Year.
o) Company has not invested in Crypto currency or Virtual currency.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Silly Monks Entertainment Limited
Report on the Audit of the Consolidated financial statements

Opinion

We have audited the accompanying Consolidated financial statements of Silly Monks Entertainment Limited ("the Holding Company"), its subsidiaries ('the Holding Company and its Subsidiaries together referred to as the group"), which comprise the consolidated Balance Sheet as at March 31, 2023, the Statement of consolidated Profit and Loss, including the statement of Other Comprehensive Income and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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, of the consolidated state of affairs of the Group as at 31st March 2023, its Consolidated Loss including total other comprehensive income, and its consolidated cash flows and the Consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	How the Matter was addressed in Audit
1	Provision made for Loans & Advances. Company made provision for doubtful advances of Rs.117.13 Lakhs which are may not be recoverable from the respective parties.	Our audit procedures amongst others included the following: • Performed audit procedures in confirming with financial position of the parties from whom advances are due and recoverability from those parties. • Examined management's assessment of recoverability of Advances.

		• Assessed the appropriateness of the disclosures made in the financial statements in accordance with the applicable financial reporting framework.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Consolidated financial statements

The Holding 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 Consolidated financial statements that give a true and fair view of the consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act read with companies (Indian Accounting Standards) Rules,2015 as amended.

The respective management of companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the management of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Board of Directors of companies included in the Group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are 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 with reference to Consolidated financial statements 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 Group 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 Consolidated 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated 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 Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We have reviewed the financial statements and other financial information in respect of wholly owned subsidiary Dream boat entertainment LLC whose financial statements reflect total assets of Rs.110.92 Lakhs as at March 31, 2023, total revenues of Rs.1543.14 Lakhs, total net loss of Rs.114.30 Lakhs for year ended March 31, 2023 respectively, and net cash outflows of Rs.4.72 Lakhs for the year ended March 31,2023 , as considered in the Statement which have been audited by their respective independent auditors.

Subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditor under generally accepted auditing standards applicable in their respective country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the holding company.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

(A) As required by Section 143(3) of the Act, 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.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of profit and loss account, including the statement of Other Comprehensive Income, the Consolidated Cash Flow statement, and Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of Holding company as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 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 with reference to Consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of the section 197 of the act.

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group did not have any pending litigations to which would have an impact on its financial position.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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 Holding Company or its subsidiary companies incorporated outside India 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 Holding Company or its subsidiary companies incorporated in India or

• Provide any guarantee, security or the like to or 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 Holding Company or its subsidiary companies incorporated outside India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India 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 from or on behalf of the Ultimate Beneficiaries

v. There is no dividend declared or paid during the year by the Holding Company and its subsidiary companies and the compliance with section 123 of the Act is not applicable.

B. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, by the auditors of subsidiaries we report that there were no adverse remarks or qualifications for matters to be in reported as per CARO.

For Ramasamy Koteswara Rao and Co LLP,
Chartered Accountants
Firm Registration Number: 010396S/S200084

Place: Hyderabad
Date: 04-05-2023

Murali Krishna Reddy Telluri
Partner
Membership No.223022
UDIN: 23223022BGQJLN1367

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SILLY MONKS ENTERTAINMENT LIMITED

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

To the Members of **Silly Monks Entertainment Limited**

We have audited the internal financial controls with reference to consolidated financial statements of SILLY MONKS ENTERTAINMENT LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated outside India, as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date. Further, subsidiaries of the company located outside India, the provisions of clause (i) of sub-section 3 of Section 143 of the Act are not applicable to them.

Management's Responsibility for Internal Financial Controls
The Holding 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. 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 the 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 Companies Act, 2013.

Auditor's Responsibility
Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India.

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 Consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

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 Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, 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 Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 Consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting
Because of the inherent limitations 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.

Opinion
In our opinion, the Holding 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, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ramasamy Koteswara Rao and Co LLP,
Chartered Accountants
Firm Registration Number: 010396S/S200084

Place: Hyderabad
Date: 04-05-2023

Murali Krishna Reddy Telluri
Partner
Membership No.223022
UDIN: 23223022BGQJLN1367

Audited Consolidated Balance sheet as at 31st March 2023

(Rs in Lakhs)

	Particulars	Notes	March 31, 2023	March 31, 2022
I	**Assets**			
	Non-current assets			
	Property, plant and equipment	3	19.80	19.12
	Goodwill	4	0.08	0.08
	Other intangible assets	4	77.87	123.18
	Intangible assets under development	4	7.36	7.36
	Investment in subsidiary	5(a)	-	-
	Financial assets			
	(a) Investments	5(b)	8.49	8.49
	(b) Loans	6	81.20	198.34
	(c) Other financial assets	7	8.56	9.96
	Deferred tax assets (net)	8	213.42	120.41
	Current assets			
	Inventories	9	166.00	123.93
	Financial assets			
	(a) Investments	10	-	-
	(b) Trade receivables	11	72.17	539.48
	(c) Cash and cash equivalents	12	258.71	221.67
	(d) Balances with banks other than (c) above	13	-	-
	(e) Loans	14	216.11	216.12
	Other current assets	15	62.58	270.40
	Total		**1192.36**	**1,858.53**
II	**Equity and liabilities**			
	Equity			
	Equity share capital	16	1,021.13	1,021.13
	Other equity			
	(a) Reserves and surplus	17	(297.39)	157.67
	Non-controlling interests		-	-
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	(a) Borrowings	18	-	-
	Deferred tax liabilities (net)	8	-	-
	Employee benefit obligations	33	31.50	27.23
	Reserve for Bad & Doubtful debts			
	Current liabilities			
	Financial liabilities			
	a) Borrowings	19	-	24.00
	b) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	20	-	-
	(ii) Total outstanding dues other than micro enterprises and small enterprises	20	401.08	600.67
	c) Other financial liabilities	21	30.08	18.16
	Employee benefit obligations	33	1.98	1.55

	Current tax liabilities	22	-	-
	Other current liabilities	23	3.98	8.12
	Total		**1192.36**	**1,858.53**

As per our Report of even dated attached

By order of the Board

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
Whole Time Director
DIN: 02416775

Murali Krishna Reddy Telluri
Partner
Membership No.223022

Naina Singh
Company Secretary
M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

