CRESTO TECHNO LIMITED

(Formerly known as SILLY MONKS ENTERTAINMENT LIMITED)

Date: 05th September, 2026

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: Submission of Annual Report for the Financial Year 2025-26.
Ref: Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are enclosing here with, 13th Annual Report of the Company along with Notice of 13th Annual General Meeting of the Company for the Financial Year 2025-26.

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

Thanking you,

Yours faithfully,
For **CRESTO TECHNO LIMITED**
(Formerly known as SILLY MONKS ENTERTAINMENT LIMITED)

Badugu Anish Kumar

Digitally signed by Badugu Anish Kumar
Date: 2026.09.05 17:49:50 +05'30'

Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Encl: As above.

sillymonks™

SILLY MONKS ENTERTAINMENT LIMITED

13th Annual Report

Stories that Connect

13th Annual General Meeting

Monday, 28th September, 2026
at 11:30 A.M
through Video Conferencing ("VC") /
Other Audio - Visual Means ("OAVM")

CORPORATE INFORMATION

Board of Directors

Mr. Anish Kumar Badugu	Chairman & Managing Director (w.e.f 30.03.2026)
Mrs. Nagamani Tavva	Non- Executive Non - Independent Director (w.e.f 30.03.2026)
Mr. Harikrishna Guthikonda	Non- Executive Non - Independent Director (w.e.f 30.03.2026)
Mrs. Jolita Manadhata	Independent Director (w.e.f 30.03.2026)
Mr. Srinivasarao Chukka	Independent Director (w.e.f 30.03.2026)
Mr. Prasada Rao Kalluri	Independent Director

Chief Financial Officer (CFO)
Mr. Itikapati Madhusudana Reddy
(w.e.f 30.05.2026)

Company Secretary
Ms. Naneru Greeshma Sandhya
(w.e.f 30.05.2026)

Statutory Auditors
NSVR & Associates LLP
Chartered Accountants
Firm Registration No. 008801S/S200080

Internal Auditors
Ramesh Chalapaneedi & Associates
Chartered Accountants
Firm Registration No. FNA253827

Registered Office:
Silly Monks Entertainment Limited
CIN: L92120TG2013PLC090132
Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1, Czech Colony, Fathenagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018

Tele No.: +91 7093094599
Email: investor@sillymonks.com
Website: www.sillymonks.com

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

National Stock Exchange of India Limited
NSE Symbol: SILLYMONKS

Bankers
ICICI Bank Ltd
State Bank of India

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. Chukka Srinivasa Rao	Chairman
Mrs. Jolita Manadhata	Member
Mr. Prasada Rao Kalluri	Member

Nomination and Remuneration Committee

Mrs. Jolita Manadhata	Chairman
Mr. Chukka Srinivasa Rao	Member
Mr. Prasada Rao Kalluri	Member

Stakeholders Relationship Committee

Mr. Chukka Srinivasa Rao	Chairman
Mrs. Jolita Manadhata	Member
Mr. Badugu Anish Kumar	Member

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SILLY MONKS ENTERTAINMENT LIMITED

CIN: L92120TG2013PLC090132

Registered Office: Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1, Czech Colony, Fathenagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018

E-mail: investor@sillymonks.com, **Website**: www.sillymonks.com, **Tele No.:** +91 7093094599

NOTICE

Notice is hereby given that the **13th Annual General Meeting** of the Members of **Silly Monks Entertainment Limited** will be held on Monday, the 28th September, 2026 at 11:30 A.M. through Video Conferencing ("VC")/ Other Audio - Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt:**

   a. The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026 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, 2026 together with the reports of the Auditors thereon.

2. **To Appoint a Director in place of Mr. Anish Kumar Badugu (DIN: 11635335), who retires by rotation and being eligible, offers himself for re-appointment.**

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

Sd/-
Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Place: Hyderabad
Date: 12.08.2026

NOTES FOR MEMBERS:

1. **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**, Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1, Czech Colony, Fathenagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018, Ph.: +917093094599, 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.

2. In continuation to the General Circular No. 14/2020 dated 08.04.2020, General Circular No. 03/2022 dated 05.05.2022 and General Circular No. 11/2022 dated 28.12.2022, General Circular No. 09/2023 dated 25.09.2023, General Circular No. 09/2024 dated 19.09.2024 and after due examination the Ministry of Corporate Affairs vide General Circular No. 03/2025 dated 22.09.2025 has allowed Companies to conduct their Annual General Meetings (AGM) through Video Conference (VC) or Other Audio Visual Means (OAVM) in accordance with the framework provided in the aforesaid Circulars, till further orders. All other requirements provided in the said Circulars remain unchanged.

   The forthcoming Annual General Meeting ("AGM") of the Company will thus be held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). Hence, Members can attend and participate in the ensuing e-AGM through VC/OAVM. The deemed venue of the Annual General Meeting shall be the Registered office of the Company i.e., Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1, Czech Colony, Fathenagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018.

3. The Company has enabled the Members to participate at the e-AGM through VC/OAVM. The Company has appointed **Bigshare** to provide VC/OAVM facility for the e-AGM. The instructions for participation by Members are given in the subsequent paragraphs. Participation at the e-AGM through VC/OAVM shall be allowed up to 1000 members on a first-come-first-served basis.

4. No restrictions on account of first-come-first-served entry into e-AGM in respect of large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc.

5. As per the provisions under the MCA Circulars, Members attending the e-AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. For receiving all communications from the Company electronically, members are requested to follow the below instructions:

   a) Shareholders holding shares in physical mode are hereby notified that based on SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, all holders of physical securities in listed companies shall register the postal address along with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register their email IDs. Shareholders can register/update the contact details through submitting the requisite Form ISR-1 along with the supporting documents. Form ISR-1 can be obtained by clicking on the link https://www.bigshareonline.com/ for_investers.aspx Form ISR-1 and the supporting documents to RTA.

   b) Shareholders holding shares in electronic mode may reach out to the respective Depository Participant(s), where the DEMAT account is being held for updating the email IDs and mobile number.

   c) Shareholders are requested to support this Green Initiative effort of the Company and get their email ID registered to enable the Company to send documents such as notices, annual reports, and other documents in electronic form. Those shareholders who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants / RTA to enable servicing of notice, annual reports, other documents in electronic form.

   d) Please note that as a valued shareholder of the Company, you are always entitled to request and receive all such communication in physical form free of cost.

   We urge Members to support this Green Initiative effort of the Company and get their email ID registered.

7. In accordance with the provisions of the MCA and SEBI Circulars, the AGM Notice is being sent through email only to the Members whose email IDs are registered with RTA; National Securities Depository Limited ("NSDL") and/or Central Depository Services (India) Limited ("CDSL") (collectively referred to as Depositories or NSDL/CDSL).

8. The AGM Notice is available on the Company's website: https://sillymonks.com, and on, the website of the National Stock Exchange of India Limited at www.nseindia.com

9. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the e-AGM.

10. The Company has provided the facility to the Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the e-AGM. The instructions for remote e-voting is given in the subsequent paragraphs. Such remote e-voting facility is in addition to the voting that will take place at the e-AGM being held through VC/OAVM. The instructions for e-voting at the e-AGM (Insta Poll) is given in the subsequent paragraphs.

11. Members joining the e-AGM through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the e-AGM may also join the e-AGM through VC/OAVM but shall not be entitled to cast their vote again.

12. The Company has appointed Mr. Jineshwar Kumar Sankhala, Practicing Company Secretary, as the Scrutinizer to scrutinize the remote e-voting and the Insta Poll process in a fair and transparent manner.

13. Since the AGM is being held through VC/OAVM as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the e-AGM and hence the Proxy Form, Attendance Slip and the Route Map are not annexed to this Notice.

14. Corporate Members intending to authorise their representatives to attend the meeting pursuant to Section 113 of the Act, are requested to email certified copy of the board/governing body resolution/authorisation etc., authorising their representatives to attend and vote on their behalf. The documents shall be emailed to - investor@sillymonks.com and a copy marked to investor@bigshareonline.com with the subject line Company.

15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

16. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special businesses to be transacted at the e-AGM is annexed hereto. Special businesses which are considered to be unavoidable by the Board, are being transacted at the e-AGM. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to – investor@sillymonks.com.

17. Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.

18. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be : -

    a) the change in the residential status on return to India for permanent settlement, and

    b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

19. In case of any queries, the Members may write to investor@sillymonks.com to receive an email response.

20. In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and SEBI circular issued in this regard, the Company is pleased to provide the facility of voting through electronic means (remote e-voting) to its members provided by **BIGSHARE**. Members of the Company can transact all the items of business with the facility of voting through electronic means.

21. Further, the facility of electronic voting system will also be made available during the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

22. The remote e-voting shall commence at 9:00 AM on 25th September 2026 and will end at 5:00 PM on 27th September 2026. The remote e-voting module shall be disabled by **BIGSHARE** for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

23. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cutoff date i.e. **Monday, 21st September, 2026.**

24. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.

25. Members are requested to take note that, in compliance with the MCA Circulars, the Notice of the e-AGM is being sent to all the Members of the Company only in electronic mode to those members whose email address is registered with the Company/Depository Participant(s)/Registrar and Transfer agents. The requirements of sending physical copy of aforesaid documents has been dispensed with vide MCA

Circulars. The aforesaid documents will also be available on the Company's website at https://sillymonks.com/ under the section "INVESTORS", on the website of the National Stock Exchange of India Limited at www.nseindia.com.

VOTING THROUGH ELECTRONIC MEANS:

The e-voting period will commence on Friday, 25th September 2026 at 09:00 a.m. (IST) and will end on Sunday, 27th September, 2026 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., **Monday, 21st September 2026**, may cast their vote electronically. The Remote E-Voting shall not be allowed beyond **27th September 2026 at 05:00 p.m. (IST)** and the e-voting module shall be disabled by **BIGSHARE** for voting thereafter.

INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

i. The voting period begins on **25th September 2026, 9.00 AM** and ends on **27th September 2026, 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in de-materialized form, as on the cut-off date i.e, **21st September 2026** may cast their vote electronically. The e-voting module shall be disabled by Bigshare 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.

1. Pursuant to above said SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	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 is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

	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 **BIGSHARE** the e-Voting service provider and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. **BIGSHARE**, 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/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link 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. Click on **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-voting period.
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 **BIGSHARE** and you will be re-directed to **i-Vote** 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 **BIGSHARE** and you will be redirected to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-vote (E-voting 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 toll free No. 1800 22 55 33.
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.com or call at 022- 48867000.

2. **Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on "**LOGIN**" button under the '**INVESTOR LOGIN**' section to Login on E-Voting Platform.
- Please enter you '**USER ID'** (User id description is given below) and '**PASSWORD'** which is shared separately on you register email id.
    - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
    - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
    - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

***Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

  NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on '**LOGIN**' under '**INVESTOR LOGIN**' tab and then Click on '**Forgot your password**?
- Enter "**User ID"** and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**Reset**'.

  (In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.

- Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

3. **Custodian registration process for i-Vote E-Voting Website:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on "**REGISTER**" under "**CUSTODIAN LOGIN**", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **"User id and password will be sent via email on your registered email id"**.

  NOTE: If Custodian have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on '**Forgot your password**?
- Enter "**User ID"** and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**.

  (In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
  - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
  - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".

    Note: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)
  - Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload

document option by clicking on "**UPLOAD**". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).

- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com, under download section or you can email us to ivote@bigshareonline.com or call us at: 022-62638338

Procedure for joining the AGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at https://ivote.bigshareonline.com under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to attend the AGM under the dropdown option.
- For joining virtual meeting, you need to click on **"VOTE NOW"** "VC/OAVM" link placed beside of "**VIDEO CONFERENCE LINK"** option.
- Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM are as under:-

- The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at https://ivote.bigshareonline.com, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338

Annexure to the Notice

Item No.2:

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	Anish Kumar Badugu
DIN	11635335
Date of first appointment on the Board	30.03.2026
Date of Birth	01.04.1994 (32 Years)
Qualification, Experience & Expertise	Mr. Badugu Anish Kumar holds a Master of Business Administration (MBA) degree from Sri Venkateswara University. He brings over three years of professional experience in software development, with a focused specialization in the design and development of web-based applications leveraging Microsoft technologies.
Directorships in other Companies	NIL
No. & % of Shares held in the Company	NIL
Memberships/ Chairmanships of committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	NIL
Relation between Directors inter-se	No Relation

Additional Information:

With reference to the EGM Notice dated 30.05.2026 and the EGM held on 29.06.2026, Item No. 2 — Change of Name of the Company from **SILLY MONKS ENTERTAINMENT LIMITED** to **CRESTO TECH LIMITED** (or such other name as may be approved by the MCA) — it is noted that, in accordance with Regulation 45 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to include in the explanatory statement to the notice seeking shareholders' approval for change of name, a certificate from a Practicing Chartered Accountant confirming compliance with the conditions specified under sub-regulation (1).

However, the Company inadvertently omitted this certificate in the explanatory statement to the said notice. Accordingly, the Certificate obtained from a Practicing Chartered Accountant, confirming compliance with the conditions under Regulation 45(1) of the SEBI LODR Regulations, 2015, shall now be placed in the explanatory statement to the notice of the ensuing Annual General Meeting/Extraordinary General Meeting.

CERTIFICATE

This is to certify that Silly Monks Entertainment Limited ("the Company"), a Company incorporated under the provisions of the Companies Act, 1956, bearing Corporate Identification Number (CIN): L92120TG2013PLC090132 and listed on NSE Limited, shall comply with the provisions specified under Regulation 45(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the information, documents, records, and explanations furnished to us by the Management of the Company, and upon our examination thereof, we hereby confirm that:

Regulation	Particulars	Our Opinion
45(1)(a)	A time period of at least one year has elapsed from the last name change	The Company has not changed its name since incorporation
45(1)(b)	At least fifty percent of the total revenue in the preceding one-year period has been accounted for by the new activity suggested by new name	The company has **not changed its main activity** in the preceding one-year Period. It had amended its ancillary objects to venture into new businesses but didn't change the main object.
45(1)(c)	The amount invested in the new activity / is at least fifty percent of the assets of the company	The company has **not changed it's main activity** nor invested in new activity/Projects. It had amended its ancillary objects to venture into new businesses but didn't change the main object.

We further confirm that, the company will place this certificate in the explanatory statement to the notice of the ensuing Annual General Meeting/Extraordinary General Meeting.

This certificate is issued based on the representations made by the Management and for submission to the Stock Exchange and other regulatory authorities, as may be required.

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN: 008801S/S200080

Sd/-
V. Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486ZEKEKR9093

Date: 12.08.2026
Place: Hyderabad

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

Sd/-
Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Place: Hyderabad
Date: 12.08.2026

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their **Thirteen (13th) 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, 2026.

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, 2026 are summarised as follows:

(₹ in Lakhs)

Particulars	FY 2025-26		FY 2024-25	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	561.63	2307.82	537.53	2,624.31
Add: Other Income	18.71	18.71	13.25	13.25
Total Revenue	**580.34**	**2326.53**	**550.77**	**2,637.25**
Expenses				
Employee Benefit Expenses	201.64	201.64	207.38	207.38
Depreciation and amortisation expense	41.73	41.73	44.70	44.70
Finance Charges	1.43	1.43	4.14	4.14
Other Expenses	119.24	120.10	65.73	66.07
Total Expenses	**753.76**	**2503.15**	**535.01**	**2,621.71**
Net Profit / Loss Before Tax (PBT)	**(173.42)**	**(176.61)**	**15.76**	**15.84**
Current Tax	-	-	-	-
Previous Year Income Tax Short Provision	-	-	-	-
Deferred Tax	22.08	22.07	(4.38)	(4.38)
MAT Credit Entitlement	-	-	-	-
Net Profit /Loss (PAT)	**(195.50)**	**(198.69)**	**20.14**	**20.22**
Earnings Per Share	**(1.82)**	**(1.44)**	**0.20**	**0.20**

COMPANY PERFORMANCE

During the FY 2025-26, the total income stood at Rs. 580.34 lakhs as compared to Rs. 550.77 lakhs in the previous FY 2024-25, registering increase of 5.3%. During the FY 2025-26, the revenue from operations stood at Rs. 561.63 lakhs as compared to Rs. 537.53 lakhs in the previous FY 2024-25, registering increase of 4.5%. Profit before tax (PBT) during the FY 2025-26 stood at Rs. (173.42) lakhs as compared to Rs. 15.76 lakhs in the previous FY 2024-25. Profit After tax (PAT) during the FY 2025-26 stood at Rs. (195.50) lakhs as compared to Rs. 20.14 lakhs in the previous FY 2024-25.

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

In view of the loss recorded by the Company during the past few years, the Directors have not recommended any dividend for the financial year 2025-26.

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 2025-26, the Company has not transferred any amount to Reserves.

SUBSIDIARIES AND JOINT VENTURES

The Company has following foreign Subsidiaries:

a. ***Dream Boat Entertainment LLC (USA)**

The above-mentioned company is wholly owned subsidiary 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

*(*w.e.f 30.03.2026, Company has disinvested its investment in Dream Boat Entertainment LLC (USA)).*

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.

DIRECTORS & KEY MANAGERIAL PERSONNEL

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

Sl. No.	Name	Designation
1.	Badugu Anish Kumar (w.e.f 30.03.2026)	Chairman & Managing Director
2.	Tavva Nagamani (w.e.f 30.03.2026)	Non-Executive Non Independent Director
3.	Guthikonda Hari Krishna (w.e.f 30.03.2026)	Non-Executive Non Independent Director
4.	Jolita Mandhata (w.e.f 30.03.2026)	Independent Director
5.	Chukka Srinivasa Rao (w.e.f 30.03.2026)	Independent Director
6.	Prasada Rao Kalluri	Independent Director
7.	Itikapati Madhusudana Reddy (w.e.f 30.05.2026)	Chief Financial Officer
8.	Naneru Greeshma Sandhya (w.e.f 30.05.2026)	Company Secretary & Compliance Officer
9.	Ratnakarrao Chepur (till 30.03.2026)	Chairman & Independent Director
10.	Tekulapalli Sanjay Reddy (till 30.03.2026)	Managing Director
11.	Anil Kumar Pallala (till 30.03.2026)	Whole Time Director
12.	Swathi Reddy (till 30.03.2026)	Non- Executive Non - Independent Director
13.	Rammohan Paruvu (till 30.03.2026)	Independent Director
14.	Redrowthu Sai Manikanta (till 30.03.2026)	Chief Financial Officer
15.	Malireddy Sushma sree (till 30.05.2026)	Company Secretary & Compliance Officer

Director Retiring by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Anish Kumar Badugu (DIN: 11635335), Directors liable to retire by rotation and is proposed to retire at the ensuing Annual General Meeting and being eligible has offered himself 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. During the Financial year, Mr. Ratnakarrao Chepur resigned as Chairman and Independent Director of the Company with effect from 30.03.2026.

ii. During the Financial year, Mr. Tekulapalli Sanjay Reddy resigned as Managing Director of the Company with effect from 30.03.2026.

iii. During the Financial year, Mr. Anil Kumar Pallala resigned as Whole Time Director of the Company with effect from 30.03.2026.

iv. During the Financial year, Mrs. Swathi Reddy resigned as Non- Executive Non - Independent Director of the Company with effect from 30.03.2026.

v. During the Financial year, Mr. Rammohan Paruvu resigned as Independent Director of the Company with effect from 30.03.2026.

vi. During the Financial year, Mr. Redrowthu Sai Manikanta resigned as Chief Financial Officer of the Company with effect from 30.03.2026.

vii. After the end of the Financial year, Mrs. Malireddy Sushma Sree resigned as Company Secretary & Compliance Officer of the Company with effect from 30.05.2026.

viii. During the Financial year, Mr. Badugu Anish Kumar appointed as Chairman and Managing Director of the Company with effect from 30.03.2026.

ix. During the Financial year, Mrs. Tavva Nagamani appointed as Non- Executive Non - Independent Director of the Company with effect from 30.03.2026.

x. During the Financial year, Mr. Guthikonda Hari Krishna appointed as Non- Executive Non - Independent Director of the Company with effect from 30.03.2026.

xi. During the Financial year, Mrs. Jolita Mandhata appointed as Independent Director of the Company with effect from 30.03.2026.

xii. During the Financial year, Mr. Chukka Srinivasa Rao appointed as Independent Director of the Company with effect from 30.03.2026.

xiii. After the end of the Financial year, Mr. Itikapati Madhusudana Reddy appointed as Chief Financial Officer of the Company with effect from 30.05.2026.

xiv. After the end of the Financial year, Mrs. Naneru Greeshma Sandhya appointed as Company Secretary & Compliance Officer of the Company with effect from 30.05.2026.