Consolidated Profit And Loss Statement as at 31st March 2023

(₹ In Lakhs)

	Particulars	Notes	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
I	Revenue from operations	24	1935.54	2,668.44
II	Other income	25	21.98	20.31
III	**Total revenue (I + II)**		**1957.52**	**2,688.75**
IV	**Expenses:**			
	Changes in inventories	26	(42.07)	250.16
	Direct cost	27	1887.89	2,195.40
	Employee benefit expense	28	302.64	282.46
	Finance cost	29	-	0.24
	Depreciation and amortisation expense	30	52.94	81.47
	Other expenses	31	308.27	117.57
	Total expenses		**2509.67**	**2,927.30**
V	**Profit before tax (III-IV)**		**(552.15)**	**(238.55)**
VI	Income tax expense:			
	- Tax relating to earlier years		-	-
	- Current tax		-	-
	- Deferred tax		(93.01)	(22.43)
	Total tax expense		**(93.01)**	**(22.43)**
VII	**Profit/(loss) for the year (V-VI)**		**(459.14)**	**(216.11)**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurement of post-employment benefit obligations	33	2.01	5.90
	- Income tax relating to these items		(0.51)	(1.49)
			1.50	**4.42**
	Items that will be reclassified to profit or loss			
	- Foreign currency translation reserve		2.57	3.01
			2.57	**3.01**
	Other comprehensive income for the year		**4.07**	**7.43**
IX	**Total comprehensive income (VII+VIII)**		**(455.07)**	**(208.69)**
	Profit/(loss) attributable to -			
	Owners		(459.14)	(216.11)
	Non-controlling interest		-	-
	Other comprehensive income attributable to -			
	Owners		4.07	7.43
	Non-controlling interest		-	-
	Total comprehensive income attributable to -			
	Owners		(455.07)	(208.69)
	Non-controlling interest		-	-
	Paidup euity share capital (Face value of Rs. 10 each)		**1,021.13**	**1,021.13**

X	**Earnings per equity share (in Rupees)** - Basic - Diluted	32	 (4.50) (4.50)	 (2.12) (2.12)

As per our Report of even dated attached

By order of the Board

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
Whole Time Director
DIN: 02416775

Murali Krishna Reddy Telluri
Partner
Membership No.223022

Naina Singh
Company Secretary
M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

Consolidated Cash Flow Statement as at 31st March 2023

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022
A. Cash flows from operating activities		
Net profit/(loss) before tax	(552.15)	(238.55)
Adjustments for:		
Capital WIP and Property, plant and equipment written off	-	-
Dividend income	-	-
Interest income from financial assets at amortised cost	(2.69)	(17.75)
Finance cost	-	0.24
Profit/loss on sale of property, plant and equipment	-	-
Liabilities no longer required written back	(3.71)	(0.16)
Expected credit loss	48.79	17.70
Provision for Doubtful advances	52.94	-
Depreciation and amortisation expense	52.94	81.47
Operating profit before working capital changes	**(339.68)**	**(157.06)**
Changes in operating assets and liabilities		
Increase/(decrease) in trade payables	(195.89)	275.83
Increase/(decrease) in other financial liabilities	11.93	(23.90)
Increase/(decrease) in employee benefit obligations	6.71	6.58
Increase/(decrease) in provisions	-	(1.09)
Increase/(decrease) in other current liabilities	(4.13)	3.30
(Increase)/decrease in inventories	(42.07)	250.16
(Increase)/decrease in trade receivables	(418.52)	(253.22)
(Increase)/decrease in other financial assets	1.40	5.47
(Increase)/decrease in other current assets	207.82	12.07
Cash generated from operating activities	**64.59**	**118.14**
Income taxes paid	-	(66.43)
Net cash inflow/(outflow) from operating activities (A)	**64.59**	**51.71**
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(8.32)	(1.01)
Loans repaid by parties	-	100.00
Sale of property, plant and equipment	-	-
Payments for intangible assets	-	-
Deposits with banks/ (deposits matured)	-	20.10
Dividend from investments measured at fair value	-	-
Interest income from financial assets at amortised cost	2.69	0.90
Purchase/sale of investments	-	14.37
Investment in subsidiary	-	-
Net cash inflow/(outflow) from investing activities (B)	**(5.64)**	**134.36**
C. Cash flows from financing activities		
Proceeds from long term borrowings	-	70.50
Repayment of borrowings	(24.00)	(167.11)
Dividend paid	-	-
Interest paid	-	(0.24)
Net cash inflow/(outflow) from financing activities (C)	**(24.00)**	**(96.85)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**34.54**	**89.22**
Cash and cash equivalents at beginning of period	221.67	129.44
Foreign currency translation reserve	2.57	3.01

Cash and cash equivalents at end of period	**258.78**	**221.67**
Cash and cash equivalents as per above comprise of the following:		
Cash on hand	-	-
Balance with banks in current accounts	161.14	125.60
Balance with banks in deposit accounts	97.57	96.07

As per our Report of even dated attached

By order of the Board

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
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DIN: 02416775

Murali Krishna Reddy Telluri
Partner
Membership No.223022

Naina Singh
Company Secretary
M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

Consolidated Statement of Changes In Equity as at 31st March 2023

(All amounts in INR lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Note	Amount
Balance as at April 1, 2021		1,021.13
Changes in equity share capital	16	-
Balance as at March 31, 2022		**1,021.13**
Changes in equity share capital	16	-
Balance as at March 31, 2023		**1,021.13**

B. Other equity

Particulars	Note	Reserves and surplus		Total
		Securities premium	Retained earnings	
Balance as at April 1, 2020		475.80	(148.08)	327.72
(Profit)/loss for the year		-	(216.11)	(544.98)
Other comprehensive income		-	4.42	1.01
Total comprehensive income		**-**	**(211.70)**	**(543.97)**
Interim dividend for Financial Year 2021-22		-	-	-
Dividend Distribution Tax		-	-	-
Bonus Shares issued		-	-	-
Balance as at March 31, 2022		**475.80**	**(359.78)**	**116.02**
Balance as at April 1, 2022		**475.80**	**(359.78)**	**116.02**
(Profit)/loss for the year		-	(459.14)	(459.14)
Other comprehensive income		-	1.50	1.50
Total comprehensive income		**-**	**(457.64)**	**(457.64)**
Proposed dividend		-	-	-
Balance as at March 31, 2023		**475.80**	**(817.42)**	**(341.62)**

As per our Report of even dated attached
For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn No. 010396S/S200084

By order of the Board

Tekulapalli Sanjay Reddy
Managing Director
DIN: 00297272

Anil Kumar Pallala
Whole Time Director
DIN: 02416775

Murali Krishna Reddy Telluri
Partner
Membership No.223022

Naina Singh
Company Secretary
M. No.: A68201

Venkat Rama Naidu Guna
Chief Financial Officer

Place: Hyderabad
Date: 04-05-2023

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in INR lakhs, unless otherwise stated)

1. Group's background
Silly Monks Entertainment Limited ("the Company"), was incorporated September 20, 2013, in accordance with the provisions of the Companies Act, 1956 ("the Act"). With effect from May 15, 2017 the company was converted from a Private Limited Company to a Public Limited Company and consequently, the name of the company changed from Silly Monks Entertainment Private Limited to Silly Monks Entertainment Limited.

The registered office of the Company is Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad, Rangareddi, Telangana - 500032. The Group is primarily engaged in the business of motion picture, radio, television and other entertainment activities.

2. Summary of significant accounting policies

2.1 Basis of preparation and presentation
Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Defined benefit plans	Plan assets measured at fair value

Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2023, MCA Issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose the material accounting policies rather than significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2024.

2.2 Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line adding together like items of assets, liabilities, equity, income, and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.3 Foreign currency translation

c) Functional and presentation currency

These financial statements are presented in Indian rupees (Rs.) which is also the Company's functional currency.

d) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates at the dates of transactions. 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 generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.4 Property, plant and equipment

Recognition and measurement

On transition to Ind AS, the Company has adopted previous GAAP carrying amount as deemed cost for all the categories of property, plant and equipment.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The costs of the property plant and equipment, which are not ready for their intended use on such date, are disclosed as capital work-in-progress.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit or Loss.

Subsequent expenditure
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation
Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the Statement of Profit and Loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Asset	**Useful life (in years)**
Computers	3
Furniture and fixtures	10
Office equipment	5
Vehicles	10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and supported by technical advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.
Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

2.5 Impairment

i. Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for one year or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are always measured using the simplied approach.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is one year or more past due.

Measurement of expected credit losses:

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet:

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii) Impairment of non financial assets:

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.6 Inventories

Inventories are measured at the lower of cost and net realisable value. In case of finished goods and work-in-progress, costs include an appropriate share of fixed overhead based on normal operating capacity.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

2.7 Revenue recognition

Services

Revenue from services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenue or costs reflected in profit or loss in the period in which the circumstances that give rise to the revision becomes known by management.

Interest
Interest income is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.

2.8 Leases

As a lessee
Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the Statement of Profit or Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see note 1 below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

As a lessor
Lease income from operating leases where the Group is a lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

2.9 Borrowing cost
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit or Loss in the period in which they are incurred.

2.10 Employee benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit or Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Group's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit or Loss.

2.11 Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Minimum alternate tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The Group reviews the

'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.12 Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible or a present obligations where the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions and contingent liability are reviewed at each balance sheet date.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

2.13 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owner's of the Group for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.14 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of 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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15 Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

A. Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- FVTPL
- FVTOCI

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

a. Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at an individual asset level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
−the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
– how the performance of the portfolio is evaluated and reported to the Group's management;
– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.
Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

b. Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
− contingent events that would change the amount or timing of cash flows;
− terms that may adjust the contractual coupon rate, including variable interest rate features;
− prepayment and extension features; and
− terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

c. Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

B. Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit or loss.

iii. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

iv. Derecognition

A. Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

B. Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit or loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously..

vi. Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

2.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 37 for details.

2.17 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2.18 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

i) Employee benefit obligation (note 33)
ii) Estimation of useful life of assets

3. Property, plant and equipment

(Rs in lakhs)

Sl. No.	Particulars	Gross block				Accumulated depreciation				Net block	
		As at April 1, 202	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
1	Computer	95.75	3.26	0.89	98.12	88.16	2.88	0.89	90.15	7.97	7.59
2	Furnitures and fixtures	13.01	1.87	-	14.88	6.46	2.80	-	9.26	5.61	6.54
3	Office equipments	14.60	0.17	-	14.76	10.58	1.63	-	12.22	2.55	4.01
4	Recording equipment	1.74	3.03	-	4.77	0.76	0.33	-	1.10	3.67	0.97
5	Vehicles	-	-	-	-	-	-	-	-	-	-
6	Studio	-	-	-	-	-	-	-	-	-	-
	Total	**125.09**	**8.32**	**0.89**	**132.53**	**105.98**	**7.64**	**0.89**	**112.73**	**19.80**	**19.12**

(Rs in lakhs)

Sl. No.	Particulars	Gross block				Accumulated depreciation				Net block	
		As at April 1, 202	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the year	On disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
1	Computer	95.08	0.67	-	95.75	77.41	0.76	-	88.16	7.59	17.68
2	Furnitures and fixtures	13.01	-	-	13.01	3.77	2.70	-	6.46	6.54	9.24
3	Office equipments	14.26	0.34	-	14.60	8.80	1.78	-	10.58	4.01	5.45
4	Recording equipment	1.74	-	-	1.74	0.64	0.12	-	0.76	0.97	1.10
5	Vehicles	-	-	-	-	-	-	-	-	-	-
6	Studio	-	-	-	-	-	-	-	-	-	-
	Total	**124.08**	**1.01**	**-**	**125.09**	**90.62**	**5.36**	**-**	**105.98**	**19.12**	**33.47**

4 Intagible assets **(Rs in lakhs)**

Sl. No	Particulars	Gross block				Accumulated amortisation				Net block	
		As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
1	Software	36.54	-	-	36.54	34.82	1.01	-	34.83	1.71	1.72
2	Trademark	1.95	-	-	1.95	0.70	0.17	-	0.87	1.08	1.25
3	Copyrights	277.78	-	-	277.78	172.05	40.29	-	212.34	65.44	105.73