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 12th January, 2026 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/disclosures-under-reg-46-of-sebi-lodr

Board Meetings

During the year, nine (9) 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/disclosures-under-reg-46-of-sebi-lodr.

AUDITORS AND THEIR REPORTS AND RECORDS

Statutory Auditors:

M/s. NSVR & Associates LLP (Registration No. 008801S/S200060), were appointed at the 11th Annual General Meeting as the Statutory Auditors of the Company for a term of five years to hold office till the conclusion of the 16th Annual General Meeting of the Company.

Internal auditors:

The Board on the recommendation of the Audit Committee of the company in its meeting held on 08th May 2025, appointed M/s. Anantha Rami Reddy & Associates (Firm Registration No. 021849S), Chartered Accountants, Hyderabad as the Internal Auditor of the Company to conduct the Internal Audit for the financial year 2025-26.

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 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, M/s. P.S. Rao & Associates, Practicing Company Secretaries were appointed as the Secretarial Auditors of the company at 12th AGM for a term of Five (5) consecutive years, to hold office upto the conclusion of 17th AGM of the Company for conducting the Secretarial Audit of your Company. The Secretarial Audit Report, in form MR-3, for the financial year 2025-26 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, 2026 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 2025-26, 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 2025-2026.

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/disclosures-under-reg-46-of-sebi-lodr.

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.

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, 2026, 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, 2026 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 2025-26 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. 14,00,00,000/- comprising of 1,40,00,000 equity shares of Rs.10/- each.

The Paidup share capital of the company as on 31st March 2026 is Rs. 13,83,58,370/- comprising of 1,38,35,837 equity shares of Rs.10/- each.

During the year under review,

- On 04.11.2025, the Company has increased its Authorized Capital from 11 Cr to 14 Cr.
- On 09.09.2025, the Company has allotted 18,298 equity shares of Rs. 10 /- each to the employees under the Sillymonks employee stock option Plan 2023.
- On 23.12.2025, the Company has allotted 7,173 equity shares of Rs. 10 /- each to the employees under the Sillymonks employee stock option Plan 2023.
- On 12.01.2026, the Company has allotted 22,00,000 equity shares of Rs.10/- each to promoter and non-promoter category on Preferential Basis and has allotted 13,75,000 warrants of Rs.10/- each promoter on Preferential Basis.
- On 30.03.2026, pursuant to the conversion of warrants allotted on 12 January 2026, the company allotted 13,75,000 equity shares of Rs.10/- each to promoter.

The Company has introduced the "Silly Monks Employee Stock Option Plan- 2023" ("ESOP 2023") in the year 2023. The scheme has been approved by the Board of Directors at their meeting held on 4th May 2023, and the Shareholders of the Company on 25th August 2023.

The objective of the Scheme is to motivate the Employees to provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company, to motivate the employees of the Company with incentives and reward opportunities, to achieve sustained growth of the Company and to create a sense of ownership and participation amongst the employees or otherwise increase their proprietary interest, to incentivize the senior and critical talents in line with corporate growth and creation of shareholders' value, to provide additional deferred rewards to Employees.

Further, information pursuant to Section 62 of the Companies Act, 2013 read with Rules made there under and details of the Scheme as specified in Part F of Schedule – I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on Company's website and may be accessed at http://www.sillymonks.com/investor-relations.

Further, it is confirmed that the Scheme is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and during the year under review there were no material changes in the Scheme.

Certificate from Mr. P S Rao & Associates, Practicing Company Secretary, Secretarial Auditors of your Company confirming that the scheme has been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, forms part of the Corporate Governance Report and is also placed on the website of your Company at http://www.sillymonks.com/investor-relations.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2026 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 mea-sures taken in relation to conservation of energy and technology absorption are not applicable.

b) **Foreign Exchange earnings and Outgo:**

Foreign Exchange Earnings: Rs. 27835072.19

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 Secu-rities 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 2025-26 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 2025-26.

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, 2026, 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.

TREATMENT OF UNCLAIMED DIVIDEND & SHARES:

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.

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.

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 2025-26.

COMPLIANCE TO THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961:

The Company has duly complied with all provisions of the Maternity Benefit Act, 1961.

ONE-TIME SETTLEMENT

Your company has not made any one-time settlements against loans taken from banks or financial institutions during the financial year 2025-26.

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

During the year, Mr. Satyapoorna Yalamanchali entered into a Share Purchase Agreement (SPA) with the Promoters/Promoter Group of the Company on 03 November 2025 to acquire 40,94,146 fully paid-up equity shares of Rs.10 each, representing 29.59% of the Voting Capital, at a price of Rs.15.00 per share, aggregating to Rs.614.12 Lakhs in cash.

Following this, Mr. Satyapoorna Yalamanchali made an Open Offer to the Eligible Equity Shareholders of Silly Monks Entertainment Limited pursuant to Regulations 3(1) and 4 of SEBI (SAST) Regulations, 2011, to acquire up to 35,97,865 fully paid-up equity shares of Rs.10 each, representing 26.00% of the Voting Capital, at a price of Rs.18.50 per share, payable in cash.

Upon completion of the Open Offer, the previous Promoters/Promoter Group ceased to retain control over the Company. Control and management were transferred to Mr. Satyapoorna Yalamanchali, and the outgoing promoters were declassified from the Promoter/Promoter Group category and re-classified as public shareholders in accordance with Regulation 31A of SEBI (LODR) Regulations, 2015. Mr. Satyapoorna Yalamanchali was reclassified as Promoter 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/-	**Sd/-**
Anish Kumar Badugu	**Guthikonda Hari Krishna**
Chairman & Managing Director	Director
DIN: 11635335	DIN: 11636121

Place: Hyderabad
Date: 12.08.2026

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 LLC
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1 USD = 88.31
	Share capital	76,780
	Reserves & surplus	(15,886,961.70)
	Total assets	2,992,274.57
	Total Liabilities	18,802,456.27
	Investments	-
	Turnover	202,742,939.00
	Profit/Loss before taxation	(319,113)
	Provision for taxation (Includes DTL/ DTA)	-
	Profit after taxation	(319,113)
	Proposed Dividend	-
	% of shareholding	100%

**w.e.f 30.03.2026, Company has disinvested its investment in Dream Boat Entertainment LLC (USA).*

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

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

Sd/-
Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Sd/-
Guthikonda Hari Krishna
Director
DIN: 11636121

Place: Hyderabad
Date: 12.08.2026

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 Relation-ship	Nature of contracts/ arrange-ments/ transaction	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 Lakhs
Dream Boat En-tertainment LLC	Wholly Owned Sub-sidiary	Service Income	25.11.2022-Ongoing	Not applicable	Not applica-ble	278.35

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

Sd/-
Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Sd/-
Guthikonda Hari Krishna
Director
DIN: 11636121

Place: Hyderabad
Date: 12.08.2026

ANNEXURE - III

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2026
[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 Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1, Czech Colony, Fathenagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018. 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 2025-2026 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, 2026 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;

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;

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 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.
- 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.

For P S Rao & Associates
Company Secretaries

Sd/-
Jineshwar Kumar Sankhala
Company Secretary
M. No: 21697
C P No: 18365
UDIN: A021697H001086376

Place: Hyderabad
Date: 12-08-2026

[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: A021697H001086376

Place: Hyderabad
Date: 12-08-2026

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 video creators/influencers/movie/series/music/other content production, content distribution, content marketing on digital and traditional mediums and movie/celebrity brand partnerships.

Our business lines / model is illustrated below:

Our primary focus currently is Content production, marketing and distribution on Digital media and traditional mediums. We publish 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 other 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 fanbase, the more branded content revenue opportunities will unlock.

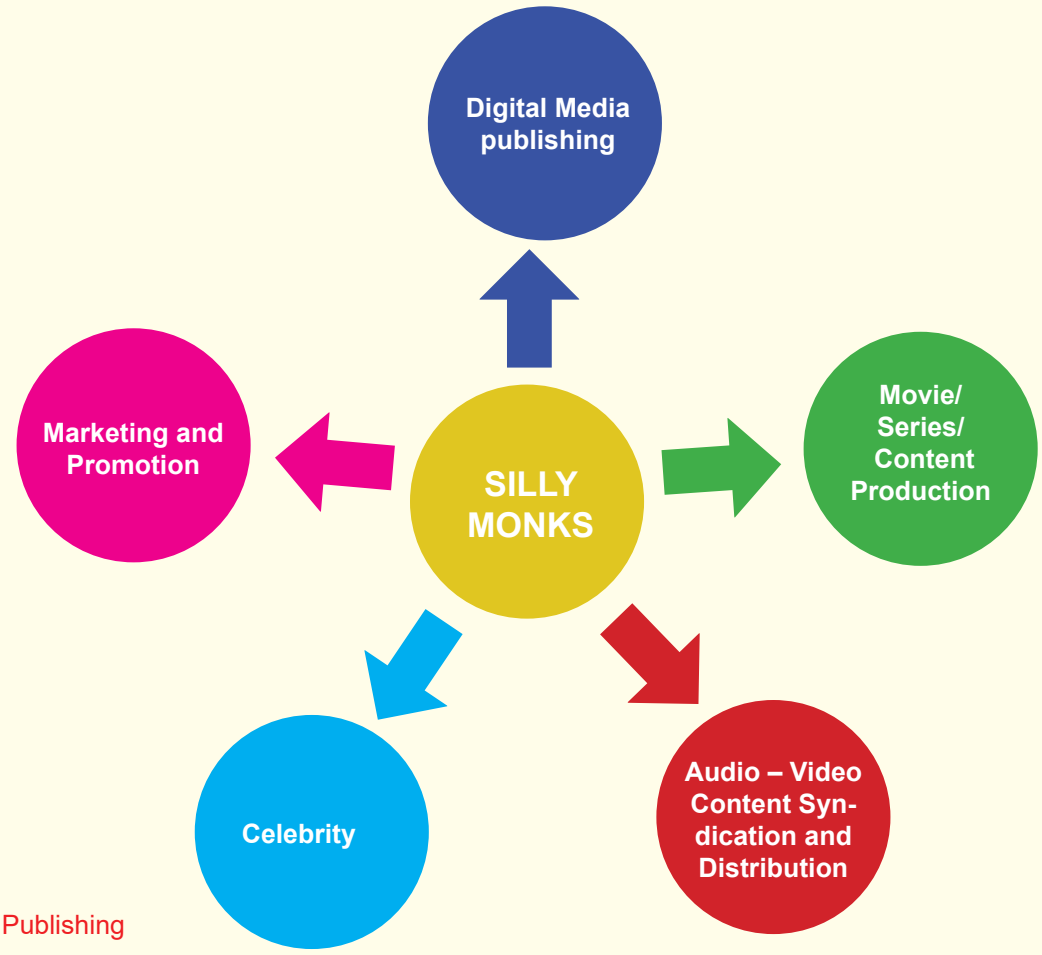
Silly Monks Studios (Movie/Series Production): We have co-produced Telugu Movies like Maa Vintha Gadhaa Vinuma, George Reddy, 24 Kisses, Happy Ending and few movies co-produced with Vaaraahi Chalana Chitram like Oohalu Gusagusalade' 'Dikkulu Choodaku Ramayya', & Tungabhadra.

Upcoming release in 2026

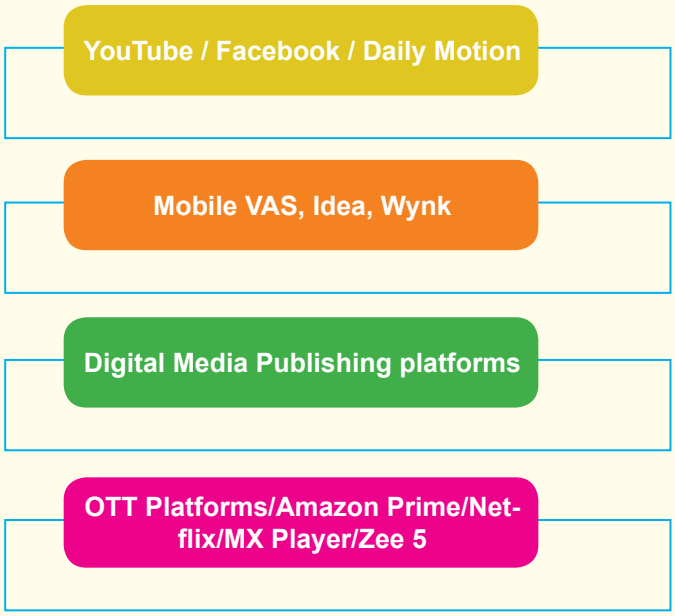
In our studio division, we identify stories, develop, pitch and onboard project independent investors, produce, market and distribute/sell the project on various mediums. With our expertise, we are bridging between film directors/ writers, investors & the platforms and making it a viable and profitable business. In this model SillyMonks retains 20-30% asset holding in each project that we are developing. One film project is ready to release and 7+ projects are 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.

Range of our Products & Services

Our products and services can be summarized as illustrated below:



Content Publishing



Our primary focus is on Video Creators, Influencers, 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, Trail and many more on Amazon Prime. We extending our distribution partnership with more OTT plaforms and also dubbing the content into multi-lingiual.

Amir Khan's Sitare Zameer Par has pioneered a new path for the film industry by premiering directly on YouTube, the world's largest OTT platform by user base. The YouTube TVOD model is set to be a disruptive force in movie distribution and with Dreamboat already partnered with YouTube, we are at the forefront of this transformation.

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.

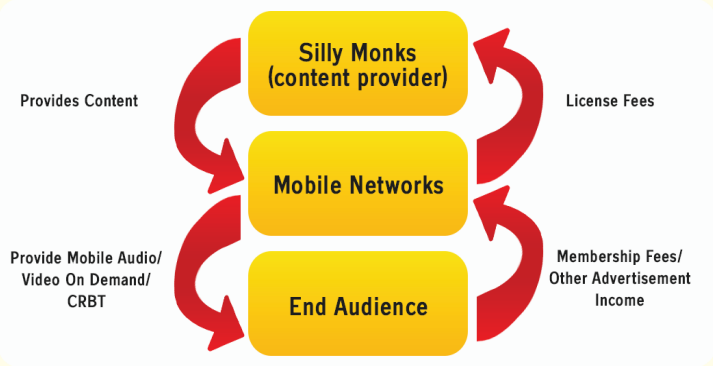
Dream Boat shares an agreed revenue share generated with content partners. This amount varies contractually.

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 to stream 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 Music.

Content Life Cycle

Celebrity Digital Management:

Social Media

We make strategies for movie production houses and creators 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, Vibri Media, Sukumar Writings, Prakash Raj Productions, Swapna Cinemas and many more, working on movies like KALKI 1 & 2, Salaar, Kantara, Pradha and many more where we give 360 degree solutions in marketing and 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.

Brand Partnerships Division

At Silly Monks, we have built a robust Brand Partnerships division with dedicated teams in Mumbai and Delhi — the hubs of India's leading brands and agencies. We work closely with top media agencies such as GroupM and Havas Play, ensuring seamless collaborations between brands and the entertainment industry.

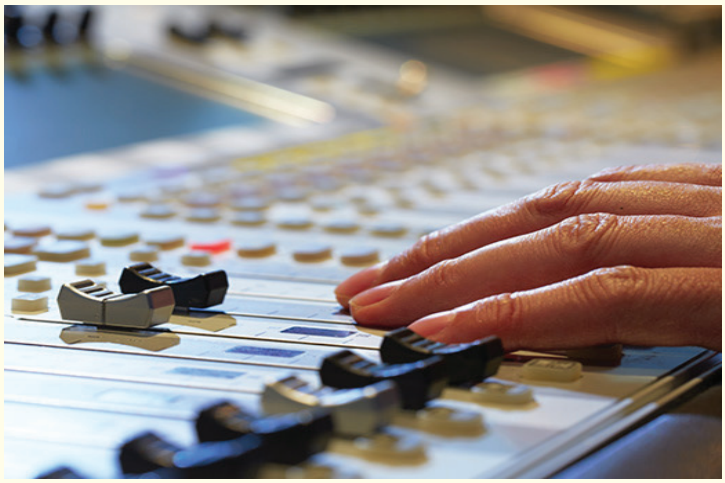
Our expertise goes beyond traditional brand tie-ups. We design comprehensive brand solutions including in-film integrations, sponsorships, and marketing collateral associations, creating impactful partnerships that deliver value for both brands and films.

With strong associations as marketing partners to prestigious production houses like Hombale Films and Vyjayanthi Movies, we are driving brand partnerships for marquee titles such as Kantara, Kalki, Salaar, and Champion, alongside a growing slate including Mirai, Telusu Kadha, Mowgli, Chiru 157, and many more.

By positioning brand partnerships as a significant revenue stream — alongside traditional OTT and satellite rights — we are reshaping how films unlock value beyond box office. Each collaboration facilitated by Silly Monks generates substantial revenue share, strengthening both our partners' projects and our own growth trajectory.

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 2027 from 0.38% in 2019.

Market Size

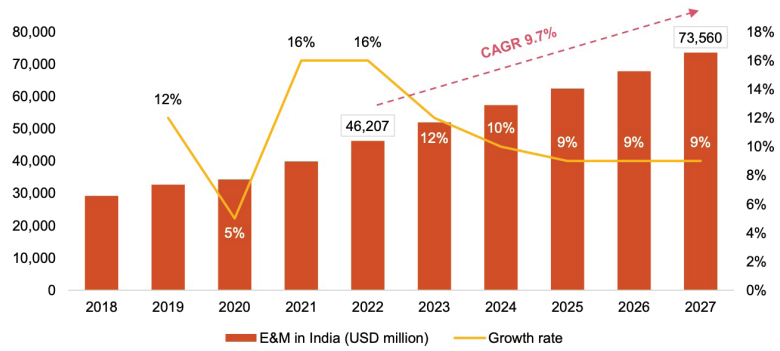
As per PWC Entertainment & Media Outlook 2023 - 2027 - India Perspective.

Evolving consumer preferences, increased internet access, and emerging technologies are fast reshaping the entertainment and media (E&M) industry. For the industry, 2022 marked an important inflection point. The total global E&M revenue of USD 2.32 trillion witnessed a sharp drop from the 10.6% growth rate in 2021 to 5.4% in 2022. This sluggish E&M growth comes on the back of a decline in consumer spending.

For some key sectors, the surge in uptake and revenues experienced during COVID-19 ran out of steam – for example, podcasts, which were among the industry's major success stories in the pandemic, fell by an estimated 80% in 2022. The global slowdown was further pronounced in advertising, as the internet advertising segment – by far the single largest contributor to overall advertising revenues – saw sluggish growth in 2022.

In India, though, the picture is more promising. E&M revenue in the country witnessed 15.9% growth to USD 46,207 million in 2022 compared to 2021. In fact, the Indian market is poised to grow at a compound annual growth rate (CAGR) of 9.7% in the forecast period to reach USD 73,560 million in 2027.

Figure 1: E&M in India



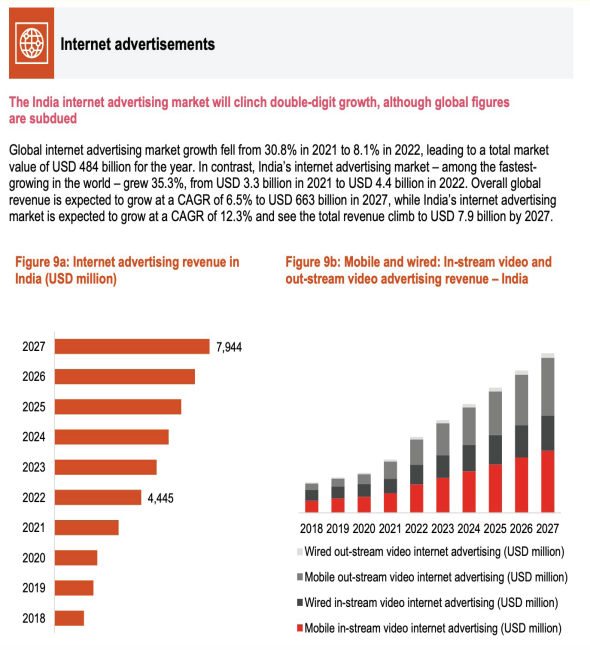
https://www.pwc.in/assets/pdfs/industries/entertainment-and-media/global-entertainment-and-media-outlook-2023-2027-india-perspective-v1.pdf

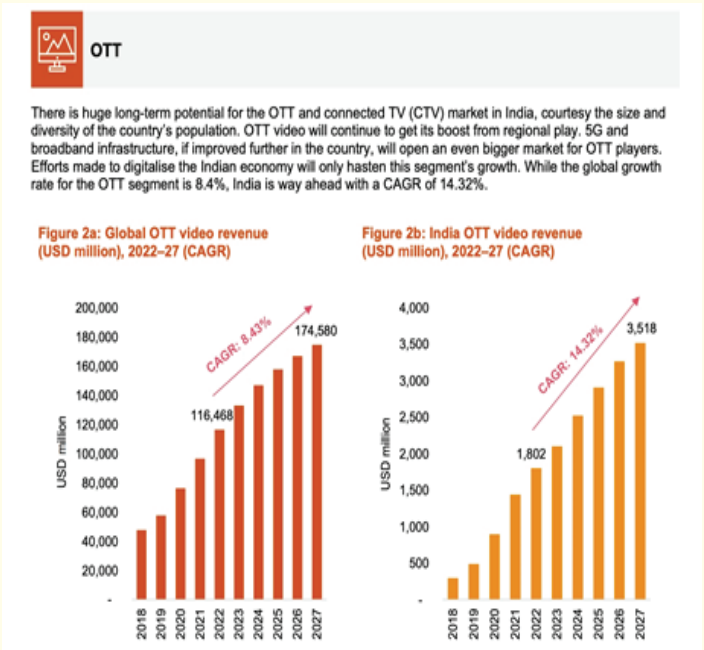
5G rollout presents a huge opportunity in India's mobile-first market

Content streaming is growing most rapidly in emerging pockets, where the combination of large historically underserved rural population and strong demand for local and sports content present major opportunities. The growth opportunity in India is high with the country's biggest telecommunication operators forecasting that the nationwide rollout of 5G capability will be complete by the end of 2024.

Smartphone ownership in India is set to grow by 125 million across the forecast period to 888 million, which is 62.52% of India's population.

Regional language content can secure wins for content players In an overcrowded and competitive market, Regional content that caters to the country's linguistic diversity will stand out.





Recent development/investments

Recent Developments in the Media and Entertainment Industry are:

The India B2B market has been buoyant and is set to become the fastest-growing market globally. The ongoing adoption of digital channels for purchasing goods and services, and the rising middle class in India (globally the second largest) will underpin growth and emergent consumption trends on which B2B market growth relies.

India bucked the global trends again this year and has emerged as the fastest-growing newspaper market, with both print and digital segments registering a CAGR of 3.212%. Compared to 2021, newspaper revenue declined in 2022. India is also the second fastest growing consumer book market in the Asia Pacific region (China being the first), with non-fiction books the clear choice for Indian readers.

Deals will continue to be a means of gaining scale. In February 2023, the Competition Commission of India (CCI) conditionally approved the USD 10 billion merger between two large media conglomerates, paving the way for the creation of one of India's largest conglomerates spanning television channels, digital platforms and content production.

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 2027, the healthcare industry is expected to reach US$ 372 billion. India's digital economy is estimated to reach US$ 1 trillion by 2027. By the end of 2023, India's IT and business services sector is expected to reach US$ 14.3 billion with 8% growth.

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

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 2025-26 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, 2026 is Rs.13,83,58,370/- divided into 1,38,35,837 Equity Shares of Rs.10/- each fully paid up.

Reserves and Surplus: The Reserves and Surplus of the company as on 31st March, 2026 stand at Rs (25.26) lakhs as compared to Rs. (140.16) lakhs in the previous year.

Property, Plant and Equipment: The value on Property, Plant and Equipment stood at Rs. 8.45 lakhs in the financial year 2025-26 as compared to Rs. 21.75 in the previous year.

Trade Receivables: Trade Receivables of the stood at Rs. 67.68 lakhs as on 31st March, 2026 as compare with previous year Rs. 65.15 lakhs. These debtors are considered good and realizable.

Cash and Bank Balances: Cash and Bank balances with Scheduled Banks stood to Rs. 437.53 lakhs as against Rs. 3.73 lakhs in the previous year.

Loans and Advances: Long Term Loans and Advances is Rs. 297.31 lakhs as against Rs.297.31 lakhs in the previous year.

Current Liabilities: Current Liabilities as on 31st March, 2026 is Rs. 35.99 lakhs.

CONSOLIDATED FINANCIAL CONDITION:

Reserves and Surplus

The Reserves and Surplus of the company as on 31st March, 2026 stand at Rs. (184.13) lakhs as compared to Rs. (262.25) lakhs in the previous year.

Property, Plant and Equipment

The Company investments on Property, Plant and Equipment Rs. 8.45 lakhs in the financial year 2025-26 as compared to Rs. 21.75 lakhs in the previous year.

Trade Receivables: Trade Receivables of the stood at Rs. 68.27 lakhs as on 31st March, 2026 as compare with previous year Rs. 68.29 lakhs. These debtors are considered good and realizable.

Cash and Bank Balances:

Cash and Bank balances with Scheduled Banks stood to Rs. 464.35 lakhs as against Rs. 69.69 Lakhs in the previous years.

Loans and Advances:

Long Term Loans and Advances is Rs. 297.31 lakhs as against Rs. 297.31 lakhs in the previous year.

Current Liabilities: Current Liabilities as on 31st March, 2026 is Rs. 221.50 lakhs.

STANDALONE OPERATIONAL RESULTS:

Turnover:

During the financial year 2025-26 the turnover of the Company was Rs. 561.63 lakhs as against Rs. 537.53 lakhs in the previous year and income from other sources as on 31st March, 2026 was Rs. 18.71 lakhs as against Rs. 13.25 lakhs in the previous year.

Depreciation:

The Company has provided Rs. 41.73 lakhs for depreciation during the financial year 2025-26 as against Rs. 44.70 lakhs in the previous year.

Provision for Tax:

The Company has provided nil tax provision in the financial year 2025-26.

Net Profit:

The Net Profit of the Company after tax is Rs. (195.50) lakhs for the financial year 2025-26 as against Rs. 20.14 lakhs in the previous year.

Earnings per Share:

The Earnings per Share of the Company as on 31st March, 2026 is Rs (1.82) per share for Face Value of Rs.10/- as against Rs. 0.20 per share for Face Value of Rs.10 in the previous year.

CONSOLIDATED OPERATIONAL RESULTS:

Turnover

During the financial year 2025-26 the turnover of the Company was Rs. 2307.82 lakhs as against Rs. 2624.31 lakhs in the previous year and income from other sources as on 31st March, 2026 was Rs. 18.71 lakhs as against Rs. 13.25 lakhs in the previous year.

Depreciation

The Company has provided Rs. 41.73 lakhs for depreciation during the financial year 2025-26 as against Rs. 44.70 lakhs in the previous years.

Net Profit:

The Net Profit of the Company after tax is Rs. (198.69) lakhs for the financial year 2025-26 as against Rs. 20.22 lakhs in the previous year.

Earnings per Share:

The Earnings per Share of the Company as on 31st March, 2026 is Rs. (1.44) per share for Face Value of Rs.10/- as against Rs. 0.20/- 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.

The key aspects of our HR practice include:

- Recruitment
- Training and developments
- 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 25-2026, we moved towards digitalizing and exploring new talents to get the best out for the hiring process to our organization. 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:

Financial Ratios	Formula	Standalone		Deviation (%)	Reason for Change
		2025-26	2024-25		
Debtors Turnover Ratio (times)	[Revenue from operations/ Average Trade receivables]	8.46	7.40	14.25%	Increase in Revenue from Operations
Inventories Turnover Ratio (times)	[COGS/Average Inventories]	0.34	(0.08)	-539.52%	Increase in COGS
Interest Coverage Ratio (times)	[EBIT/Finance Cost]	-121.46	3.80	-3096.31%	Decrease in EBIT
Current Ratio (times)	[CurrentAsset/Current Liability]	25.99	7.25	258.32%	Increase in Current Assets
Debt Equity Ratio (times)	[Debt/Shareholders Equity]	-	0.03	-100%	Decrease in Debt
Operating Profit Margin Ratio (%)	[EBIT/Revenue from Operations]	-0.33	0.01	-3200%	Decrease in EBIT
Net Profit Margin (%)	[Profit After Tax/Revenue from Operations]	-34.81	3.75	-1028.92%	Decrease in PAT
Return on Networth (%)	[Profit for the year (before exceptional items and after tax)/Net Worth]	-17.44	2.31	-853.53%	Decrease in Profit for the year (before exceptional items and after tax)

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/-
Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Sd/-
Guthikonda Hari Krishna
Director
DIN: 11636121

Place: Hyderabad
Date: 12.08.2026

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) The median remuneration of employees of the Company during the financial year Rs. 6,00,000/- p.a.

ii) In the financial under review, there was 42.86% increase in the median remuneration of employees.

iii) There were 26 full time employees on the rolls of Company as on 31st March, 2026.

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

v) **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26:**

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director /KMP for the financials Year 2025-26 (In Rs.)	% increase in Remuneration in the Financial Year 2025-26	Ratio of remuneration of each Director/to median remuneration of employees
	*Tekulapalli Sanjay Reddy, Managing Director	78,00,000.00	0%	13.00
	*Anil Kumar Pallala, Whole Time Director	39,00,000.00	0%	6.50

(w.e.f 30.03.2026, they resigned from their positions)

vi) Average percentile increases already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.

vii) There has been no increase in Managerial Remuneration during the FY 2025-26. There is increase in the salaries of the employees in this FY i.e.; 2025-26.

viii) Key parameters for any variable component of remuneration availed by the Directors: **Not Applicable**

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, 2026, the composition of board consists of Six (6) Directors. The board consists of optimum combination of Executive and Non- Executive Directors. The Chairman & Managing Director is the Executive Director and there are 5 (Four) Non-Executive Directors, out of which 3 (three) Directors are Independent Directors. The Board consists of 2 (Two) Woman Directors.

a) Composition and Category of directors as on 31st March, 2026:

Category	No. of Directors
Executive Director (Chairman & Managing Director)	1 (Two)
Non-Executive Non-Independent Directors	2 (Two)
Non-Executive Independent Directors	3 (Three)
Total	**6 (Six)**

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

Sl. No.	Name	Category
1.	Badugu Anish Kumar (w.e.f 30.03.2026)	Chairman & Managing Director
2.	Tavva Nagamani (w.e.f 30.03.2026)	Non-Executive Non Independent Director
3.	Guthikonda Hari Krishna (w.e.f 30.03.2026)	Non-Executive Non Independent Director
4.	Jolita Mandhata (w.e.f 30.03.2026)	Independent Director

5.	Chukka Srinivasa Rao (w.e.f 30.03.2026)	Independent Director
6.	Prasada Rao Kalluri	Independent Director
7.	Ratnakarrao Chepur (till 30.03.2026)	Chairman & Independent Director
8.	Tekulapalli Sanjay Reddy (till 30.03.2026)	Managing Director
9.	Anil Kumar Pallala (till 30.03.2026)	Whole Time Director
10.	Swathi Reddy (till 30.03.2026)	Non- Executive Non - Independent Director
11.	Rammohan Paruvu (till 30.03.2026)	Independent Director

Attendance of each Director at the Board meetings held during the year 2025-26 and at the last Annual General Meeting:

Sl. No.	Name	Category of Directorship	No. of. Board Meeting during the year 2025-26		Attendance at the last AGM held on September 30, 2025
			Held	Attended	
1.	Badugu Anish Kumar (w.e.f 30.03.2026)	Chairman & Managing Director	1	1	Not Attended
2.	Tavva Nagamani (w.e.f 30.03.2026)	Non-Executive Independent Director	1	1	Not Attended
3.	Guthikonda Hari Krishna (w.e.f 30.03.2026)	Non-Executive Independent Director	1	1	Not Attended
4.	Jolita Mandhata (w.e.f 30.03.2026)	Independent Director	1	1	Not Attended
5.	Chukka Srinivasa Rao (w.e.f 30.03.2026)	Independent Director	1	1	Not Attended
6.	Prasada Rao Kalluri	Independent Director	9	9	Attended
7.	Ratnakarrao Chepur (till 30.03.2026)	Chairman & Independent Director	9	9	Attended
8.	Tekulapalli Sanjay Reddy (till 30.03.2026)	Managing Director	9	9	Attended
9.	Anil Kumar Pallala (till 30.03.2026)	Whole Time Director	9	9	Attended
10.	Swathi Reddy (till 30.03.2026)	Non- Executive Non - Independent Director	9	9	Attended
11.	Rammohan Paruvu (till 30.03.2026)	Independent Director	9	9	Attended

b) 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, 2026:

Name of the Director	Number of director-ships in other Com-panies	Committee Chairman-ship and Membership*		Names of other Listed Companies in which he/she holds Directorship and cate-gory of Directorship
		Chairman-ship**	Member-ship**	
Badugu Anish Kumar (w.e.f 30.03.2026)	-	-	-	-
Tavva Nagamani (w.e.f 30.03.2026)	-	-	-	-
Guthikonda Hari Krishna (w.e.f 30.03.2026)	-	-	-	-
Jolita Mandhata (w.e.f 30.03.2026)	1	-	2	Independent Director of Bike-wo Limited
Chukka Srinivasa Rao (w.e.f 30.03.2026)	-	-	-	-
Prasada Rao Kalluri	5	-	-	-
Ratnakarrao Chepur (till 30.03.2026)	-	-	-	-
Rammohan Paruvu (till 30.03.2026)	-	-	-	-
Tekulapalli Sanjay Reddy (till 30.03.2026)	-	-	-	-
Mr. Anil Kumar Pallala (till 30.03.2026)	-	-	-	-
Mrs. Swathi Reddy (till 30.03.2026)	-	-	-	-

* 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.

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

The Board met 9 times in the financial year 2025-26 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings:

08-05-2025	02-06-2025	28-07-2025
03-09-2025	03-11-2025	06-11-2025
12-01-2026	05-02-2026	30-03-2026

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.

d) Inter-se Relationship

No Directors have any relationship among themselves but before resignation Mrs. Swathi Reddy, Non-Executive Director is spouse of Mr. Tekulapalli Sanjay Reddy who is the Managing Director of the Company.

e) 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.	Tavva Nagamani (w.e.f 30.03.2026)	Non-Executive Non Independent Director	Nil
2.	Guthikonda Hari Krishna (w.e.f 30.03.2026)	Non-Executive Non Independent Director	Nil
3.	Jolita Mandhata (w.e.f 30.03.2026)	Non-Executive Independent Director	Nil
4.	Chukka Srinivasa Rao (w.e.f 30.03.2026)	Non-Executive Independent Director	Nil
5.	Mr. Prasada Rao Kalluri (till 30.03.2026)	Non-Executive Independent Director	Nil
6.	Mr. Ratnakar Rao Chepur (till 30.03.2026)	Non-Executive Independent Director	Nil
7.	Mr. Rammohan Paruvu (till 30.03.2026)	Non-Executive Independent Director	Nil
8.	Mrs. Swathi Reddy (till 30.03.2026)	Non-Executive Non Independent Director	Nil

f) 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/disclosures-under-reg-46-of-sebi-lodr.

g) 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. Badugu Anish Kumar (w.e.f 30.03.2026)	Chairman & Managing Director	Software development, Design and development of web-based applications.
Mrs. Tavva Nagamani (w.e.f 30.03.2026)	Director (Non -Executive)	Sales, Statistics, business development and data-driven decision-making processes.

Mr. Guthikonda Hari Krishna (w.e.f 30.03.2026)	Director (Non -Executive)	Data analytics and statistical programming, SAS programming, including Base SAS, SAS/SQL, SAS Macros, SAS/ACCESS, SAS Visual Analytics (SAS/VA), SAS Output Delivery System (SAS/ODS), and SAS Enterprise Guide (SAS/EG).
Mrs. Jolita Mandhata (w.e.f 30.03.2026)	Director (Independent, Non -Executive)	Arts, Management, Supervision, and Human Resource functions.
Mr. Chukka Srinivasa Rao (w.e.f 30.03.2026)	Director (Independent, Non -Executive)	Management, finance, and human resources
Mr. Prasada Rao Kalluri	Director (Independent, Non-Executive)	Finance, Law, Secretarial and Compliance
Mr. Ratnakar Rao Chepur (till 30.03.2026)	Chairman (Independent, Non-Executive)	Sales, Marketing, Advertisement and Business Administration
Mr. Rammohan Paruvu (till 30.03.2026)	Director (Independent, Non-Executive)	Independent writer-producer.
Mr. Tekulapalli Sanjay Reddy (till 30.03.2026)	Managing Director (Promoter, Executive)	Finance, Production, Media, Marketing and Entertainment Industry
Mr. Anil Kumar Pallala (till 30.03.2026)	Whole Time Director (Promoter, Executive)	Media and Entertainment Industry
Mrs. Swathi Reddy (till 30.03.2026)	Director (Non-Executive)	Marketing and Corporate Communication

h) 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.