4	Content development	61.36	-	-	61.36	46.89	4.83	-	51.72	9.64	14.47
	Total	**377.63**	**-**	**-**	**377.63**	**254.46**	**45.30**	**-**	**299.76**	**77.87**	**123.17**
	Goodwill	0.08	-	-	0.08	-	-	-	-	0.08	0.08
	Intangible assets under development	7.36	-	-	7.36	-	-	-	-	7.36	7.36

(Rs in lakhs)

Sl. No	**Particulars**	**Gross block**				**Accumulated amortisation**				**Net block**	
		As at April 1, 2021	**Additions**	**Disposals**	**As at March 31, 2022**	**As at April 1, 2021**	**For the year**	**On disposals**	**As at March 31, 2022**	**As at March 31, 2022**	**As at March 31, 2021**
1	Software	36.54	-	-	36.54	33.80	1.01	-	34.82	1.72	2.73
2	Trademark	1.95	-	-	1.95	0.53	0.17	-	0.70	1.25	1.42
3	Copyrights	277.78	-	-	277.78	111.96	60.09	-	172.05	105.73	165.82
4	Content development	61.36	-	-	61.36	42.06	4.83	-	46.89	14.47	19.30
	Total	**377.64**	**-**	**-**	**377.64**	**188.35**	**66.11**	**-**	**254.46**	**123.18**	**189.28**
	Goodwill	0.08	-	-	0.08	-	-	-	-	0.08	0.08
	Intangible assets under development	7.36	0.02	0.02	7.36	-	-	-	-	7.36	7.36

(a) Aging of Intangible assets under development

Amounts in intangible assets under development for projects in progress:

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Less than 1 year	-	7.36
1 - 3 years	7.36	-
More than 3 years	-	-
Total	7.36	7.36

5 Non-current investments

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
a. Investments measured at FVOCI		
Unquoted		
30,000 (March 31, 2021: 30,000) equity shares of Rs. 10/- each fully paid up in Thinkwide Hospitality Pvt Ltd.	8.30	8.30

1,900 (March 31, 2021: 1,900) equity shares of Rs. 10/- each fully paid up in Inani Media Pvt Ltd	0.19	0.19
	8.49	**8.49**

6 Non-current loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured (measured at amortised cost)		
Inter corporate loans	188.83	198.34
Less: Loss allowance	(107.63)	-
Total	**81.20**	**198.34**

7 Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured (measured at amortised cost)		
Rental deposit	8.56	9.70
Other deposits	-	0.26
Total	**8.56**	**9.96**

8 Deferred tax assets/(liabilities) – net

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligations	8.43	7.25
Property, plant and equipment	4.43	(0.57)
Tax losses	200.57	113.74
Net deferred tax assets/(liabilities)	**213.42**	**120.41**

Movement in deferred tax assets

Particulars	As at April 1, 2022	(Charged)/ credited to profit or loss	(Charged)/ credited to other comprehensive income	As at March 31, 2023
Defined benefit obligations	7.25	1.69	(0.51)	8.43
Property, plant and equipment	(0.57)	5.00	-	4.43
Tax losses	113.74	86.83	-	200.57
Total	**120.41**	**93.52**	**(0.51)**	**213.42**

Particulars	As at April 1, 2021	(Charged)/ credited to profit or loss	(Charged)/ credited to other comprehensive income	As at March 31, 2022
Defined benefit obligations	7.07	1.66	(1.49)	7.25
Property, plant and equipment	(4.73)	4.16	-	(0.57)
Tax losses	97.12	16.62	-	113.74
Total	**99.46**	**22.43**	**(1.49)**	**120.41**

9 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Work-in-progress	166.00	75.59
Finished product	-	48.35
Total	**166.00**	**123.93**

10 Current investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in mutual funds - FVTPL		
Quoted		
Nil (March 31, 2021: 68,983) units of Nippon India mutual fund	-	-
Total	**-**	**-**

11 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables - considered good, unsecured	72.17	539.47
	72.17	539.47
Trade receivables - credit impaired, unsecured	46.91	12.70
Less: Loss allowance	(46.91)	(12.70)
	-	-
Total	**72.17**	**539.47**

Ageing of trade receivables

As at March 31, 2023	Undisputed trade receivables - considered good	Undisputed trade receivables - credit impaired	Total
Outstanding for following periods from due date			
Less than 6 months	29.09	-	29.09
6 months - 1 year	10.83	0.02	10.83
1 - 2 years	32.25	3.47	32.25
2 - 3 years	-	1.48	-
more than 3 years	-	43.82	-

Loss allowance	-	(48.79)	-
Total	**72.17**	**0.00**	**72.17**

As at March 31, 2022	**Undisputed trade receivables - considered good**	**Undisputed trade receivables - credit impaired**	**Total**
Outstanding for following periods from due date			
Less than 6 months	345.26	-	345.26
6 months - 1 year	3.23	-	3.23
1 - 2 years	190.99	-	190.99
2 - 3 years	-	12.70	-
more than 3 years	-	-	-
Loss allowance	-	(12.70)	-
Total	**539.48**	**0.00**	**539.48**

12 Cash and cash equivalents

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Balances with banks		
- in current accounts	161.14	125.61
Deposits with original maturity of less than three months	97.57	96.07
Cash on hand	-	-
Total	**258.71**	**221.67**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

13 Bank balances other than cash and cash equivalents above

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Deposits with original maturity of more than 3 months	-	-
Total	**-**	**-**

14 Current loans

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Unsecured		
Inter corporate loans	216.11	216.11
Less: Loss allowance	-	-
Total	**216.11**	**216.11**

15 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with revenue authorities	27.42	208.91
GST (net)	12.64	11.23
Advance to suppliers	0.00	26.89
Prepaid expenditure	5.35	6.52
Advance to employees	0.00	0.00
Others	17.18	16.85
Total	**62.58**	**270.40**

16 Share capital

(a) Authorised equity share capital

Particulars	No. of shares	Amount
As at April 1, 2021	**1,10,00,000**	**1,100.00**
Increase during the year	-	-
As at March 31, 2022	**1,10,00,000**	**1,100.00**
Increase during the year	-	-
As at March 31, 2023	**1,10,00,000**	**1,100.00**