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/disclosures-under-reg-46-of-sebi-lodr, 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. **Audit Committee (AC)**

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 2025-26, Audit Committee met 7 (Seven) times dated 08.05.2025, 28.07.2025, 03.09.2025, 03.11.2025, 06.11.2025, 05.02.2026, 30.03.2026. 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). Then Chairman of the Audit committee, Mr. Prasada Rao Kalluri was present at the last Annual General Meeting of the Company held on 30th September, 2025.

In the Meeting held on 30.03.2026, the board considered and approved reconstitution of the Committee. 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. Chukka Srinivasa Rao (w.e.f 30.03.2026)	Chairman	Independent	0	0
Mrs. Jolita Mandhata (w.e.f 30.03.2026)	Member	Independent	0	0
Mr. Prasada Rao Kalluri	Chairman upto 30.03.2026 & Member since 30.03.2026	Independent	7	7
Mr. Tekulapalli Sanjay Reddy (till 30.03.2026)	Member	Executive	7	7
Mr. Rammohan Paruvu (till 30.03.2026)	Member	Independent	7	7
Mr. Ratnakar Rao Chepur (till 30.03.2026)	Member	Independent	7	7

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.

During the Financial year 2025-26, Nomination and Remuneration Committee met 4 (Four) times dated 02.06.2025, 09.09.2025, 23.12.2025 and 30.03.2026.

In the Meeting held on 30.03.2026, the board considered and approved reconstitution of the Committee. 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
Mrs. Jolita Mandhata (w.e.f 30.03.2026)	Chairman	Independent	**0**	**0**
Mr. Chukka Srinivasa Rao (w.e.f 30.03.2026)	Member	Independent	**0**	**0**
Mr. Prasada Rao Kalluri	Chairman upto 30.03.2026 & Member since 30.03.2026	Independent	4	4
Mrs. Swathi Reddy (till 30.03.2026)	Member	Non-Executive	4	4

Mr. Rammohan Paruvu (till 30.03.2026)	Member	Independent	4	4
Mr. Ratnakar Rao Chepur (till 30.03.2026)	Member	Independent	4	4

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 2025-2026 company has granted stock options to its employees.

During the Financial Year 2025-26, 25,471 Equity Shares of Rs. 10/- each of Silly Monks were allotted under Employee Stock Option Plan 2023 (ESOP 2023).

The details of remuneration to Non-Executive Directors:

During the FY 2025-26, 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 2025-26 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. **Stakeholders' Relationship Committee**

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 twice on 28.07.2025 and 30.03.2026.

In the Meeting held on 30.03.2026, the board considered and approved reconstitution of the Committee. 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. Chukka Srinivasa Rao (w.e.f 30.03.2026)	Chairman	Independent	0	0
Mrs. Jolita Mandhata (w.e.f 30.03.2026)	Member	Independent	0	0
Mr. Anish Kumar Badugu (w.e.f 30.03.2026)	Member	Executive	0	0
Mr. Rammohan Paruvu (till 30.03.2026)	Chairman upto 30.03.2026 & Member since 30.03.2026	Independent	2	2
Mr. Tekulapalli Sanjay Reddy (till 30.03.2026)	Member	Executive	2	2
Mr. Ratnakar Rao Chepur (till 30.03.2026)	Member	Independent	2	2

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 2025 (12th AGM)	30th September 2025	3.00 P.M	Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India.	1. Disinvestment in Overseas Wholly owned Subsidiary (M/s Dream Boat Entertainment LLC)
31st March, 2024 (11th AGM)	30th September 2024	3.00 P.M	Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India.	NIL
31st March, 2023 (10th AGM)	25th August 2023	1:00 P.M	Survey No. 91, 3rd Floor, Technical Block, Sundarayya Vignana Kendram (SVK), Gachibowli, Hyderabad - 500032, Rangareddi, Telangana, India.	1. Approval of Silly Monks Employee Stock Option Plan - 2023 for the employees of the holding / subsidiary companies of the company. 2. 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".

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 30th September 2025, 30th September 2024 and 25th August 2023.

b) The details of Special Resolutions passed through postal ballot during the financial year 2025-26: Nil

c) Person who conducted the postal ballot: NA

d) Procedure for Postal ballot: NA

e) 1 Extraordinary General Meeting of the members was held on Thursday, 27th November 2025 during financial year 2025-2026, to transact the following business:

- Increase in Authorized Share Capital
- Issue of equity shares on Preferential Basis to Acquirer and Non – Promoter
- Issue of Share Warrants on Preferential Basis to Acquirer

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 result 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	Monday, 28th September, 2026 at 11:30 A.M
Venue	VC/OVAM
Financial Year	01st April, 2025 to 31st March, 2026
Last Date of Proxy forms submission	NA
Period Date for exercising e-voting	25.09.2026 to 27.09.2026
Date of Book Closure	NA
Cut off date for e-voting	21.09.2026
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.
Demat ISIN in NSDL and CDSL for Equity Shares	INE203Y01012
Corporate Identification Number (CIN)	L92120TG2013PLC090132

8. **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.

Number of shares	% of total shares	Number of Shareholders	% of total shareholders
1,38,35,837	100.00	3872	100.00

The breakup of Shares in demat and physical form as on 31st March, 2026 is as follows:

Particulars	No. of Shares of Rs.10/- each	% of Shares
Demat Mode i) NSDL ii) CDSL	 8929794 3531043	 64.54 25.52
Physical Mode	1375000	9.94
Total	**13835837**	**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, 2026.

9. **Distribution of shareholding as on 31st March, 2026**

Shareholding of Nominal value (Rs.)	No. of Share-holders	Percentage of total shareholders	Share amount (Rs.)	Percentage of total amount
1 to 5000	3027	78.4659	2453780	1.7734
5001 to 10000	273	6.9572	2339690	1.6910
10001 to 20000	192	4.8930	3044580	2.2005
20001 to 30000	122	3.1091	3105630	2.2446
30001 to 40000	33	0.8410	1182600	0.8547
40001 to 50000	62	1.5800	2968140	2.1452
50001 to 100000	88	2.2426	6758850	4.8850
100001 and above	75	1.9113	116505100	84.2056
Total	**3872**	**100**	**138358370**	**100**

Shareholding Pattern: The shareholding pattern of the Company as on 31st March, 2026 is as follow:

Sr.no	Category	Total shareholders	Total shares	Percentage
1	Promoters & Promoter Group	1	6923477	50.04
3	Public	3754	6150692	44.46
4	Clearing Member	3	1546	0.01
5	Corporate Bodies	19	460137	3.33
6	Non-Resident Indian	22	76011	0.55
7	HUF	73	223974	1.61
Total		**3872**	**13835837**	**100**

10. **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 2025-26.

11. **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).

12. **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**

13. **Address for Correspondence**

For general correspondence:

Anish Kumar Badugu
Managing Director
Silly Monks Entertainment Limited
Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1,
Czech Colony, Fathenagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018
Tele No.: +917093094599
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.

14. **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:

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.

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 2025-26:

There was no instance during the financial year 2025-26, 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 for financial year 2025-26 by company to statutory Auditor is Rs. 3,48,000 /- 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 2025-26: Nil

b. Number of complaints disposed of during the financial year 2025-26: Nil

c. Number of complaints pending as on end of the financial year 2025-26: 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, 2026.

(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	NA
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. Managing Director and CEO and CFO certification:

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/-
Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Sd/-
Guthikonda Hari Krishna
Director
DIN: 11636121

Place: Hyderabad
Date: 12.08.2026

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, 2026.

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

Sd/-
Anish Kumar Badugu
Chairman & Managing Director
DIN: 11635335

Place: Hyderabad
Date: 12-08-2026

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 , Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1, Czech Colony, Fath-enagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018 (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, 2026 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	Badugu Anish Kumar (w.e.f 30.03.2026)	Chairman & Managing Director	11635335	30.03.2026
2	Tavva Nagamani (w.e.f 30.03.2026)	Non-Executive Independent Director	11635327	30.03.2026
3	Guthikonda Hari Krishna (w.e.f 30.03.2026)	Non-Executive Independent Director	11636121	30.03.2026
4	Jolita Mandhata (w.e.f 30.03.2026)	Independent Director	11391576	30.03.2026
5	Chukka Srinivasa Rao (w.e.f 30.03.2026)	Independent Director	10812369	30.03.2026
6	Prasada Rao Kalluri	Independent Director	07780628	24.07.2022
7	Ratnakar Rao Chepur (till 30.03.2026)	Chairman - Non-Executive Independent Director	08744674	10.02.2024
8	Tekulapalli Sanjay Reddy (till 30.03.2026)	Managing Director	00297272	20.09.2013
9	Anil Kumar Pallala (till 30.03.2026)	Whole Time Director	02416775	01.09.2014
10	Swathi Reddy (till 30.03.2026)	Non-Executive Director	00297360	20.09.2013
11	Rammohan Paruvu (till 30.03.2026)	Non-Executive, Independent Director	01284563	11.11.2022

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: A021697H001161770

Place: Hyderabad
Date: 12.08.2026

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, 2026 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: A021697H001161660

Place: Hyderabad
Date: 12-08-2026

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Silly Monks Entertainment Limited.

We, P. S. Rao & Associates, have been appointed as the Secretarial Auditor of Silly Monks Entertainment Limited (hereinafter referred to as 'the Company'), having CIN: L92120TG2013PLC090132 and its registered office at Flat No. S 206, H.No 7-2-1813/5, Second Floor S.V.S.S Nivas, South Wing, Street No. 1, Czech Colony, Fathenagar Colony, K.V.Rangareddy, Balanagar, Telangana, India, 500018. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as 'the Regulations'), for the financial year ended **31st March 2026.**

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has been implementing "Silly Monks Employee Stock Option Scheme 2023 ("ESOP 2023") viz Employee Stock Option Scheme in accordance with the Regulations and the Special Resolution passed by the members on 25th August 2023.

For the purpose of verifying the compliance of the Regulations, I have examined the following:

1. Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders Resolution passed in AGM held on 25th August 2023;
5. Relevant Accounting Standards as prescribed by the Central Government;
6. Detailed terms and conditions of the scheme as approved by Nomination and Remuneration Committee;
7. Exercise Price / Pricing formula;
8. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
9. In-principal approval received from the stock exchanges;
10. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
11. Other relevant document/ filing/ records/ information as sought and made available to me and the explanations provided by the Company.

Certification:

In my opinion and to the best of my knowledge and according to the verifications as considered necessary and explanations furnished to me by the Company and its Officers, I certify that the Company has obtained requisite approvals to implement the "Silly Monks Employee Stock Option Scheme 2023 ("ESOP 2023")" in accordance

with the applicable provisions of the Regulations and Special Resolution passed by the Company in AGM held on 25th August 2023. During the FY 2025-26, the Nomination and Remuneration Committee of the Company has granted 25,471 Options to eligible employees under the scheme.

Details of Options are as under:

Particulars	No of Options
No. of Options Under Scheme	5,00,000
No. of Options Granted during the year	0
No. of Options Granted earlier	5,00,000
No. of Options Vested	1,25,000
No. of Options Exercised	25,471
No. of Options lapsed	70,466

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. My responsibility is to give certificate based upon my examination of relevant documents and information. It is neither an audit nor an investigation.

3. 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.

4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For P S Rao & Associates
Company Secretaries

Sd/-
Jineshwar Kumar Sankhala
Company Secretary
M.No: 21697
C P No: 18365
UDIN: A021697H001161891

Place: Hyderabad
Date: 12-08-2026

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, 2026 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.

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

Sd/-	**Sd/-**
Anish Kumar Badugu	**Itikapati Madhusudana Reddy**
Chairman & Managing Director	**CFO**
DIN: 11635335	

Place: Hyderabad
Date: 30.05.2026

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Silly Monks Entertainment Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of Silly Monks Entertainment Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Cash Flows and the Statement of changes in equity for the year ended on that date, and notes to the financial statements, including a summary of the Material accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements")

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 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit including comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 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 as the Key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How the matter was addressed in our audit
1) **Recognition of Revenue** The recognition of revenue from digital marketing, branding & promotions, multi-channel network & syndication of content has been considered to be critical since the company has entered not multiple contracts with the customers. The complexity of these contractual terms also requires the company to make judgements in assigning fulfillment of its obligations under the contracts to recognise the revenue in line with the accounting policy adopted and Indian accounting standard 115	- Considered the revenue recognition policies of the company in respect of those contracts and assessed the consistent application of these policies in light of the requirements of relevant accounting standards. - Tested the transactions close to the year end to check the recognition of revenue in the correct period. - Performed substantive procedures with regard to revenue from digital marketing, syndication, multi-channel network by agreeing to third party information, information received from the customers and other relevant information on a sample basis.

Other Matter

Information other than the standalone financial statements and Auditor's report thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

- 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 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 on in this regard.

Responsibilities of management and those charged with governance for the standalone financial statement

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 statement of changes of equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) referred to in Section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015 as amended.

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

Auditor's Responsibilities for the Audit of the standalone financial statements

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

- Identify and assess the risks of material misstatement of the 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 controls 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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 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 benefits of public interest such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Companies Act 2013, 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 purpose of our audit.

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

   c) The Balance Sheet and Statement of Profit and Loss including Other Comprehensive Income, the Cash flow Statement and the 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 financials comply statements comply with the Indian Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

   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 A";** Our report expresses an unmodified opinion on the adequacy and operating effectiveness on 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 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, in our opinion and to the best of information and according to the explanations given to us:

      i. The company has disclosed the impact of pending litigation on its financial position in its financial statements.

      ii. The Company does not have any derivatives contracts. Further there are no long-term contracts for which provisions for any material foreseeable losses is required to be made.

      iii. There are no amounts pending that are required to be transferred to the Investor Education and Protection Fund.

iv. (a) The management has represented, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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, whether, 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; and

(c) Based on the audit procedures performed by us, which have 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), contain any material mis-statement.

v. The company hasn't declared any Dividend for the current year and hence the provisions of section 123 of the Companies Act 2013 are not applicable.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail features being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2025.

2. As required by the Companies (Auditor's Report) Order, 2020, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, we give in the **"Annexure B"** a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN No.008801S/S200060

Sd/-
V Gangadhara Rao N
Partner
Membership No. 219486
UDIN: **26219486HFFVWL9299**

Place: Hyderabad
Date: 30-05-2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report even date)

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

We have audited the internal financial controls with reference to standalone financial statements of Silly Monks Entertainment Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the 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 respective 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standard on Auditing prescribed underSection143(10) of theCompaniesAct,2013, to the extent applicable to an audit of internal financial controls. 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 were 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 procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 of the Company.

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 financial statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and(3)provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 31 March 2026, 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 NSVR & ASSOCIATES LLP
Chartered Accountants
FRN No.008801S/S200060

Sd/-
V Gangadhara Rao N
Partner
Membership No. 219486
UDIN: **26219486HFFVWL9299**

Place: Hyderabad
Date: 30-05-2026

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report even date

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

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

b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified once every year. Pursuant to this programme, all Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company as at 31 March 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) a) The Company does not hold any tangible inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us, at any point of time during the year, the Company has not been sanctioned {working capital limits/ working capital limits in excess of five crore rupees} by banks or financial institutions on the basis of security of current assets.

(iii) (a) The Company has not made investments in and provided advances in the nature of loans to Subsidiaries and Others during the year. Further, the Company has not provided any loans or guarantees or security to any other entity during the year.

(b) The Company has not provided any guarantee or given any security or granted any loans during the year. In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of advances in the nature of loans, prima facie, not prejudicial to the interest of the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments, nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended. Accordingly, clause (v) of paragraph 3 of the Order is not applicable.

(vi) The Central Government has not specified maintenance of cost records under section 148(1) of the Act, in respect of the business activities carried out by the Company.

(vii) a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to the appropriate authorities have generally been regularly deposited during the year by the Company with the appropriate authorities.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority

c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained. There are no unutilized term loans at the beginning of the year.

d) On an overall examination of the financial statements of the Company, funds raised on a 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, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act) and hence reporting on clause (ix)(f) of the order is not applicable.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, During the year, the Company allotted 13,75,000 equity shares pursuant to the conversion of warrants issued on a preferential basis. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of

Sections 42 and 62 of the Companies Act, 2013 and the funds raised under the preferential issue have been used for the purposes for which they were raised. Further, the Company has made a rights issue of 22,00,000 equity shares during the year, which is not covered under clause 3(x)(b) of the Order.

(xi) a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company) and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) a) In our opinion and based on the information and explanations provided to us, 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 for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.

b) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended) and hence reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses in the current of 116.8 lakhs and in the immediately preceding financial year no cash losses.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however,

state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

(xx) The Company did not have 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. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN No.008801S/S200060

Sd/-
V Gangadhara Rao N
Partner
Membership No. 219486
UDIN: **26219486HFFVWL9299**

Place: Hyderabad
Date: 30-05-2026

Statement of standalone audited
Balance Sheet Balance sheet as on 31 March, 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

	Particulars	Notes	As at	
			March 31, 2026	March 31, 2025
I	**Assets**			
	Non-current assets			
	Property, plant and equipment	3	8.45	21.75
	Other intangible assets	4	9.42	14.37
	Intangible assets under development	4	0.00	7.36
	Right of use assets	4	-	28.38
	Financial assets			
	(a) Investments	5	0.77	9.07
	(b) Loans	6	297.31	297.31
	(c) Other financial assets	7	-	16.48
	Deferred tax assets (net)	9	183.59	205.66
			499.53	**600.39**
	Current assets			
	Inventories	9	131.71	184.82
	Financial assets			
	(a) Investments	10	-	102.19
	(b) Trade receivables	11	67.68	65.15
	(c) Cash and cash equivalents	12	437.53	3.73
	(d) Loans and advances	13	270.00	20.00
	Other current assets	14	28.40	32.41
			935.32	**408.31**
	Total		**1,434.85**	**1,008.69**
II	**Equity and liabilities**			
	Equity			
	Equity share capital	15	1,383.58	1,023.54
	Other equity	16	(25.26)	(140.16)
	Total equity		**1,358.33**	**883.37**
	Liabilities			
	Non-current liabilities			
	Financial Liabilities			
	a) Lease liabilities	17	-	29.69
	Provisions	18	40.53	37.83
			40.53	**67.51**

	Current liabilities			
	Financial liabilities			
	(a) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	19	-	-
	(ii) Total outstanding dues other than micro enterprises and small enterprises	19	27.99	25.85
	(b) Other financial liabilities	20	2.02	6.30
	Other current liabilities	21	3.36	23.19
	Provisions	22	2.63	2.46
			35.99	**57.81**
	Total		**1,434.85**	**1,008.69**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

For and on behalf of the Board
Silly Monks Entertainment Limited

Sd/-
V.Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486HFFVWL9299

Sd/-
Guthikonda HariKrishna
Director
DIN:11636121

Sd/-
Anish Kumar Badugu
Managing Director
DIN:11635335

Sd/-
Itikapati Madhusudana Reddy
CFO

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

Statement of standalone
Profit and Loss as at 31st March, 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

	Particulars	Note	For the Year ended 31st March 2026	For the Year ended 31st March 2025
I	Revenue from operations	23	561.63	537.53
II	Other income	24	18.71	13.25
III	**Total revenue (I + II)**		**580.34**	**550.77**
IV	**Expenses:**			
	Changes in inventories	25	53.11	(13.59)
	Direct cost	26	336.60	226.65
	Employee benefit expense	27	201.64	207.38
	Finance cost	28	1.43	4.14
	Depreciation and amortisation expense	29	41.73	44.70
	Other expenses	30	119.24	65.73
	Total expenses		**753.76**	**535.01**
V	**Profit before tax (III-IV)**		(173.42)	15.76
VI	Income tax expense:			
	- Current tax			-
	- Deferred tax	9	22.08	(4.38)
	Total tax expense		**22.08**	**(4.38)**
VII	**Profit/(loss) for the year (V-VI)**		**(195.50)**	**20.14**
VIII	**Other comprehensive income**	32		
	Items that will not be reclassified to profit or loss			
	- Remeasurement of defined benefit plans		1.89	3.15
	- Tax impact on above items		(0.47)	(0.79)
	Other comprehensive income for the year		**1.41**	**2.36**
IX	**Total comprehensive income (VII+VIII)**		**(194.09)**	**22.50**
X	**Earnings per equity share (in Rupees)**			
	- Basic		(1.82)	0.20
	- Diluted		(1.62)	0.19

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

For and on behalf of the Board
Silly Monks Entertainment Limited

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Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

Statement of standalone
Cash Flow Statement for the year ended 31 March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

Particulars	As at	
	March 31, 2026	March 31, 2025
A. Cash flows from operating activities		
Net profit/(loss) before tax	(173.42)	15.76
Adjustments for:		
Interest income	(2.41)	(3.54)
Expected credit loss		-
Gain/loss on cancellation of lease		-
Bad debts written off/ assets written off		-
Gratuity expense	6.19	9.67
Share based payment expense	7.64	3.12
Depreciation and amortisation expense	41.73	44.78
Finance cost	1.43	4.14
Operating profit before working capital changes	**(118.84)**	**69.80**
Changes in operating assets and liabilities		
Increase/(decrease) in trade payables	2.13	(70.11)
Increase/(decrease) in other financial liabilities	(4.28)	(11.74)
Increase/(decrease) in employee benefit obligations	(1.43)	(1.61)
Increase/(decrease) in other current liabilities	(19.83)	(0.28)
Increase/(decrease) in non current liabilities	-	-
(Increase)/decrease in inventories	53.11	(13.59)
(Increase)/decrease in trade receivables	(2.52)	14.95
(Increase)/decrease in other financial assets	(233.52)	(31.41)
(Increase)/decrease in other current assets	4.01	12.68
Cash generated from operating activities	**(321.17)**	**(31.32)**
Income taxes paid		
Net cash inflow/(outflow) from operating activities (A)	**(321.17)**	**(31.32)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment & ROU Asset	12.26	(9.46)
Interest income from financial assets at amortised cost	2.41	3.54
Purchase/sale of investments	110.50	(102.00)
Net cash inflow/(outflow) from investing activities (B)	**125.17**	**(107.93)**
C. Cash flows from financing activities		
Proceeds from issue of equity shares	660.92	2.41
Payment of lease liability	(31.11)	(25.32)
Increase in lease liability		-
Net cash inflow/(outflow) from financing activities (C)	**629.81**	**(22.91)**

Net increase/(decrease) in cash and cash equivalents (A+B+C)	**433.81**	**(162.16)**
Cash and cash equivalents at beginning of period	3.73	165.88
Cash and cash equivalents at end of year	**437.53**	**3.73**
	March 31, 2026	**March 31, 2025**
Cash and cash equivalents as per above comprise of the following:		
Cash on hand		-
Balance with banks in current accounts	437.53	3.73
Balance with banks in deposit accounts		-
	437.53	**3.73**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

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Silly Monks Entertainment Limited

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CFO

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

Standalone Statement of Changes in Equity for the year ended 31 March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

A. Equity share capital

	Notes	No. of shares	Amount
As at 01 April 2024	15	**10,211,300**	**1,021**
Changes in equity share capital		24,066	2.41
As at 31 March 2025	15	**10,235,366**	**1,023.54**
Changes in equity share capital		3,600,471	360.05
As at 31 March 2026	15	**13,835,837**	**1,383.58**

B. Other equity

	Reserves and surplus			Total
	Securities Premium	Retained Earnings	ESOP Reserve	
As at 01 April 2024	**475.79**	**(654.08)**	**14.19**	**(164.10)**
Profit/(loss) for the year	-	22.29	-	**22.29**
Securities premium on issue of shares	2.77	-	-	**2.77**
Other comprehensive income	-	2.36	-	**2.36**
Share based payment expense during the year	-	-	(3.48)	**(3.48)**
Proposed dividend	-	-	-	**-**
Balance as at 31 March 2025	**478.56**	**(629.42)**	**10.70**	**(140.16)**
Profit/(loss) for the year		(195.50)		**(195.50)**
Securities premium on issue of shares	303.81			**303.81**
Other comprehensive income		1.89		**1.89**
Share based payment expense during the year			4.71	**4.71**
Proposed dividend				**-**
Transfer on lapse of Stock Options		15.41	(15.41)	**-**
Balance as at 31 march 2026	**782.37**	**(807.63)**	**-**	**(25.26)**

The accompanying notes form an integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
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For and on behalf of the Board
Silly Monks Entertainment Limited

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Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

1. Corporate information

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. Material accounting policies

2.1 Statement of Compliance

The financial statements of the company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), notified under the relevant provisions of the Companies Act, 2013 (the Act).

2.2 Basis of accounting and preparation of financial statements

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

Company's financial statements are presented in Indian Rupees (₹), which is its functional currency.

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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

2.3 Use of estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.4 Summary of Material Accounting Policies

(a) Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

Cost incurred on Property, Plant and Equipment not ready for their intended use is disclosed as Capital Work-in-Progress. Advances paid towards the acquisition of Property, Plant and Equipment outstanding

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

at each balance sheet date are classified as capital advances under other non-current assets. Unpaid amounts towards acquisition of Property, Plant and Equipment outstanding at each balance sheet date are classified under other current financial liabilities if due within one year from the date of these financial statements and under other non-current financial liabilities if due after a year from the date of these financial statements.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if deemed appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price development costs, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and cost and cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Depreciation and amortisation

Depreciation on property, plant and equipment is provided using straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation for property, plant and equipment purchased/sold during a period is proportionately charged. Fixed Assets individually costing ₹ 5,000/- or less are fully depreciated in the year of acquisition. The Company has estimated the useful lives for the fixed assets as follows:

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

* In case of office equipment, useful life is estimated to approximate their expected wear & tear, which is higher than the one prescribed under Part C of Schedule II.

(d) Borrowing Costs

Borrowing Cost includes interest expense calculated using the effective interest method under Ind AS 109 and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(e) Impairment of non-financial assets - property, plant and equipment, investment property and intangible assets

The Company assesses at each reporting dates as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than it's carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Investments

Investments are carried at cost.

(g) Inventories

The media content (copyrights) are stated at lower of cost/carrying cost or net realisable value. The Company evaluates the net realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate impairment is made in cases where accelerated impairment is warranted.

The copyrights are valued at a percentage of cost based on the nature of rights, as estimated by the Management. The Company evaluates the net realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate write down is made in cases where accelerated write down is warranted.

Inventories of Raw material Stock are valued at cost or estimated net realizable value whichever is lower.

Projects in progress and movies under production are stated at cost. Cost comprises the cost of materials, the cost of services, labour and other expenses, to the extent they are incurred for creating an asset.

Inventories of physical media which consists of DVDs, Blu-ray, Physical Equipment & Merchandising are valued on FIFO basis.

The borrowing costs directly attributable to a movie is capitalised as part of the cost.

(h) Trade receivables

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due or payments are already due but yet to be realized).

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(i) Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(j) Cash Flow Statement

Cash flows from operating activities are stated using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in a manner which is most appropriate to the business.

(k) Financial Assets

A. Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement:

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

(c) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in the above categories are fair valued through profit or loss.

C. Investment in subsidiaries, associates and joint ventures:

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

D. Impairment of Financial assets:

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Every year, the historical observed default rates are updated and changes in the forward-looking estimates are analysed

I) Financial Liabilities

A. Initial recognition and measurements:

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(m) Leases

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 recognizes 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 twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that the option to extend will be exercised and the option to terminate will not be exercised.

The right-of use assets are initially recognized 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 straightline basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e.,the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

belongs to the lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU Asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

(n) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of shortterm employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the Balance Sheet date on the basis of actuarial valuation.

Post-employment Benefits

Defined Contribution Plans

A Defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans:-

Gratuity

The liability in respect of gratuity and other postemployment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee's services.

Re-measurement of Defined benefit plans in respect of post-employment and other longterm benefits are charged to the Other Comprehensive Income.

(o) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences except to the extent they arise from the initial recognition of goodwill or from initial recognition of an asset or liability in a transaction which is not a business combination & at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

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 carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(p) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on settlement or translation of monetary item are recognised in Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(q) Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the transaction value.

1. **Sale of Content, Content Production, Film Distribution and Syndication -** Revenue is recognised, when the Company satisfies the performance obligation by transferring the control over the item in accordance with the agreed terms.

   Contract assets - Unbilled Revenue

   A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company transfers services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenues (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

2. **Broadcasting revenue** - Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television / digital broadcasting service to subscribers.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

3. Sale of goods

Revenue from sale of goods (ACDs/VCDs/ DVDs/ACS/BRDs) is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods measured at the transaction value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

4. Subscription Revenue

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies its performance obligation under the contract. Unearned and deferred revenue is recognised when there are billings in excess of revenues.

(r) Other income

(i) Interest Income

Interest Income from a financial asset is recognised based on Effective Interest Rate (EIR). Interest Income is included under the head “other income” in the statement of profit and loss.

(ii) Dividend Income

Dividend income is recognised when the Group’s right to receive the payment has been established, it is probable that the economic benefits associated with the dividend will flow to the company & the amount of dividend can be measured reliably.

(iii) Rent Income

Rent Income is recognised on accrual basis as per the agreed terms on straight line basis.

(s) Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For calculating diluted earnings per share, the profit or (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares.

(t) Provisions, contingent liabilities & contingent assets

Provisions are recognised when the Company has a present obligation as a result of a past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate 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 financial cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Provisions and contingent liabilities are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(u) Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Company, are classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All repairs and maintenance costs incurred for the investment properties are charged to statement of profit and loss account when incurred.

Investment properties are depreciated using the straight-line basis over its estimated useful lives. Useful life of the same is estimated as 58 years after considering estimated residual value as 5%.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes (Refer Note 3(b)). Fair values are determined based on ready reckoner rates as specified by State Government. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical carrying value.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

3. Property, plant and equipment & Right-of-use assets

	Computer	Furnitures and fixtures	Office equipments	Recording equipment	Total	Right-of-use assets
Balance as at 31 March 2024	**101.32**	**15.09**	**15.06**	**5.49**	**136.96**	**81.54**
Additions during the period	7.61	0.24	1.62	-	9.46	-
Disposals / adjustments during the period	-	-	-	-	-	-
Balance as at 31 March 2025	**108.93**	**15.33**	**16.68**	**5.49**	**146.42**	**81.54**
Additions during the period	1.37		0.82		2.19	
Disposals / adjustments during the period					-	7.10
Balance as at 31 March 2026	**110.30**	**15.33**	**17.50**	**5.49**	**148.61**	**74.44**

Accumulated depreciation

	Computer	Furnitures and fixtures	Office equipments	Recording equipment	Total	Right-of-use assets
Balance as at 31 March 2024	**93.03**	**10.79**	**13.80**	**1.57**	**119.19**	**24.77**
Additions during the period	3.27	1.24	0.58	0.40	5.48	28.38
Disposals / adjustments during the period	-	-	-	-	-	-
Balance as at 31 March 2025	**96.30**	**12.03**	**14.38**	**1.97**	**124.67**	**53.15**
Additions during the period	13.07	0.66	1.32	0.44	15.48	21.29
Disposals / adjustments during the period					-	
Balance as at 31 March 2026	**109.38**	**12.68**	**15.69**	**2.41**	**140.16**	**74.44**

Net book value

As at 31 March 2026	0.92	2.64	1.80	3.08	**8.45**	0.00
As at 31 March 2025	12.62	3.29	2.30	3.53	**21.75**	28.38

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4.1 Other intangible assets

	Software's	Trademark	Copy-rights	Content Development	Goodwill	Total
Balance as at 31 March 2024	**34.84**	**1.95**	**240.50**	**66.86**	**0.08**	**344.24**
Additions during the period	-	-	-	-	-	-
Disposals / adjustments during the period	-	(0.24)	-	(61.36)	(0.08)	(61.68)
Balance as at 31 March 2025	**34.84**	**1.72**	**240.50**	**5.50**	**(0.00)**	**282.56**
Additions during the period						
Disposals / adjustments during the period						
Balance as at 31 March 2026	**34.84**	**1.72**	**240.50**	**5.50**	**(0.00)**	**282.56**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

Accumulated depreciation

	Software's	Trademark	Copy-rights	Content De-velopment	Goodwill	Total
Balance as at 31 March 2024	**34.83**	**1.06**	**226.50**	**56.58**	**-**	**318.96**
Additions during the period	0.01	0.15	5.86	4.81	-	10.83
Disposals / adjustments during the period	-	(0.24)	-	(61.36)	-	(61.60)
Balance as at 31 March 2025	**34.84**	**0.97**	**232.36**	**0.02**	**-**	**268.19**
Additions during the period		0.19	2.03	2.74		4.96
Disposals / adjustments during the period						-
Balance as at 31 March 2025	**34.84**	**1.15**	**234.39**	**2.76**	**-**	**273.14**

Net book value

As at 31 March 2026	(0.00)	0.56	6.11	2.73	(0.00)	9.42
As at 31 March 2025	(0.00)	0.75	8.14	5.47	(0.00)	**14.37**

4.2 Intangible assets under development

Particulars	Gmp pro software
Gross carrying Value	
Balance as at 1 April 2024	**7.36**
Additions for the year	
Borrowing cost capitalised	
Capitalised during the year	-
Balance as at 31 March 2025	**7.36**
Additions for the year	
Borrowing cost capitalised	-
Capitalised during the year	-
Writeoff/deletions	7.36
Balance as at 31 March 2025	**-**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

5. Non current investment

Particulars	As at March 31, 2026	As at March 31, 2025
(a) In subsidiaries (unquoted) - measured at cost		
100 (31 March 2024: 100) common stock of US$10/- each in Dream Boat Entertainment LLC. Extent of holding - 100%	0.77	0.77
(b) Investments (unquoted) measured at FVOCI		
Nil (31 March 2024: 1,900) equity shares of Rs. 10/- each fully paid up in Inani Media Pvt Ltd		-
30,000 (31 March 2024: 30,000) equity shares of Rs. 10/- each fully paid up in Thinkwide Hospitality Pvt Ltd.	-	8.30
	0.77	**9.07**

6. Long term loans & advances

Particulars	As at March 31, 2026	As at March 31, 2025
Inter corporate loans-Unsecured	297.31	297.31
	297.31	**297.31**

7. Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Interest receivable on FD & ICD	-	16.48
	-	**16.48**

8. Deferred tax assets, net

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets / (liabilities), net		
Property, plant and equipment	12.24	11.90
Right of use asset and lease liabilities	-	0.43
Share based payment reserve	-	0.98
Provision for employee benefits	-10.86	10.15
Tax losses	182.21	182.20
	183.59	**205.66**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

The following is the analysis of deferred tax assets/(liabilities), net, recognised in the Standalone Statement of profit and loss ("SPL") and OCI:

	As at 01 April 2025	(Charged) / credited to OCI	(Charged) / credited to SPL	As at 31 March 2025
Property, plant and equipment	11.90	0.34	(1.76)	**12.24**
Right of use asset and lease liabilities	0.43	(0.43)	0.67	**-**
Share based payment reserve	0.98	(0.98)	(2.59)	**-**
Provision for employee benefits	10.16	(21.02)	22.27	**(10.86)**
Tax losses	182.20	0.01	4.34	**182.21**
	205.66	**(22.07)**	**22.93**	**183.59**

	As at 01 April 2024	(Charged) / credited to OCI	(Charged) / credited to SPL	As at 31 March 2024
Property, plant and equipment	13.66	-	(1.76)	**11.90**
Right of use asset and lease liabilities	(0.24)	-	0.67	**0.43**
Share based payment reserve	3.57	-	(2.59)	**0.98**
Provision for employee benefits	8.91	0.79	0.46	**10.16**
Tax losses	177.86	-	4.34	**182.20**
	203.75	**0.79**	**1.11**	**205.66**

9. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Closing stock	131.71	184.82
	131.71	**184.82**

10. Current investments

Particulars	As at March 31, 2026	As at March 31, 2025
Investments	-	102.19
	-	**102.19**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

11. Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	67.68	65.15
	67.68	**65.15**

Trade receivables ageing:

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed outstanding for following periods from due date of payment		
Less than 6 months	23.27	18.64
6 months - 1 year	0.14	2.55
1 - 2 years	5.97	14.28
2 - 3 years	38.30	29.68
More than 3 years		
Total	**67.68**	**65.15**

There are no disputed receivables outstanding as at 31 March 2025 and 31 March 2024.

12. Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
-Current Account	437.53	3.73
-In Fixed Deposits	-	-
Cash in hand	-	-
Cash in transit	-	-
Total	**437.53**	**3.73**

13. Short-term loans and advances

Particulars	As at March 31, 2026	As at March 31, 2025
Loans & advances	270.00	20.00
	270.00	**20.00**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

14. Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with government authorities	12.83	12.34
Prepaid expenditure	5.28	4.52
Other Advances	6.88	5.53
Salary advances	-	10.00
Other current assets	3.40	0.02
Total	**28.40**	**32.41**

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(a) Equity Share capital

Particulars	Tuesday, March 31, 2026		Monday, March 31, 2025	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of ₹10/-each	1,40,00,000	14,00,00,000	1,10,00,000	11,00,00,000
Issued, Subscribed & Paid up Capital				
Equity Shares of ₹10/- paid up each	1,38,35,837	13,83,58,370	1,02,35,366	10,23,53,660
Total	**1,38,35,837**	**13,83,58,370**	**1,02,35,366**	**10,23,53,660**

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	Tuesday, March 31, 2026		Monday, March 31, 2025	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,02,35,366	10,23,53,660	1,02,11,300	10,21,13,000
Shares Issued during the year	36,00,471	3,60,04,710	24,066.00	2,40,660.00
Bonus Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,38,35,837	13,83,58,370	1,02,35,366	10,23,53,660

(c) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of issued, subscribed and paid up equity shares having a par value of ₹10 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(d) Details of shareholders holding more than 5% shares in the company

Name of the equity shareholders	Tuesday, March 31, 2026		Monday, March 31, 2025	
	Number	Percentage	Number	Percentage
Satyapoorna Chander yalamanchili	69,23,477	50.04%	-	-
Satish kumar Tondapu	7,50,000	5.42%	-	-
T. Sanjay Reddy	-	0.00%	36,56,627	35.73%
Korrapati Ranganathasai	-	0.00%	8,82,740	8.62%
Saya Sayee Babu Divi	-	0.00%	6,19,837	6.06%
Divi Satya Sai Babu	-	0.00%	6,19,837	6.06%
Anil Kumar Pallala	-	0.00%	4,34,703	4.25%

(e) Details of shareholding of promoters:

Name of promoter	31 March 2026		31 March 2025		% of change during the year
	No. of shares	% of total no. of shares	No. of shares	% of total no. of shares	
Satyapoorna Chander yalamanchili	69,23,477	50.04%	-	-	50.04%
Tekulapalli Sanjay Reddy		0.00%	36,56,627	35.73%	-35.73%
Pallala Anil Kumar		0.00%	4,34,703	4.25%	-4.25%
Swathi Reddy		0.00%	2,45,960	2.40%	-2.40%
Mahikaansh Reddy Tekulapalli		0.00%	1,27,826	1.25%	-1.25%
Gaurika Reddy		0.00%	1,00,100	0.98%	-0.98%
Pallala Umadevi		0.00%	1,00,000	0.98%	-0.98%
Karyampudi Koti Sridevi		**0.00%**	**61,600**	**0.60%**	-0.60%

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

16. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
A. Securities premium account		
Opening balance	478.56	475.79
Addition during the year	303.81	2.77
Closing balance	**782.37**	**478.56**
B. Reserves & surplus		
Opening balance	(629.42)	(654.08)
Current year transfer	(195.50)	22.29
Other comprehensive income	1.89	2.36
T/f from ESOP Reserve	15.41	
Closing balance	**(807.63)**	**(629.42)**
C. ESOP reserve		
Opening balance	10.70	14.19
Current year transfer	7.64	3.12
Tax benefit credited to equity		(1.68)
T/f to Securities premium, if any	(2.94)	(2.77)
T/f to Reserves & surplus, if any	(15.41)	(2.15)
Closing balance	**-**	**10.70**
Total	**(25.26)**	**(140.16)**

17. Lease liability

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability	-	29.69
Total	**-**	**29.69**

18. Long term provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity	40.53	37.83
Total	**40.53**	**37.83**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

19. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
- total outstanding dues of micro and small enterprises;		
- total outstanding dues of creditors other than micro and small enterprises	27.99	25.85
Total	**27.99**	**25.85**

(a). Trade payables ageing schedule as at 31 March 2026:

Particulars	Undisputed		
	MSME	Others	Total
Outstanding for following periods from due date of payment			
Less than 6 months	-	20.47	20.47
6 months - 1 year	-	3.27	3.27
1 - 2 years	-		-
2 - 3 years	-	4.24	4.24
more than 3 years	-		-
Total		**27.99**	**29.77**

(b). Trade payables ageing schedule as at 31 March 2025:

Particulars	Undisputed		
	MSME	Others	Total
Outstanding for following periods from due date of payment			
Less than 6 months	-	19.6	19.60
6 months - 1 year		0.3	0.30
1 - 2 years	-	0.19	0.19
2 - 3 years	-	5.76	5.76
more than 3 years	-		-
Total	**-**	**25.85**	**25.85**

Note: There are no outstanding disputed dues payables as at 31 March 2025 and 31 March 2024.

20. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Audit fee payable		0.75
Professional fee payable		2.07
Others payables	1.93	3.39
Dividend payable	0.09	0.09
Total	**2.02**	**6.30**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

21. Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Salary payable	-	19.39
Statutory liabilities	3.36	3.80
Total	**3.36**	**23.19**

22. Short Term Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity	2.63	2.46
Total	**2.63**	**2.46**

23. Revenue from operations

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Revenue from Sale of Services		
- From Domestic	283.28	205.27
- From Export	278.35	332.26
Total	**561.63**	**537.53**

24. Other Income

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Interest income on fixed deposit		3.08
Gain/(loss) on cancellation of lease	0.59	-
Interest on IT refund	0.46	1.16
Interest income on security deposit (measured at amortised cost)	0.37	0.45
Interest Received on Short Term Investments	2.41	0.05
Fair value gain on financial instruments at FVTPL		1.10
Forex (loss)/Gain		0.14
Other Income	4.38	7.26
Income from sale of stock	10.50	
Total	**18.71**	**13.25**

25. Changes In inventory

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Opening Stock	184.82	171.23
Closing Stock	131.71	184.82
Total	**53.11**	**(13.59)**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

26. Direct Cost

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Content Expenses	336.60	226.65
Total	**336.60**	**226.65**

27. Employee Benefits Expense

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Salaries and incentives	66.03	72.88
Directors Remuneration	117.075	117.00
Contribution to provident fund and other funds	2.088	3.02
Gratuity	6.19	9.67
ESOP Expenses	7.64	3.12
Staff welfare expenses	2.61	1.69
Total	**201.64**	**207.38**

28. Finance Cost

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Interest on lease liabilities	1.43	4.14
Interest on MSME creditors	-	-
Total	**1.43**	**4.14**

29. Depreciation and Amortisation expense

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Depreciation on property, plant and equipment	20.44	5.48
Amortisation of intangible assets		10.83
Amortisation of ROU Asset	20.98	27.97
Amortisation of Prepaid Lease	0.31	0.41
Total	**41.73**	**44.70**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

30. Other expenses

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Software expenses	13.22	12.77
Rates & taxes	8.10	19.57
Consultancy fee	13.31	3.72
Electricity charges	4.03	3.65
Office expenses	8.88	5.45
Audit fee	3.48	3.00
Travelling expenses	1.35	0.70
Printing & stationery	1.12	0.44
Rent	17.82	1.98
Impairment Loss	16.48	-
Building maintainence	3.07	3.31
Professional charges		
-Sitting fee to directors		0.80
-Others	7.06	5.57
Bank charges	0.15	0.09
Business promotion	5.07	3.76
Repairs & maintenance	1.08	0.23
Assets written off	7.36	-
Miscellaneous expenses	2.37	0.70
Loss on sale of investement	5.30	
Total	**119.24**	**65.73**

(i) Details of payments to auditors:

	31 March 2026	31 March 2025
As auditor:		
- Statutory audit fees	3.48	3.00

31. Earnings per equity share (EPES)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Profit for the year	(195.50)	20.14
Weighted average number of equity shares outstanding during the year		
Basic	1,07,21,373	1,02,22,186
Diluted	1,20,92,606	1,03,58,694
Earnings per equity share (in absolute ₹ terms):		
Basic	-1.82	0.20
Diluted	-1.62	0.19

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

32. Contingent liabilities and commitments

Particulars	31 March 2026	31 March 2025
Contingent liabilities and commitments		
	NA	NA

(i) Break-up of lease liabilities is as under:

Particulars	As at	
	31 March 2026	31 March 2025
Lease liabilities	-	29.69

(ii) Movement in lease liabilities is as follows:

Particulars	As at	
	31 March 2026	31 March 2025
Balance at the beginning of the year	29.69	55.01
Additions during the year	-	-
Deletions during the year	-7.69	-
Finance cost accrued during the year	1.43	4.14
Payment of lease liabilities	(23.43)	(29.46)
Lease liabilities at the end of the year	(0.00)	29.69
Lease liabilities	-	29.69

(iii) Following amount has been recognized in statement of profit and loss:

Particulars	As at	
	31 March 2026	31 March 2025
Amortisation on right to use asset	20.98	27.97
Interest on lease liability	1.43	4.14
Total amount recognized in the statement of profit and loss	**22.41**	**32.12**

34. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
Key Management personnel (KMP)	Sanjay Reddy Tekulapalli - Managing Director Anil Kumar Pallala - Wholetime Director Redrowthu Sai Manikanta - Chief Financial Officer Chepur Ratnakar Rao - Chairman and Independent Director Swathi Reddy - Non-Executive Director Prasad Rao Kalluri - Independent Directors Chepur Ratnakar Rao - Independent Directors Rammohan Paruvu - Independent Directors
Wholly Owned Subsidiaries	Dreamboat Entertainment LLC

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(b) Transactions with related parties

(i) Transactions with Related Parties

Particulars	For the year ended	
	31 March 2026	31 March 2025
Remuneration		
Sanjay Reddy Tekulapalli	78.00	78.00
Anil Kumar Pallala	39.00	39.00
Sale of services	1.43	4.14
Dreamboat Entertainment LLC	**278.35**	**322.28**

(c) Transactions with related parties

(i) Trade Payables

Particulars	For the year ended	
	31 March 2026	31 March 2025
Dreamboat Entertainment LLC	(2.52)	(2.52)

35. Defined benefit plans

The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

(i) Reconciliation of present value of defined benefit obligation

	31 March 2026	31 March 2025
Defined benefit obligation at the beginning of the year	40.28	35.38
Current service cost	3.47	4.07
Interest cost	2.72	2.66
Past service cost		2.94
Benefits paid	(1.43)	(1.61)
Actuarial loss/(gain) recognised during the year		
- due to demographic assumption		
- due to change in financial assumptions	(1.36)	-1.62
- due to experience	(0.52)	(1.54)
Defined benefit obligation at the end of the year	**43.16**	**40.28**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(ii) Reconciliation of fair value of plan asset

	31 March 2026	31 March 2025
Fair value of plan assets, beginning of the year	NA	NA
Interest on plan assets	NA	NA
Return on plan assets excluding interst income	NA	NA
Employer contribution *	NA	NA
Benefits paid	NA	NA
Remeasurement due to - actual return on plan assets less interest on plan assets		
Fair value of plan assets, at the end of the year	**NA**	**NA**

During the current period, to fund its gratuity plan, the Company has made contributions to recognized insurance funds in India.

(iii) Reconciliation of present value of defined benefit obligation and fair value of plan assets

	31 March 2026	31 March 2025
Present value of defined benefit obligation	43.16	40.28
Fair value of plan assets	-	-
Liability/(Asset) recognised in the Balance Sheet	**43.16**	**40.28**
Non current	-	-
Current	-	-

(iv) Expenses recognised in the Statement of profit and loss / OCI

	31 March 2026	31 March 2025
Recognised in statement of profit and loss	3.47	4.07
Current service cost	-	2.94
Past service cost	2.72	2.66
Interest cost	**6.19**	**9.67**
Recognised in statement of other comprehensive income	(1.89)	(3.15)
Actuarial loss/(gain)	**(1.89)**	**(3.15)**

(v) Key actuarial assumptions

	31 March 2026	31 March 2025
Discount rate	7.25%	6.75%
Retirement age	60 Years	60 Years
Salary escalation rate	5.00%	5.00%
Withdrawal rate	**5.00%**	**5.00%**

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(vi) Maturity profile of defined benefit obligation:

	31 March 2026	31 March 2025
Within 1 year	2.63	2.46
2 to 5 years	19.70	19.45
6 to 10 years	20.83	18.38

(vii) Sensitivity analysis

	31 March 2026	31 March 2025
Discount rate (+ 1% movement)	40.34	37.51
Discount rate (- 1% movement)	46.41	43.46
Salary escalation (+ 1% movement)	46.45	43.49
Salary escalation (- 1% movement)	40.25	37.44
Withdrawal rate (+1% movement)	43.58	40.60
Withdrawal rate (-1% movement)	42.68	39.92

(viii) Weighted average remaining duration of defined benefit obligation is 12 years

36 Segment information

The company has identified "Entertainment" as the only primary reportable business segment. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 "Operating segments" is not applicable

37 Categories of Financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2026		As at 31 March 2025	
	Total carrying value	Total fair value/ Amortised cost	Total carrying value	Total fair value/ Amortised cost
Financial assets				
Investments	0.77	0.77	9.07	9.07
Trade receivables	67.68	67.68	65.15	65.15
Cash and bank balances	437.53	437.53	3.73	3.73
Others	-	-	5.53	5.53
	505.98	**505.98**	**83.48**	**83.48**

	As at 31 March 2026		As at 31 March 2025	
	Total carrying value	Total fair value/ Amortised cost	Total carrying value	Total fair value/ Amortised cost
Financial liabilities				
Borrowings	-	-	-	-
Lease liabilities	-	-	29.69	29.69
Trade payables	27.99	27.99	-	-
Other financial liabilities	2.02	2.02	6.30	6.30
	30.00	**30.00**	**35.98**	**35.98**

The fair value of the financial assets and financial liabilities are included at an amount at which the instruments could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

38 Financial risk management objectives and policies

Financial Risk Management Framework

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, market risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these risks.

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. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, balances with banks and loan and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and bank balances and loans. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, loans and other financial assets were either past due or impaired as at the respective reporting period. The Company has diversified its portfolio of investment in cash and cash equivalents and term deposits with various banks which have secure credit ratings, hence the risk is reduced. Loans given to related parties and others are tested for impairment where there is an indicator and the assessed credit risk associated with such loans is relatively low. Other financial assets represent security deposits given to lessors and other assets. Credit risk associated with such deposits and other assets is relatively low.

The Company's credit period for trade receivables from its customers generally ranges from 30 - 180 days. The ageing of trade receivables is given below:

	As at 31 March 2026	As at 31 March 2025
Neither past due nor impaired		
Past due but not impaired:		
Less than 365 days	67.68	65.15
More than 365 days	-	-
Less: Allowance for credit losses	-	-
	67.68	**65.15**

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each balance sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix if they past due. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information.

39 Financial risk management objectives and policies (cont'd)

A. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining cash and cash equivalents and the cash flows generated from operations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2026	Up to 1 year	More than 1 year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	27.99	-	27.99
Other financial liabilities	2.02	-	2.02
Total	**30.00**	**-**	**30.00**

As at 31 March 2025	Up to 1 year	More than 1 year	Total
Borrowings	-	-	-
Lease liabilities	-	-	-
Trade payables	25.85	-	25.85
Other financial liabilities	6.30	-	6.30
Total	**32.15**	**-**	**32.15**

B. Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The majority of Company's revenue is generated in foreign currencies (primarily in United States Dollars), while a significant portion of its costs are in Indian rupees. As a result, as the rupee appreciates or depreciates against foreign currencies, the results of the entity's operations are impacted. The Company does not use financial derivatives such as foreign currency forward contracts.

(a) Significant unhedged foreign currency risk exposure relating to financial assets and financial liabilities expressed in ₹ terms are as follows:

	31 March 2026	31 March 2025
Financial assets		
Trade receivables		
- USD	2.52	2.52
- EURO		
Financial liabilities		
Trade payables		
- USD		
- EURO		
Other liabilities (PCFC- Packing credit in foreign currency)		
- USD		
- EURO		

(b) Foreign currency sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies ('FC'), with all other variables held constant:

	Impact on profit after tax / equity for the year ended			
	Appreciation in FC by 5%		Depreciation in FC by 5%	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Foreign currency				
USD	0.13	0.13	(0.13)	(0.13)
EURO	-	-	-	-

ii Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates primarily to the floating interest rate borrowings. The Company's investment in deposits with banks and loans are fixed interest rates and therefore do not expose the Company to significant interest rate risk.

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate borrowings. The exposure of the Company to variable rate borrowings at the end of the reporting period are as follows:

	31 March 2026	31 March 2025
Variable rate borrowings	-	-

Interest rate sensitivity

The Company noted that any reasonably possible change in interest rates on the variable rate instruments will not have any material impact on the Company's profit after tax and its equity.

40 Capital risk management

"Capital includes equity capital and all reserves attributable to the equity holders of the Company. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. 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 a debt to capital employed ratio which is debt divided by total capital plus debt. The Company's policy is to keep this ratio at an optimal level."

	31 March 2026	31 March 2025
Debt (includes lease liabilities)	-	29.69
Less: Cash and cash equivalents	437.53	3.73
Net debt	**437.53**	**33.42**
Total equity	1,358.33	883.37
Capital and net debt	**1,795.86**	**916.79**
Net debt to equity ratio (%)	**24.36%**	**3.64%**

41 Revenue from contracts with customers

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to profit and loss account:

	31 March 2026	31 March 2025
(i) Revenue from contracts with customers comprises of:		
Revenue from services	561.63	537.53
	561.63	**537.53**
(ii) Geographical markets		
India	283.28	205.27
Outside India	278.35	332.26
	561.63	**537.53**
(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contract	561.63	537.53
Less: Adjustments	-	-
	561.63	**537.53**
(iv) Timing of revenue recognition		
At a point in time	-	-
Over time	561.63	537.53
	561.63	**537.53**

	31 March 2026	31 March 2025
(v) Assets and liabilities related to contracts with customers		
Trade receivables	67.68	65.15
Contract liabilities	-	-
Contract assets		
Contract assets at the beginning of the year	-	-
Less: Contract assets invoiced during the year	-	-
Add: Satisfied performance obligations not invoiced	-	-
Contract assets at the end of the year	**67.68**	**65.15**
(vi) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contract	561.63	537.53
Adjustments	-	-
Revenue from contract with customers	**561.63**	**537.53**

42 Additional disclosures

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) No transactions are carried out with companies struck off under Section 248 of the Act or Section 560 of Companies Act, 1956.

(iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) "The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

(ix) "The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

(x) There are no charges or satisfaction which are yet to be registered with the registrar of companies beyond the statutory period.

43 "The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company, in respect of financial year commencing on 1 April 2023 has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log). Audit trail (edit log) is enabled at the application level, and the Company's users have access to perform transactions only from the application level."

44 Employee stock incentive plans

Silly Monks employee stock option scheme 2023

The Company instituted the Silly Monks ESOP 2023 Plan for eligible employees pursuant to the special resolution approved by the shareholders in the Meeting held on July 29, 2023. The Silly Monks ESOP 2023 Plan covers eligible employees.

The Nomination, Governance and Compensation Committee of the Board of the company (the "Committee") administers the Silly Monks ESOP 2023 Plan and grants stock options to eligible employees. The Committee determines which eligible employees will receive options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The options issued under the Silly Monks ESOP 2023 Plan vest in periods ranging between one and four years subject to a maximum period of four years from the date of grant of such options.

The company has established Silly Monks Employee Stock Option Scheme, 2023 (Silly Monks ESOP 2023 Plan) with 4,00,000 equity shares.

The exercise price of the options is INR 10 per share. The fair value of the share options is estimated at the grant date using a Black-Scholes Method, taking into account the terms and conditions upon which the share options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest.

The carrying amount of the liability at 31 March 2026 is Nill (31 March 2025: INR 10.70 lakhs).

The expense recognised for employee services received during the year is shown in the following table:

	31 March 2026	31 March 2025
Expense arising from equity-settled share-based payment transactions	3.12	3.12
Total expense arising from share-based payment transactions	**3.12**	**3.12**
There were no cancellations or modifications to the awards in year ending 31 March 2026 and 31 March 2025.		
Movements during the year	-	-
The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year	-	-

	31 March 2026	31 March 2025
Options outstanding at the beginning of the year	2,71,396	4,00,000.00
Granted during the year		1,00,000
Forfeited during the year	2,27,243	1,85,856.00
Exercised during the year	25,471	24,066.00
Expired during the year	18,682	18,682.00
Options outstanding at the end of the year	**0**	**2,71,396**

The Weighted average grant date fair value of the options grated during the years ended 31 March 2026 was ₹ 15.41 per option.