(b) Movement in issued, subscribed and paid-up equity share capital

Particulars	No. of shares	Amount
As at April 1, 2021	1,02,11,300	1,021.13
Shares issued during the year	-	-
Bonus shares issued during the year	-	-
As at March 31, 2022	**1,02,11,300**	**1,021.13**
Shares issued during the year	-	-
Bonus shares issued during the year	-	-
As at March 31, 2023	**1,02,11,300**	**1,021.13**

(c) Terms and rights attached to equity shares

Equity shares have a par value of INR 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
T. Sanjay Reddy	36,56,627	35.81%	32,89,548	32.21%
Korrapati Ranganathasai	8,82,640	8.64%	8,82,640	8.64%
Ektha.com Pvt Ltd	-	0%	20,29,060	19.87%
Anil Kumar Pallala	6,60,000	6.46%	6,60,000	6.46%
Divi Satya Sai Babu	583440	5.71%	6,19,837	6.07%

(e) Details of shareholding of promoters:

Name of the promoter	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total no. of shares	% of change during the year	No. of shares	% of total no. of shares	% of change during the year
T. Sanjay Reddy	36,56,627	35.81%	3.59%	32,89,548	32.21%	0.32%
Pallala Anil Kumar	6,60,000	6.46%	0.00%	6,60,000	6.46%	0.00%
Swathi Reddy	2,45,960	2.41%	0.00%	2,45,960	2.41%	0.00%
T. Mahikaansh Reddy	1,27,826	1.25%	0.27%	1,00,100	0.98%	0.27%
Gaurika Reddy	1,00,100	0.98%	0.00%	1,00,100	0.98%	0.00%
Karyampudi Koti Sridevi	61,600	0.60%	0.00%	61,600	0.60%	0.00%
Total	**48,52,113**	**47.52%**	**0.04%**	**44,85,034**	**43.92%**	**0.59%**

(f) There are no shares issued for consideration other than cash.

(g) There are no shares bought back during five years immediately preceding March 31, 2023.

17 Reserves and surplus

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium account	475.80	475.80
Retained earnings	(817.41)	(359.78)
Total	**(297.39)**	**157.67**

(i) Securities premium account

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	475.80	475.80
Add: Addition during the year	-	-
Less: Bonus share issued during the year	-	-
Closing balance	**475.80**	**475.80**

(ii) Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	(359.78)	(148.08)
Add: Profit/(loss) for the year	(459.14)	(216.11)
Less: Interim dividend for Financial Year 2020-21	-	-
Less: Dividend distribution tax	-	
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post employment benefit obligations, net of tax	1.50	4.42
Closing balance	**(817.41)**	**(359.78)**

(iii) Foreign Currency translation reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	41.66	38.65
Add: Additions during the year	2.57	3.01
Total	**44.23**	**41.66**

Nature and purpose of reserves

Securities premium:

Securities premium account is used to record the premium on issue of shares. The reserves is utilised in accordance with the provisions of the Companies Act, 2013.

18 Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecure loans		
Loan from banks	-	-
Total	-	-

19 Current borrowings

Particulars	Maturity date	Terms of repayment	As at March 31, 2023	As at March 31, 2022
(a) **Secured loans**				
(i) From Banks	Payable on demand	Payable on demand	-	-
(b) **Unsecured loans**				
(i) From related parties	Payable on demand	Payable on demand	-	24.00
Total			-	**24.00**

Net debt reconciliation

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	258.71	221.67
Liquid investments	-	-
Current borrowings	-	(24.00)
Non-current borrowings	-	-
Total	**258.71**	**197.67**

Movement in net debt

Particulars	Cash and cash equivalents	Liquid investments	Current borrowings	Non-current borrowings	Total
Net debt as at April 1, 2021	129.44	14.37	(120.61)	(0.11)	23.09
Cash flows	89.22	(14.37)	96.61	0.11	171.57
Foreign currency translation reserve	3.01	-	-	-	-

Interest expense	-	-	-	-	-
Interest paid	-	-	-	-	-
Net debt as at March 31, 2022	**221.67**	**-**	**(24.00)**	**-**	**197.67**
Cash flows	37.04	-	24.00	-	61.04
Foreign currency translation reserve	-	-	-	-	-
Interest expense	-	-	-	-	-
Interest paid	-	-	-	-	-
Net debt as at March 31, 2023	**258.71**	**-**	**-**	**-**	**258.71**

20 Trade payables

Particulars	**March 31, 2023**	**March 31, 2022**
Trade payables: micro and small enterprises	-	-
Trade payables: others	401.08	600.67
Total	**401.08**	**600.67**

Trade payables ageing schedule

As at March 31, 2023	**Outstanding dues to MSME**	**Others**	**Total**
Outstanding for following periods from due date			
Less than 6 months	-	384.44	384.44
6 months - 1 year	-	11.97	11.97
1 - 2 years	-	4.67	4.67
2 - 3 years	-	-	-
more than 3 years	-	-	-
Total	**-**	**401.08**	**401.08**

As at March 31, 2022	**Outstanding dues to MSME**	**Others**	**Total**
Outstanding for following periods from due date			
Less than 6 months	-	575.75	575.92
6 months - 1 year	-	17.92	17.92
1 - 2 years	-	7.00	7.00
2 - 3 years	-	-	-
more than 3 years	-	-	-
Total	**-**	**600.67**	**600.67**

21 Other financial liabilities

Particulars	**March 31, 2023**	**March 31, 2022**
Current		
Audit fee payable	5.60	4.69
Salary payable	18.52	9.56
Dividend payable	0.09	0.09
Professional fee payable	-	1.05
Others payables	5.88	2.77
Total	**30.08**	**18.16**

22 Current tax liabilities

Particulars	March 31, 2023	March 31, 2022
Provision for income tax	-	-
Total	**-**	**-**

23 Other current liabilities

Particulars	March 31, 2023	As at March 31, 2022
Statutory liabilities	3.98	8.12
Advance from customers	-	4.19
Total	**3.98**	**12.30**

24 Revenue from operations

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Revenue from		
- rendering of services	1935.54	2668.44
Total	**1935.54**	**2668.44**

25 Other income

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Interest income from financial assets at amortised cost	2.69	17.75
Interest on Income Tax refund	15.35	-
Discount received	0.01	0.02
Gain on sale of mutual funds measured at FVTPL	-	0.05
Miscellaneous income	3.93	2.50
Total	**21.98**	**20.31**

26 Changes in inventories

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Work-in-progress		
Opening balance	75.59	310.10
Less: closing balance	(166.00)	(75.59)
Finished product		
Opening balance	48.35	63.98
Less: closing balance	-	(48.35)
Total	**(42.07)**	**250.16**

27 Direct cost

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Content expenses	1887.89	2195.40

Total	**1887.89**	**2195.40**

28 Employee benefits expense

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
Salaries, wages and bonus	171.08	149.48
Directors remuneration	117.00	117.00
Contribution to provident and other funds	4.87	7.21
Gratuity (*refer note 33)*	6.64	6.58
Staff welfare expenses	3.05	2.20
Total	**302.64**	**282.46**

29 Finance cost

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
Interest paid on loans	-	0.24
Total	**-**	**0.24**

30 Depreciation and amortisation expense

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
Depreciation on property, plant and equipment	7.64	15.36
Amortisation of intangible assets	45.30	66.11
Total	**52.94**	**81.47**

31 Other expenses

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
Electricity charges	4.36	3.20
Administration expenses	9.08	1.18
Office expenses	12.61	17.13
Tours, travelling and conveyance expenses	6.85	1.78
Registration filing fees	0.29	1.22
Printing and stationery	0.77	1.72
Rent	37.10	28.79
Expected credit loss allowance	48.79	17.70
Professional charges	3.56	-
- Sitting fee to directors	1.03	2.20
- Others	11.36	18.30
Statutory Fee	1.98	1.63
Bank charges	1.17	1.12
Franking charges	-	0.04
Courier charges	0.42	0.30
Business promotion	9.37	1.59
Registers and transferes expenses	-	0.20
Repairs and maintenance	2.29	3.21
Rates & taxes	7.18	-

Payments to auditors (refer note below)	3.00	3.00
Stamp duty	-	0.04
Telephone charges	0.06	0.07
Provision for Doubtful advances	117.13	-
Provision for Impairment of Investments	-	-
Other miscellaneous expenses	29.87	13.15
Total	**308.27**	**117.57**

Note: Payments to auditors

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
As auditor		
- for statutory audit	3.00	2.00
- for tax audit	-	1.00
- for other services	-	-
Total	**3.00**	**3.00**

32 Earnings per share

Particulars	**Year ended**	
	March 31, 2023	**March 31, 2022**
Profits attributable to equity shareholders of the Company	(459.14)	(216.11)
Weighted average no. of equity shares	1,02,11,300	1,02,11,300
Earnings per equity share (in Rupees)		
- Basic	(4.50)	(2.12)
- Diluted	(4.50)	(2.12)

33 Employee benefits obligations

Particulars	**March 31, 2023**	**March 31, 2022**
Non-current		
Gratuity	31.50	27.23
Total	**31.50**	**27.23**
Current		
Gratuity	1.98	1.55
Total	**1.98**	**1.55**

(i) Leave obligations

The leave obligations covers the liability for earned leaves which are classified as other short-term obligations.

(ii) Defined contribution plans

The Company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contracual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 4.87 (in lakhs).

(iii) Post employment obligations

Gratuity

The company provides for gratuity for employees as per the Payment of Gratuity Act, 1972 of India. Employees who are in continous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Liability with regard to such gratuity is determined by an independent actuarial valuation using the projected unit credit method and are charged to the statement of profit and loss in the period determined.

The amounts recognised in the balance sheet and the movement in the net defined obligation over the year are as follows:

Change in defined benefit obligation:

Particulars	**Present value of obligation**	**Fair value of plan assets**	**Net amount**
As at April 1, 2021	28.11	-	28.11
Current service cost	4.54	-	4.54
Interest expense/(income)	2.04	-	2.04
Total amount recognised in profit or loss	**6.58**	**-**	**6.58**
Remeasurements - Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Included in other comprehensive income: - Actuarial (gains)/ losses arising from changes in financial assumptions	(0.58)	-	(0.58)
- Actuarial (gains)/ losses arising from changes in demograpic assumptions	-	-	-
- Actuarial (gains)/ losses arising from experience adjustments	(5.32)	-	(5.32)
Benefits settled	-	-	-
As at March 31, 2022	**28.79**	**-**	**28.79**

Particulars	**Present value of obligation**	**Fair value of plan assets**	**Net amount**
As at April 1, 2022	28.79	-	28.79
Current service cost	4.61	-	4.61
Interest expense/(income)	2.09	-	2.09
Total amount recognised in profit or loss	**6.70**	**-**	**6.70**
Remeasurements Return on plan assets, excluding amounts included in interest expense/ (income)	-	-	-
Included in other comprehensive income: Actuarial (gains)/ losses arising from changes in financial assumptions	(0.58)	-	(0.58)
Actuarial (gains)/ losses arising from changes in demograpic assumptions	-	-	-
Actuarial (gains)/ losses arising from experience adjustments	(5.32)	-	(5.32)

Benefits settled	(1.95)	-	(1.95)
As at March 31, 2023	**33.48**	**-**	**33.48**

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31, 2023	March 31, 2022
Present value of funded obligations Fair value of plans assets Fair value of plans assets	33.48 -	28.79 -
Deficit of funded plans Unfunded plans	33.48 -	28.79 -
Deficit of gratuity plan	**33.48**	**28.79**

Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.50%	7.25%
Salary escalation rate	5.00%	5.00%
Retirement age	60 Years	60 Years
Withdrawal rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14

Risk exposure

Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	March 31, 2023	March 31, 2022
Impact on defined benefit obligation		
Discount rate		
Increase by 100 basis points	(2.50)	(2.26)
Decrease by 100 basis points	2.87	2.60
Salary escalation rate		
Increase by 100 basis points	2.91	2.64
Decrease by 100 basis points	(2.58)	(2.33)
Employee attrition rate		
Increase by 100 basis points	0.45	0.34
Decrease by 100 basis points	(0.51)	(0.39)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Defined benefit liability and employer contribution

Expected contributions to post-emplyment benefit gratuity plan for the year ending March 31, 2024 is Rs. 5.42 (in lakhs)

The weighted average duration of the defined benefit obligation is 14 years (March 31, 2022: 15 years). The expected maturity analysis of undiscounted gratuity benefit is as follows:

Particulars	March 31, 2023
Less than a year	1.98
Between 1 to 2 years	1.00
Between 2 to 5 years	3.04
Over 5 years	27.46
Total	**33.48**

34 Contingent liabilities:

There are no Contingent liabilities to report as at the respective year end.