The following tables list the inputs to the models used for the three plans for the years ended 31 March 2026 and 31 March 2025, respectively:

	31 March 2026	31 March 2025
Weighted average fair values at the measurement date	INR 15.41	INR 15.41
Dividend yield (%)	0	0
Expected Annualized Volatility (%)	0	0
Risk–free interest rate (%)	6.72%	6.72%
Expected life of share options(years)	4	4
Weighted average share price (INR)	INR 10	INR 10
Model used	Black-Scholes Method	Black-Scholes Method

Ratios as per the Schedule III requirements

Particulars	31 March 2026	31 March 2025	% Change	Note
Current Ratio	25.99	7.25	258.32%	a.
Debt Equity Ratio	-	0.03	-100.00%	b.
Debt Service Coverage Ratio	(0.19)	0.43	-144.53%	c.
Return on Equity	-17.44%	2.31%	-853.53%	d.
Inventory Turnover Ratio	0.34	(0.08)	-539.52%	e.
Trade Receivables turnover ratio	8.46	7.40	14.25%	f.
Trade Payables turnover ratio	3.35	1.08	210.13%	g.
Net Capital Turnover Ratio	0.62	1.49	-58.01%	h.
Net profit ratio	-34.81%	3.75%	-1028.92%	i.
Return on Capital employed	-19.84%	0.70%	-2921.77%	j.

a. Current Ratio = Current assets divided by Current liabilities

Particulars	31 March 2026	31 March 2025
Current assets	935.32	419.26
Current liabilities	35.99	57.81
Ratio	**25.99**	**7.25**
% Change from previous year	**258.32%**	

Reason for change more than 25%: the increase of ratio is mainly attributable to increase in current assets specially in advances and cash & cash equalents.

b. Debt Equity ratio = Total debt divided by Shareholder's Equity where total debt refers to sum of current & non current borrowings

Particulars	31 March 2026	31 March 2025
Total debt (including lease liabilities)	-	29.69
Shareholder's Equity	1,358.33	883.37
Ratio	**0.00**	**0.03**
% Change from previous year	**-100.00%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable lease liabilities which is closed in current year.

c. Debt Service Coverage Ratio = Earnings available for debt service divided by interest and lease payments + principal repayments

Particulars	31 March 2026	31 March 2025
Net Profit after tax	(195.50)	20.14
Add: Non cash operating expenses and finance cost		
- Depreciation and amortizations	41.73	44.70
- Finance cost	1.43	4.14
- Other non cash expenses	29.14	-
Earnings available for debt service	(123.20)	68.99
Interest cost on borrowings	-	-
Lease payments	23.43	29.46
Principal repayments for long-term borrowings	-	-
Total Interest and principal repayments	23.43	29.46
Ratio	**(0.19)**	**0.43**
% Change from previous year	**-144.53%**	

Reason for change more than 25%: The decrase in ratio is attributable to fall in profit after tax and occurnce of non cash expenses in cuurent year.

d. Return on Equity Ratio / Return on Investment Ratio = Net profit after taxes divided by average shareholder's equity

Particulars	31 March 2026	31 March 2025
Net profit after taxes	(195.50)	20.14
Less: Preference dividend	-	-
Earning available to equity shareholders	(195.50)	20.14
Average Shareholder's Equity	1,120.85	870.20
Ratio	**-17.44%**	**2.31%**
% Change from previous year	**-853.53%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to decrease in profits and increase in shareholder's equity.

e. Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	31 March 2026	31 March 2025
Cost of Inventory Consumed	53.11	(13.59)
Average Inventory	158.27	178.03
Inventory Turnover Ratio	**0.34**	**(0.08)**
% Change from previous year	**-539.52%**	

Reason for change more than 25%: The decrease in ratio is attributable to decrease in closing inventory

f. Trade Receivables turnover ratio = Revenue from operations divided by Average Trade Receivables

Particulars	31 March 2026	31 March 2025
Net credit sales	561.63	537.53
Average Trade Receivables	66.41	72.62
Ratio	**8.46**	**7.40**
% Change from previous year	**14.25%**	

Reason for change more than 25%: Not applicable.

g. Trade Payables turnover ratio = Purchases of stock-in-trade and other expenses divided by average Trade Payables

Particulars	31 March 2026	31 March 2025
Purchase of stock-in-trade	-	-
Other expenses (excluding other adjustments like allowance for trade receivables etc)	90.10	65.73
Total	90.10	65.73
Average Trade payables	26.92	60.91
Ratio	**3.35**	**1.08**
% Change from previous year	**210.13%**	

Reason for change more than 25%: The increase in ratio is mainly attributable to decrease in average trade payables and increase in other expenses ,such that consultence fee and rental expenses

h. Net Capital Turnover Ratio = Sales divided by Working Capital where Working Capital = Current Assets - Current Liabilities

Particulars	31 March 2026	31 March 2025
Revenue from operations	561.63	537.53
Working capital	899.33	361.45
Ratio	**0.62**	**1.49**
% Change from previous year	**-58.01%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to increase in working capital requirment

i. Net profit ratio = Net profit after taxes divided by Net Sales

Particulars	31 March 2026	31 March 2025
Net profit after taxes	(195.50)	20.14
Net Sales	561.63	537.53
Ratio	**-34.81%**	**3.75%**
% Change from previous year	**-1028.92%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to decrease in profit after tax.

j. Return on Capital employed (pre cash)=Earnings Before Interest and Taxes (EBIT) divided by Capital Employed

Particulars	31 March 2026	31 March 2025
Profit before tax (A)	(173.42)	15.76
Finance costs (B)	1.43	4.14
Other income (C)	18.71	13.25
EBIT (D) = (A)+(B)-(C)	**(190.70)**	**6.66**
Capital Employed (Pre Cash) (J)= (E)-(F)-(G)	**961.33**	**947.16**
Total Assets (E)	1,434.85	1,008.69
Current liabilities (F)	35.99	57.81
Cash and Cash equivalents (G)	437.53	3.73
Ratio (D)/(J)	**-19.84%**	**0.70%**
% Change from previous year	**-2921.77%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to incrase in cash and cash equivalents and increase in total assets during the current year.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

For and on behalf of the Board
Silly Monks Entertainment Limited

Sd/-
V.Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486HFFVWL9299

Sd/-
Guthikonda HariKrishna
Director
DIN:11636121

Sd/-
Anish Kumar Badugu
Managing Director
DIN:11635335

Sd/-
Itikapati Madhusudana Reddy
CFO

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

CONSOLIDATE FINANCIAL STATEMENTS

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 Company") and its subsidiaries, ("the Holding company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Statement of Cash Flows and the Consolidated Statement of changes in equity for the year ended on that date, and notes to the financial statements, including a summary of the Material accounting policies and other explanatory information (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 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") 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 consolidated state of affairs of the Company as at March 31, 2026, and its consolidated profit including comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated 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 independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, 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 we have obtained is sufficient and appropriate to provide a basis for our audit 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, we do not provide a separate opinion on these matters. We have determined the matters described below as the Key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
1) **Recognition of Revenue** The recognition of revenue from digital marketing, branding & promotions, multi-channel network & syndication of content has been considered to be critical since the company has entered not multiple contracts with the customers. The complexity of these contractual terms also requires the company to make judgements in assigning fulfillment of its obligations under the contracts to recognise the revenue in line with the accounting policy adopted and Indian accounting standard 115	- Considered the revenue recognition policies of the company in respect of those contracts and assessed the consistent application of these policies in light of the requirements of relevant accounting standards. - Tested the transactions close to the year end to check the recognition of revenue in the correct period. - Performed substantive procedures with regard to revenue from digital marketing, syndication, multi-channel network by agreeing to third party information, information received from the customers and other relevant information on a sample basis

Other Matter

- We did not audit the financial statements and other financial information of one subsidiary included in the consolidated financial statements whose audited financial results and other financial information are as follows

Rs. in Lakhs

S.No.	Particulars	Year ended 31st March 2026
1	Dream Boat Entertainment LLC	
	- Revenue from operations	2,027.43
	- Net profit/(loss)	(3.19)

These financial statements have been audited by the other auditor whose reports have been furnished to us by the company and our opinion on the statement, in so far as it relates to the amounts and disclosure included in respect of this subsidiary is based solely on the reports of other auditors and procedures performed by us as stated under Auditor's responsibilities section above.

Information other than the consolidated financial statements and Auditor's report thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 on in this regard.

Responsibilities of management and those charged with governance for the standalone financial statement

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 financial position, financial performance including other comprehensive Income, cash flows and statement of changes of equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) referred to in Section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Group'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 Holding Company's Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

- Identify and assess the risks of material misstatement of the 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 controls 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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 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 benefits of public interest such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Companies Act 2013, 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 purpose of our audit.

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

   c) The Consolidated Balance Sheet and Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash flow Statement and the Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid consolidated financials comply statements comply with the Indian Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors of the Holding company and its subsidiary company as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

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 A";** Our report expresses an unmodified opinion on the adequacy and operating effectiveness on 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 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, in our opinion and to the best of information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigation on its financial position in its financial statements.

ii. The Group did not have any derivatives contracts. Further there are no long-term contracts for which provisions for any material foreseeable losses is required to be made.

iii. There are no amounts pending that are required to be transferred to the Investor Education and Protection Fund.

iv. (a) The management has represented, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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, whether, 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; and

(c) Based on the audit procedures performed by us, which have 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), contain any material mis-statement.

v. The company hasn't declared any Dividend for the current year and hence the provisions of section 123 of the Companies Act 2013 are not applicable.

vi. Based on our examination which included test checks, the Group has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail features being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preserva-

tion of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2026.

2. As required by the Companies (Auditor's Report) Order, 2020, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, we give in the **"Annexure B"** a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN No.008801S/S200060

Sd/-
V Gangadhara Rao N
Partner
Membership No. 219486
UDIN: **26219486ABUANU6623**

Place: Hyderabad
Date: 30-05-2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report even date)

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

We have audited the internal financial controls with reference to consolidated financial statements of Silly Monks Entertainment Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding & Subsidiary 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 respective 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 Group's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standard on Auditing prescribed underSection143(10) of theCompaniesAct,2013, to the extent applicable to an audit of internal financial controls. 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 were 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 procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 of the Company.

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 financial statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and(3)provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 Group 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 31 March 2026, 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 NSVR & ASSOCIATES LLP
Chartered Accountants
FRN No.008801S/S200060

Sd/-
V Gangadhara Rao N
Partner
Membership No. 219486
UDIN: **: 26219486ABUANU6623**

Place: Hyderabad
Date: 30-05-2026

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report even date

(XXI) 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 the section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, there are no Adverse or Qualification remarks in the Independent Auditors' Report of subsidiary company to be indicated under Consolidated Independent Auditors' Report.

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN No.008801S/S200060

Sd/-
V Gangadhara Rao N
Partner
Membership No. 219486
UDIN: **26219486ABUANU6623**

Place: Hyderabad
Date: 30-05-2026

Statement of audited Consolidated
Balance sheet for Year ended March 31, 2026

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Notes	As at	
			March 31, 2026	March 31, 2025
I	**Assets**			
	Non-current assets			
	Property, plant and equipment	3	8.45	21.75
	Other intangible assets	4	9.42	14.37
	Intangible assets under development	4	0.00	7.36
	Right of use assets	5	-	28.38
	Financial assets			
	(a) Investments	6	-	8.30
	(b) Loans & Advances	7	297.31	297.31
	(c) Other financial assets	8	-	16.48
	Deferred tax assets (net)	9	183.59	205.66
	Current assets		132	184.82
	Inventories	10		
	Financial assets		-	102.19
	(a) Investments	11	68.27	68.29
	(b) Trade receivables	12	464.35	69.69
	(c) Cash and cash equivalents	13	270.00	20.00
	(d) Loans and advances	14	28.40	32.41
	Other current assets	15		
			1,461.49	1,077.01
	Total		**1,434.85**	**1,008.69**
II	**Equity and liabilities**			
	Equity			
	Equity share capital	16	1383.58	1,023.54
	Other equity	17	(184.13)	(262.25)
	Total equity		**1199.5**	**761.29**
	Liabilities			
	Non-current liabilities			
	Financial Liabilities			
	a) Lease liabilities	18	-	29.69
	Provisions	19	40.53	37.83

	Current liabilities			
	Financial liabilities			
	(a) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues other than micro enterprises and small enterprises	20	202.16	216.27
	(b) Other financial liabilities	21	13.35	6.30
	Other current liabilities	22	3.36	23.19
	Provisions	23	2.63	2.46
	Total		**1,461.49**	**1,077.01**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

For and on behalf of the Board
Silly Monks Entertainment Limited

Sd/-
V.Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486HFFVWL9299

Sd/-
Guthikonda HariKrishna
Director
DIN:11636121

Sd/-
Anish Kumar Badugu
Managing Director
DIN:11635335

Sd/-
Itikapati Madhusudana Reddy
CFO

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

Statement of audited Consolidated Profit and Loss as at 31st March, 2026

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Note	For the Year ended 31st March 2026	For the Year ended 31st March 2025
I	Revenue from operations	24	2,307.82	2,624.31
II	Other income	25	18.71	13.25
III	**Total revenue (I + II)**		**2,326.53**	**2,637.55**
IV	**Expenses:**			
	Changes in inventories	26	53.11	(13.59)
	Direct cost	27	2,085.14	2,313.01
	Employee benefit expense	28	201.64	207.38
	Finance cost	29	1.43	4.14
	Depreciation and amortisation expense	30	41.73	44.70
	Other expenses	31	120.10	66.07
	Total expenses		**2,503.15**	**2,621.71**
V	**Profit before tax (III-IV)**		(176.61)	15.84
VI	Income tax expense:			
	- Current tax			-
	- Deferred tax	9	22.07	(4.38)
	Total tax expense		**22.07**	**(4.38)**
VII	**Profit/(loss) for the year (V-VI)**		**(198.69)**	**20.22**
VIII	**Other comprehensive income**	32		
	Items that will not be reclassified to profit or loss			
	- Remeasurement of post-employment benefit obligations		1.89	3.15
	- Income tax relating to these items		(0.47)	(0.79)
	Items that will be reclassified to profit or loss			
	- Foreign Currency Translation reserve		(33.59)	(3.17)
	Other comprehensive income for the year		**(32.18)**	**(0.81)**
IX	**Total comprehensive income (VII+VIII)**		**(230.87)**	**19.41**
X	**Earnings per equity share (in Rupees)**			
	- Basic		(1.44)	0.20
	- Diluted		(1.44)	0.20

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

Sd/-
V.Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486HFFVWL9299

Place: Hyderabad
Date: 30-05-2026

For and on behalf of the Board
Silly Monks Entertainment Limited

Sd/-
Guthikonda HariKrishna
Director
DIN:11636121

Sd/-
Itikapati Madhusudana Reddy
CFO

Sd/-
Anish Kumar Badugu
Managing Director
DIN:11635335

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Statement of audited Consolidated Cash Flow Statement for the year ended 31 March 2026

(All amounts in INR lakhs, unless otherwise stated)

Particulars	As at	
	March 31, 2026	March 31, 2025
A. Cash flows from operating activities		
Net profit/(loss) before tax	(176.61)	15.84
Adjustments for:		-
Interest income	(2.78)	(3.54)
Gain/loss on cancellation of lease	(0.59)	-
Bad debts written off/ assets written off		-
Gratuity expense	6.19	9.67
Share based payment expense	7.64	3.12
Depreciation and amortisation expense	41.73	44.78
Finance cost	1.43	
Operating profit before working capital changes	**(122.99)**	**69.88**
Changes in operating assets and liabilities		
Increase/(decrease) in trade payables	(14.11)	(33.03)
Increase/(decrease) in other financial liabilities	7.06	(11.74)
Increase/(decrease) in employee benefit obligations	(1.43)	(1.61)
Increase/(decrease) in other current liabilities	(19.83)	(0.28)
Increase/(decrease) in non current liabilities		4.14
(Increase)/decrease in inventories	53.11	(13.59)
(Increase)/decrease in trade receivables	0.02	15.72
(Increase)/decrease in other financial assets	(233.52)	(31.40)
(Increase)/decrease in other current assets	4.01	12.68
Cash generated from operating activities	**(327.67)**	**10.76**
Income taxes paid		
Net cash inflow/(outflow) from operating activities (A)	**(327.67)**	**10.76**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (Net)	12.25	(9.45)
Gain/loss on cancellation of lease	0.59	-
Interest income from financial assets at amortised cost	2.78	3.54
Purchase/sale of investments	110.50	(102.00)
Investment in subsidiary		
Net cash inflow/(outflow) from investing activities (B)	**126.12**	**(107.92)**
C. Cash flows from financing activities		
Change in other equity	660.92	2.41
Payment of lease liability	(31.11)	(29.46)
Net cash inflow/(outflow) from financing activities (C)	**629.81**	**(27.05)**

Net increase/(decrease) in cash and cash equivalents (A+B+C)	**428.25**	**(124.21)**
Cash and cash equivalents at beginning of period	69.69	197.08
Foreign currency translation reserve	(33.59)	(3.17)
Cash and cash equivalents at end of year	**464.35**	**69.69**
	March 31, 2026	**March 31, 2025**
Cash and cash equivalents as per above comprise of the following:		
Cash on hand		-
Balance with banks in current accounts	464.35	69.69
Balance with banks in deposit accounts		-
	464.35	**69.69**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

For and on behalf of the Board
Silly Monks Entertainment Limited

Sd/-
V.Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486HFFVWL9299

Sd/-
Guthikonda HariKrishna
Director
DIN:11636121

Sd/-
Anish Kumar Badugu
Managing Director
DIN:11635335

Sd/-
Itikapati Madhusudana Reddy
CFO

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

Standalone Statement of Changes in Equity for the year ended 31 March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

A. Equity share capital

	Notes	No. of shares	Amount
As at 01 April 2024	15	**1,02,11,300**	**1,021.13**
Changes in equity share capital		24,066	2.41
As at 31 March 2025	15	**1,02,35,366**	**1,023.54**
Changes in equity share capital		36,00,471	360.05
As at 31 March 2026		**1,38,35,837**	**1383.58**

B. Other equity

	Reserves and surplus				Total
	Securities Premium	FCTR	Retained Earnings	ESOP Reserve	
As at 01 April 2024	**475.79**		**(654.08)**	**14.19**	**(164.10)**
Profit/(loss) for the year	-		22.29	-	**22.29**
Securities premium on issue of shares	2.77		-	-	**2.77**
Other comprehensive income	-		2.36	-	**2.36**
Share based payment expense during the year	-		-	(3.48)	**(3.48)**
Foreign Exchange gain/(Loss) during the year					
Proposed dividend	-		-	-	**-**
Balance as at 31 March 2025	**478.56**		**(629.42)**	**10.70**	**(140.16)**
Profit/(loss) for the year			(198.69)		**(198.69)**
Securities premium on issue of shares	303.81				**303.81**
Other comprehensive income			1.89		**1.89**
Share based payment expense during the year				4.70	**4.70**
Foreign Exchange gain/(Loss) during the year		(33.59)			**(33.59)**
Proposed dividend			15.41	(15.41)	**-**
Balance as at 31 march 2026	**782.38**	**3.83**	**(970.33)**	**(0.00)**	**(184.13)**

The accompanying notes form an integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

Sd/-
V.Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486HFFVWL9299

Place: Hyderabad
Date: 30-05-2026

For and on behalf of the Board
Silly Monks Entertainment Limited

Sd/-
Guthikonda HariKrishna
Director
DIN:11636121

Sd/-
Itikapati Madhusudana Reddy
CFO

Sd/-
Anish Kumar Badugu
Managing Director
DIN:11635335

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Notes to Consolidated Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

1. Corporate information

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.

i) The Company has the following subsidiary Companies:

ii) Silly Monks Entertainment Limited ('the Company') and its subsidiaries are collectively referred to as 'the Group'

2.1 Basis of accounting and preparation of consolidated financial statements

The financial statements of the Group have been prepared to comply with the Indian Accounting Standards ('Ind AS'), notified under the relevant provisions of the Companies Act, 2013 (the Act).