35 Capital commitments

There are no Capital commitments to report as at the respective year end.

36 Non-cancellable leases

There are no non-cancellable lease arrangements outstanding as on the reporting date.

37 Segment information

The Company is engaged in the business of movie production and digital media. The operating segment of the Company is identified to be "Movie production" as the chief operating decision maker (CODM) reviews business performance at an overall Company level as one segment.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Particulars	March 31, 2023	March 31, 2022
India	371.23	1055.34
Outside the India	393.44	1613.10
Total	**764.67**	**2668.44**

38 Fair value measurements

(b) Financial instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
	Level 1	Level 3	Level 3	Level 1	Level 3	Level 3
Financial assets						
Investments	-	8.49	-	-	8.49	-
Security deposits	-	-	8.56	-	-	9.96
Loans	-	-	297.31	-	-	414.45
Trade receivable	-	-	72.17	-	-	539.47

Cash and cash equivalents	-	-	258.71	-	-	221.67
Other bank balances	-	-	-	-	-	-
	-	**8.49**	**636.75**	**-**	**8.49**	**1185.56**
Financial liabilities						
Borrowings	-	-	-	-	-	24.00
Trade payables	-	-	401.08	-	-	600.67
Others	-	-	30.08	-	-	18.16
	-	**-**	**431.16**	**-**	**-**	**642.83**

(v) Fair value hierarchy

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for security deposit received and paid and are included in level 3.

Note:
1. There are no transfers between levels during the year.
2. The Companies policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(vi) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments.
- for other financial instruments - the discounted cash flow technique.

(vii) Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports to the Board of Directors. Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(viii) Fair values of financial assets and liabilities measured at amortised cost

The carrying amount of trade receiveables, trade payables, capital creditors and cash and cash equivalent are considered to be the same as their fair values, due to short term nature.
The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

39 Financial risk management

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance Group's regular operations. The Group's principal financial assets include trade receivables, cash and cash equivalents, loans and refundable deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable security deposits, loans to employees and other financial instruments.

(i) Credit risk management

Trade receivables

The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. There are no significant concentrations of credit risk, whether through exposure to individual customer, specific industry sectors and/or regions.

(ii) Expected credit loss for trade receivables under simplified approach

Particulars	**March 31, 2023**	**March 31, 2022**
Gross carrying amount	120.96	552.17
Expected loss rate	40.34%	2.30%
Expected credit loss	48.79	12.70
Carrying amount of trade receivables	**72.17**	**539.47**

Reconciliation of loss allowance

Particulars	**Trade receivables**
Loss allowance on April 1, 2021	-
Change in loss allowance	12.70
Loss allowance on March 31, 2022	12.70
Change in loss allowance	36.09
Loss allowance on March 31, 2023	**48.79**

(b) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

The amounts disclosed in the table are the undiscounted cash flows. Balances due within 12 months equals their carrying balances as the impact of discounting is not significant.

Particulars	**As at March 31, 2023**		
	Upto 1 year	**More than 1 year**	**Total**
Non-derivative			
Borrowings	-	-	-
Trade payables	401.08	-	401.08
Others	30.08	-	30.08
Total non-derivative liabilities	**431.16**	**-**	**431.16**

Particulars	As at March 31, 2022		
	Upto 1 year	More than 1 year	Total
Non-derivative			
Borrowings	24.00	-	24.00
Trade payables	600.67	-	600.67
Others	18.16	-	18.16
Total non-derivative liabilities	**642.83**	**-**	**642.83**

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company, through its Board of Directors manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings (excluding borrowings from group companies) less cash and cash equivalents. The disclosure below could be different from the debt and equity components which have been agreed with any of the lenders.

The capital structure is as follows:

Particulars	March 31, 2023	March 31, 2022
Net debt	0.00	24.00
Total equity	723.74	1178.80
Net debt equity ratio	**0.00%**	**2.04%**

41 Related party disclosures

(a) Names of related parties and nature of relationship:

Nature of relationship	Name of the related party
Key managerial persons (KMP)	Sanjay Reddy Tekulapalli, Managing Director Anil Kumar Pallala, Wholetime Director Venkat Rama Naidu Guna, CFO Naina Singh, Company Secretary
Chairman and Independent Director	C Ratnakar Rao
Non Executive Director	Swathi Reddy
Independent Directors	Prasad Rao Kalluri Rammohan Paruvu Chepur Ratnakar Rao
Wholly Owned Subsidiaries	Dreamboat Entertainment Pte Ltd Dreamboat Entertainment LLC

(b) Transactions with related parties during the year:

Particulars	March 31, 2023	March 31, 2022
KMP		
Salaries	117.00	117.00
Loans taken	3.00	-
KMP		
Loan repayment	(3.00)	(3.00)
Non Executive Director		
Loans taken	21.00	73.50
Non Executive Director		
Loans repayment	(45.00)	(146.50)
Wholly owned subsidiary		
Sale of services	372.27	334.44

(c) Outstanding balances as at the end of reporting period with related parties:

Particulars	March 31, 2023	March 31, 2022
KMP		
Salary payable	9.75	9.75
Loans taken	-	-
Independent Directors		
Loans taken	-	24.00
Wholly owned Subsidiaries		
Advance taken for services	-	4.19

Terms and conditions

All transactions and outstanding balances with these related parties are priced on an arm's length basis and are to be settled within the credit period allowed as per the policy. None of the balances are secured.

SILLY MONKS ENTERTAINMENT LIMITED
CIN: L92120TG2013PLC090132
Registered Office: SURVEY NO. 91, 3RD FLOOR, TECHNICAL BLOCK, SUNDARAYYA VIGNANA KENDRAM (SVK), GACHIBOWLI, HYDERABAD - 500032, RANGAREDDI, TELANGANA, INDIA
Website – www.sillymonks.com Email – investor@sillymonks.com

ATTENDANCE SLIP
FOR 10th ANNUAL GENERAL MEETING

(To be surrendered at the venue of the meeting)

I, certify that I, am a registered shareholder/proxy/representative for the registered shareholder(s) of Silly Monks Entertainment Limited.

I, hereby record my presence at the 10th Annual General Meeting of the shareholders of Silly Monks Entertainment Limited held on Friday, 25th day of August, 2023 at 01.00 P.M. at the registered office of the Company situated at Survey no. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India.

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

*Applicable if the shares held in electronic form
Name & Address of Member

____
Signature of Shareholder/Proxy/Representative
(Please Specify)

SILLY MONKS ENTERTAINMENT LIMITED
CIN: L92120TG2013PLC090132
Registered Office: Survey no. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (svk), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India
Website – www.sillymonks.com Email – investor@sillymonks.com

Form No. MGT-11
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	**L92120TG2013PLC090132**	
Name of the company	**SILLY MONKS ENTERTAINMENT LIMITED**	
Registered office	**Survey no. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India.**	
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		Signature	
	E-mail Id			
	or failing him			
2.	Name			
	Address		Signature	
	E-mail Id			
	or failing him			

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 10th Annual General Meeting of the Company to be held on Friday, 25th day of August, 2023 at 01.00 P.M. at the registered office of the Company situated at Survey no. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below

Sl. No.	Resolutions	For	Against
1.	To receive, consider and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 together with the reports of the Auditors and Board of Directors thereon; b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023 together with the reports of the Auditors thereon.		
2.	To Appoint a Director in place of Mrs. Swathi Reddy (DIN: 00297360), who retires by rotation and being eligible, offers herself for re-appointment.		
3.	Approval of Silly Monks Employee Stock Option Plan - 2023 for the employees of the holding / subsidiary companies of the company		
4.	To take note and place before the shareholders the requirements in point (j to n) and point (r-s) under Part C of Schedule - I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as an addendum to the explanatory statement of the Postal Ballot Notice dated May 04, 2023 for item no 2 regarding "approval of Silly Monks Employee Stock Option Plan 2023".		

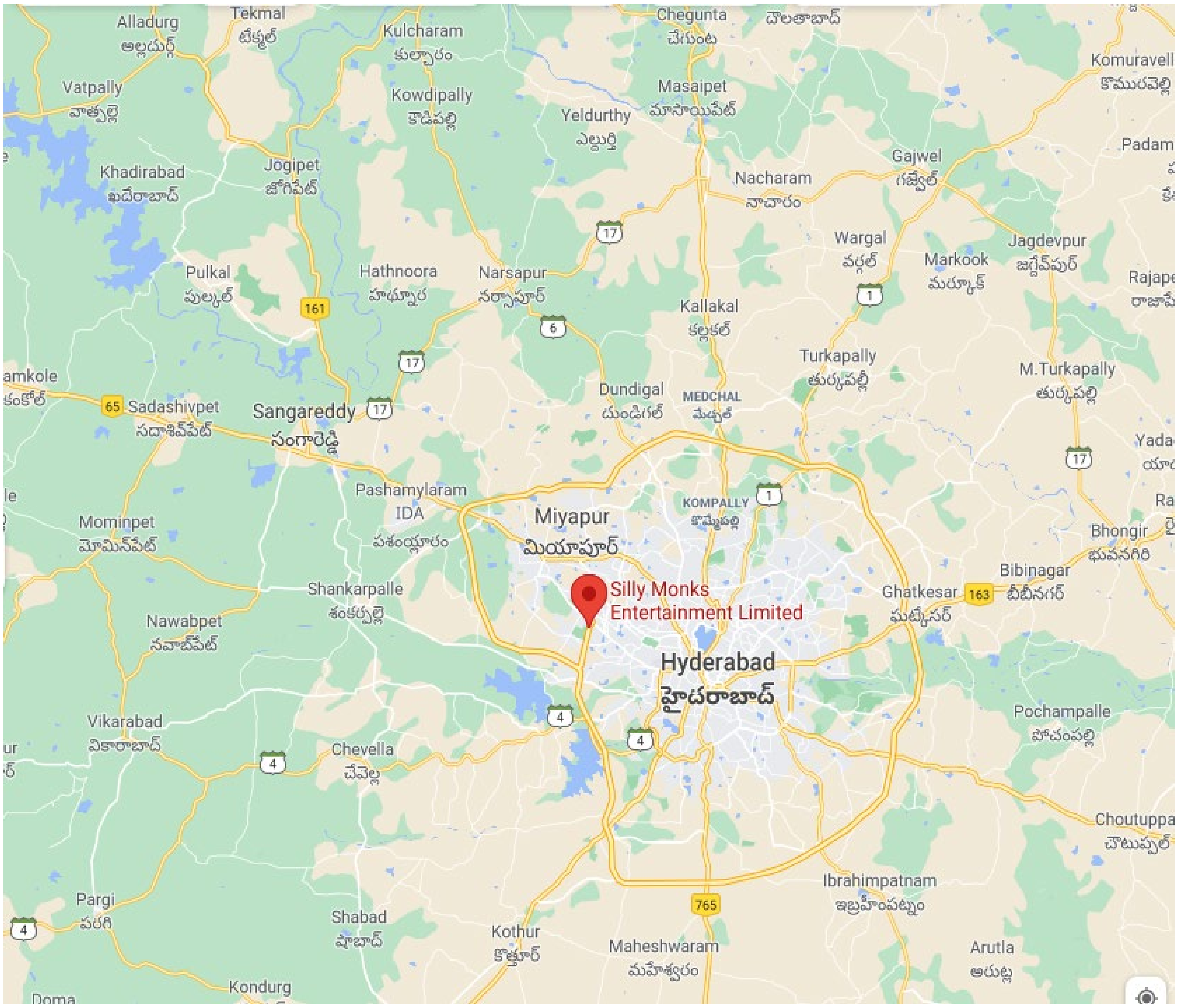
Signed this …………. day of ………………. 2023.
Signature of shareholder: _________Signature of Proxy holder(s): __________

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP OF THE VENUE OF 10TH ANNUAL GENERAL MEETING FROM GACHIBOWLI CIRCLE, HYDERABAD

Address: Survey no. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad-500032, Rangareddi, Telangana, India.



NOTES:

Address

Sundarayya Vignana Kendram, Technical Block, Survey no. 91,
3rd floor, Gachibowli, Hyderabad-500032, Telangana, India.

Contact

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