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount.

Group's consolidated financial statements are presented in Indian Rupees (₹), which is its functional currency.

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.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

2.2 Principles of Consolidation

The Consolidated Financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Group's separate financial statements.

The Consolidated Financial Statements have been prepared on the following basis:

i) In respect of subsidiary companies, the financial statements have been consolidated on a line- by-line basis by adding together the book values of like item of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and unrealised profits/losses on intra- group transactions.

ii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in foreign currency translation reserve.

iii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

iv) Non Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

v) Associates are entities over which the Company has significant influence but not control. The financial statements have been consolidated as per Ind AS 28 - "Accounting for Investments in Associates & Joint venture" following the Equity Method for Consolidation of Associates. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

vi) The results of operations of a subsidiary are included in the Consolidated Financial Statements from the date on which the parent-subsidiary relationship comes into existence. The results of operation of a subsidiary with which the parent- subsidiary relationship ceases to exist are included in the consolidated statement of profit and loss until the date of cessation of the relationship. The difference between the proceeds from the disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as on the date of disposal are recognised as profit or loss on disposal of investment in the subsidiary.

vii) The Notes and material accounting policies to the consolidated financial statements are intended to serve as a guide for better understanding of the group's position. In this respect, the group has disclosed such notes and policies, which represent the requisite disclosure.

2.3 Use of estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known materialize.

2.4 Summary of Material Accounting Policies

(a) Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Cost incurred on Property, Plant and Equipment not ready for their intended use is disclosed as Capital Work-in-Progress. Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets. Unpaid amounts towards acquisition of Property, Plant and Equipment outstanding at each balance sheet date are classified under other current financial liabilities if due within one year from the date of these financial statements and under other non-current financial liabilities if due after a year from the date of these financial statements.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(b) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

(c) Depreciation and amortisation

Depreciation on property, plant and equipment is provided using straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under Part C of Schedule II of the Companies Act,2013, whichever is lower.

Useful lives are derived after considering estimated residual value of 5 %.

Depreciation for property, plant and equipment purchased/sold during a period is proportionately charged.

Fixed Assets individually costing` 5,000/- or less are fully depreciated in the year of acquisition. The Group has estimated the useful lives for the fixed assets as follows:

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

* In case of office equipments, useful life is estimated to approximate their expected wear & tear, which is higher than the one prescribed under Part C of Schedule II.

(d) Borrowing Costs

Borrowing Cost includes interest expense calculated using the effective interest method under Ind AS 109 and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(e) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Group assesses at each reporting dates as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

If such recoverable amount of the asset or the recoverable amount of the cash generatingunit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On the initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at cost. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between it's carrying amount and net disposal proceeds is charged or credited to the statement of profit or loss.

(g) Inventories

The media content (copyrights) are stated at lower of cost/carrying cost or realisable value. The Group evaluates the realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate impairment is made in cases where accelerated impairment is warranted.

The copyrights are valued at a percentage of cost based on the nature of rights, as estimated by the Management. The Group evaluates the realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate write down is made in cases where accelerated write down is warranted.

Inventories of Raw material Stock are valued at cost or estimated net realizable value whichever is lower.

Projects in progress and movies under production are stated at cost. Cost comprises the cost of materials, the cost of services, labour and other expenses, to the extent they are incurred for creating an asset.

Inventories of physical media which consists of DVDs, Blu-ray, Physical Equipments & Merchandising are valued on FIFO basis.

The borrowing costs directly attributable to a movie is capitalised as part of the cost.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(h) Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short- term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(i) Cash Flow Statement

Cash flows from operating activities are stated using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated in a manner which is most appropriate to the business.

(j) Financial Assets

A. Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement:

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

(c) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in the above categories are fair valued through profit or loss.

C. Equity Investments:

All equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

D. Investment in associates and joint ventures:

The Group has accounted for its investments in associates and joint venture at cost.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

E. Impairment of Financial assets:

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on

its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Every year, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

(k) Financial Liabilities

A. Initial recognition and measurements:

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are the approximate fair value due to the short maturity of these instruments.

(l) Leases

The Group 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 Group assesses whether:

(i) the contract involves the use of an identified asset;

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes 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 twelve months or less (short- term leases) and low value leases. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that the option to extend will be exercised and the option to terminate will not be exercised.

The right-of use assets are initially recognized 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

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

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. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

(m) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recongnised as a liability as at the Balance Sheet date on the basis of actuarial valuation.

Defined Contribution Plans

A Defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans:- Gratuity

The liability in respect of gratuity and other post employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee's services.

Re-measurement of Defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

(n) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

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 carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(o) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on settlement of transactions are recognised in Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using weighted average exchange rates. Translation adjustments have been recognised in Other Comprehensive Income in the statement of Profit and Loss and reported as foreign currency translation reserve in the statement of changes in equity.

(p) Revenue recognition

'Ind AS 115 'Revenue from Contracts with Customers'

Revenue is recognised to the extent it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the transaction value.

1. **Sale of Content, Content Production, Film Distribution and Syndication -** Revenue is recognised, when the company satisfies the performance obligation by transferrring the control over the item in accordance with the agreed terms.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

Contract balances

Contract assets - Unbilled Revenue

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company transfers services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenues (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due or payments are already due but yet to be realized).

Contract Liability

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies its performance obligation under the contract. Unearned and deferred revenue is recognised when there are billings in excess of revenues.

2. **Broadcasting revenue** - Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television / digital broadcasting service to subscribers.

3. **Sale of goods**

Revenue from sale of goods (ACDs/VCDs/ DVDs/ACS/BRDs) is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods measured at the transaction value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

4. **Income from Services**

Revenues from services are recognised when contractual commitments are delivered net of returns, trade discounts and rebates. The Group collects Indirect taxes, if and where applicable, on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

(q) Other income

(i) Interest Income

Interest Income from a financial asset is recognised based on Effective Interest Rate (EIR). Interest Income is included under the head "other income" in the statement of profit and loss.

(ii) Dividend Income

Dividend income is recognised when the Group's right to receive the payment has been established, it is probable that the economic benefits associated with the dividend will flow to the company & the amount of dividend can be measured reliably.

(iii) Rent Income

Rent Income is recognised on accrual basis as per the agreed terms on straight line basis.

(r) Income in relation to rights purchased

In respect of satellite rights: As per the terms and conditions of the agreement with producer/seller, with respect to the date of agreement of purchase and the existence of Censor Certificate.

In respect of other rights like Video and other rights: On the date of the agreement of purchase with producer/seller, provided the Censor Certificate is in existence.

(s) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. For calculating diluted earnings per share, the profit or (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares.

(t) Provisions, contingent liabilities & contingent assets

Provisions are recognised when the Group has a present obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre- tax rate that reflects, when appropriate, the risksspecific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Provisions and contingent liabilities are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Contingent assets are neither recognised nor disclosed in the financial statements.

(u) Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Group, are classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All repairs and maintenance costs incurred for the investment properties are charged to statement of profit and loss account when incurred.

Investment properties are depreciated using the straight-line basis over its estimated useful lives. Useful life of the same is estimated as 58 years after considering estimated residual value as 5%.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes (Refer note 3b). Fair values are determined based on ready reckoner rate as specified by State Government. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical carrying value.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

3. Property, plant and equipment & Right-of-use assets

	Computer	Furnitures and fixtures	Office equipments	Recording equipment	Total	Right-of-use assets
Balance as at 31 March 2024	**101.32**	**15.09**	**15.06**	**5.49**	**136.96**	**81.54**
Additions during the period	7.61	0.24	1.62	-	9.46	-
Disposals / adjustments during the period	-	-	-	-	-	-
Balance as at 31 March 2025	**108.93**	**15.33**	**16.68**	**5.49**	**146.42**	**81.54**
Additions during the period	1.37		0.82		2.19	
Disposals / adjustments during the period					-	7.10
Balance as at 31 March 2026	**110.30**	**15.33**	**17.50**	**5.49**	**148.61**	**74.44**

Accumulated depreciation

	Computer	Furnitures and fixtures	Office equipments	Recording equipment	Total	Right-of-use assets
Balance as at 31 March 2024	**93.03**	**10.79**	**13.80**	**1.57**	**119.19**	**24.77**
Additions during the period	3.27	1.24	0.58	0.40	5.48	28.38
Disposals / adjustments during the period	-	-	-	-	-	-
Balance as at 31 March 2025	**96.30**	**12.03**	**14.38**	**1.97**	**124.67**	**53.15**
Additions during the period	13.07	0.66	1.32	0.44	15.48	21.29
Disposals / adjustments during the period					-	
Balance as at 31 March 2026	**109.38**	**12.68**	**15.69**	**2.41**	**140.16**	**74.44**

Net book value

As at 31 March 2026	0.92	2.64	1.80	3.08	8.45	0.00
As at 31 March 2025	12.62	3.29	2.30	3.53	**21.75**	28.38

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4.1 Other intangible assets

	Software's	Trademark	Copy-rights	Content Development	Goodwill	Total
Balance as at 31 March 2024	**34.84**	**1.95**	**240.50**	**66.86**	**0.08**	**344.24**
Additions during the period	-	-	-	-	-	-
Disposals / adjustments during the period	-	(0.24)	-	(61.36)	(0.08)	(61.68)
Balance as at 31 March 2025	**34.84**	**1.72**	**240.50**	**5.50**	**(0.00)**	**282.56**
Additions during the period						
Disposals / adjustments during the period						
Balance as at 31 March 2026	**34.84**	**1.72**	**240.50**	**5.50**	**(0.00)**	**282.56**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

Accumulated depreciation

	Software's	Trademark	Copy-rights	Content De-velopment	Goodwill	Total
Balance as at 31 March 2024	**34.83**	**1.06**	**226.50**	**56.58**	**-**	**318.96**
Additions during the period	0.01	0.15	5.86	4.81	-	10.83
Disposals / adjustments during the period	-	(0.24)	-	(61.36)	-	(61.60)
Balance as at 31 March 2025	**34.84**	**0.97**	**232.36**	**0.02**	**-**	**268.19**
Additions during the period		0.19	2.03	2.74		4.96
Disposals / adjustments during the period						-
Balance as at 31 March 2025	**34.84**	**1.15**	**234.39**	**2.76**	**-**	**273.14**

Net book value

As at 31 March 2026	(0.00)	0.56	6.11	2.73	(0.00)	9.42
As at 31 March 2025	(0.00)	0.75	8.14	5.47	(0.00)	**14.37**

4.2 Intangible assets under development

Particulars	Gmp pro software
Gross carrying Value	
Balance as at 1 April 2024	**7.36**
Additions for the year	
Borrowing cost capitalised	
Capitalised during the year	-
Balance as at 31 March 2025	**7.36**
Additions for the year	
Borrowing cost capitalised	-
Capitalised during the year	-
Writeoff/deletions	7.36
Balance as at 31 March 2025	**-**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

5. Non current investment

Particulars	As at March 31, 2026	As at March 31, 2025
(b) Investments (unquoted) measured at FVOCI		
Nil (31 March 2024: 1,900) equity shares of Rs. 10/- each fully paid up in Inani Media Pvt Ltd		-
30,000 (31 March 2024: 30,000) equity shares of Rs. 10/- each fully paid up in Thinkwide Hospitality Pvt Ltd.	-	8.30
	-	**8.30**

6. Long term loans & advances

Particulars	As at March 31, 2026	As at March 31, 2025
Inter corporate loans-Unsecured	297.31	297.30
	297.31	**297.30**

7. Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Interest receivable on FD & ICD	-	16.48
	-	**16.48**

8. Deferred tax assets, net

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets / (liabilities), net		
Property, plant and equipment	12.24	11.90
Right of use asset and lease liabilities	-	0.43
Share based payment reserve	-	0.98
Provision for employee benefits	-10.86	10.15
Tax losses	182.21	182.20
	183.59	**205.66**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

The following is the analysis of deferred tax assets/(liabilities), net, recognised in the Standalone Statement of profit and loss ("SPL") and OCI:

	As at 01 April 2025	(Charged) / credited toSPL	(Charged) / credited to OCI	As at 31 March 2025
Property, plant and equipment	11.90	0.34	-	**12.24**
Right of use asset and lease liabilities	0.43	(0.43)	-	**-**
Share based payment reserve	0.98	(0.98)	-	**-**
Provision for employee benefits	10.16	(21.02)	-	**(10.86)**
Tax losses	182.20	0.01	-	**182.21**
	205.66	**(22.07)**	**-**	**183.59**

	As at 01 April 2024	(Charged) / credited toSPL	(Charged) / credited to OCI	As at 31 March 2024
Property, plant and equipment	13.66	(1.76)	-	**11.90**
Right of use asset and lease liabilities	(0.24)	0.67	-	**0.43**
Share based payment reserve	3.57	(2.59)	-	**0.98**
Provision for employee benefits	8.91	0.46	0.79	**10.16**
Tax losses	177.86	4.34	-	**182.20**
	203.75	**1.11**	**0.79**	**205.66**

9. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Closing stock	131.71	184.82
	131.71	**184.82**

10. Current investments

Particulars	As at March 31, 2026	As at March 31, 2025
Investments	-	102.19
	-	**102.19**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

11. Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	68.27	68.29
	68.27	**68.29**

Trade receivables ageing:

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed outstanding for following periods from due date of payment		
Less than 6 months	23.87	21.77
6 months - 1 year	0.14	2.56
1 - 2 years	5.97	14.28
2 - 3 years	38.30	29.68
More than 3 years	-	-
Total	**68.28**	**68.29**

There are no disputed receivables outstanding as at 31 March 2025 and 31 March 2024.

12. Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
-Current Account	464.35	69.69
-In Fixed Deposits	-	-
Cash in hand	-	-
Cash in transit	-	-
Total	**464.35**	**69.69**

13. Short-term loans and advances

Particulars	As at March 31, 2026	As at March 31, 2025
Loans & advances	270.00	20.00
	270.00	**20.00**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

14. Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax and TDS Receivables (Net of income tax provisions)	12.83	11.23
Balance with government authorities	-	-
GST input (Net off)		1.11
Prepaid expenditure	5.28	4.52
Interest receivable on FD & ICD	-	-
Other advances	6.88	5.53
Salary advances	-	10.00
Other current assets	3.40	0.02
Total	**28.40**	**32.41**

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(a) Equity Share capital

Particulars	March 31, 2026		March 31, 2025	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of ₹10/-each	1,40,00,000	14,00,00,000	1,10,00,000	11,00,00,000
Issued, Subscribed & Paid up Capital				
Equity Shares of ₹10/- paid up each	1,38,35,837	13,83,58,370	1,02,35,366	10,23,53,660
Total	**1,38,35,837**	**13,83,58,370**	**1,02,35,366**	**10,23,53,660**

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	March 31, 2026		March 31, 2025	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,02,35,366	10,23,53,660	1,02,11,300	10,21,13,000
Shares Issued during the year	36,00,471	3,60,04,710	24,066.00	2,40,660.00
Bonus Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,38,35,837	13,83,58,370	1,02,35,366	10,23,53,660

(c) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of issued, subscribed and paid up equity shares having a par value of ₹10 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(d) Details of shareholders holding more than 5% shares in the company

Name of the equity shareholders	Tuesday, March 31, 2026		Monday, March 31, 2025	
	Number	Percentage	Number	Percentage
Satyapoorna Chander yalamanchili	69,23,477	50.04%	-	-
Satish kumar Tondapu	7,50,000	5.42%	-	-
T. Sanjay Reddy	-	0.00%	36,56,627	35.73%
Korrapati Ranganathasai	-	0.00%	8,82,740	8.62%
Saya Sayee Babu Divi	-	0.00%	6,19,837	6.06%
Divi Satya Sai Babu	-	0.00%	6,19,837	6.06%
Anil Kumar Pallala	-	0.00%	4,34,703	4.25%

(e) Details of shareholding of promoters:

Name of promoter	31 March 2026			31 March 2025		
	No. of shares	% of total no. of shares	% of change during the period	No. of shares	% of total no. of shares	% of change during the year
Satyapoorna Chander yalamanchili	69,23,477	50.04%	50%	-	-	-
Tekulapalli Sanjay Reddy		0.00%	-36%	36,56,627	35.73%	(0.00)
Pallala Anil Kumar		0.00%	-4%	4,34,703	4.25%	(0.01)
Swathi Reddy		0.00%	-2%	2,45,960	2.40%	(0.00)
Mahikaansh Reddy Tekulapalli		0.00%	-1%	1,27,826	1.25%	(0.00)
Gaurika Reddy		0.00%	-1%	1,00,100	0.98%	(0.00)
Pallala Umadevi		0.00%	-1%	1,00,000	0.98%	(0.00)
Karyampudi Koti Sridevi		0.00%	-1%	61,600	0.60%	(0.00)
Total	**69,23,477**	**50.04%**	**0.04**	**46,65,216**	**45.58%**	**-0.99%**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

16. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
A. Securities premium account		
Opening balance	478.56	475.79
Addition during the year	303.81	2.77
Closing balance	**782.37**	**478.56**
B. Reserves & surplus		
Opening balance	(788.93)	(813.67)
Current year transfer	(198.69)	22.38
Other comprehensive income	1.89	2.36
Transfer from reserves and surplus	15.41	
Closing balance	**(970.33)**	**(788.93)**
C. ESOP reserve		
Opening balance	10.70	14.19
Current year transfer	7.64	3.12
Tax benefit credited to equity		(1.68)
T/f to Securities premium, if any	(2.94)	(2.77)
T/f to Reserves & surplus, if any	(15.41)	(2.15)
Closing balance	**-**	**10.70**
Foreign Currency Translation Reserve		
Closing balance	3.83	37.42
Total	**(184.12)**	**(262.24)**

17. Lease liability

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability	-	29.69
Total	**-**	**29.69**

18. Long term provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity	40.53	37.83
Total	**40.53**	**37.83**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

19. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
- total outstanding dues of micro and small enterprises;	202.16	216.27
- total outstanding dues of creditors other than micro and small enterprises	-	-
Total	**202.16**	**216.27**

(a). Trade payables ageing schedule as at 31 March 2026:

Particulars	Undisputed		
	MSME	Others	Total
Outstanding for following periods from due date of payment			
Less than 6 months	-	124.68	124.68
6 months - 1 year	-	73.27	73.27
1 - 2 years	-	-	-
2 - 3 years	-	4.20	4.20
more than 3 years	-	-	-
Total		**202.16**	**202.16**

(b). Trade payables ageing schedule as at 31 March 2025:

Particulars	Undisputed		
	MSME	Others	Total
Outstanding for following periods from due date of payment			
Less than 6 months	-	19.60	19.60
6 months - 1 year		190.72	190.72
1 - 2 years	-	0.19	0.19
2 - 3 years	-	5.75	5.75
more than 3 years	-		-
Total	**-**	**216.27**	**216.27**

Note: There are no outstanding disputed dues payables as at 31 March 2025 and 31 March 2024.

20. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Audit fee payable	-	-
Professional fee payable	-	2.82
Others payables	13.27	3.39
Dividend payable	0.09	0.09
Total	**13.35**	**6.30**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

21. Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Salary payable	-	19.39
Statutory liabilities	3.36	3.80
Total	**3.36**	**23.19**

22. Short Term Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity	2.63	2.46
Total	**2.63**	**2.46**

23. Revenue from operations

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Revenue from Sale of Services		
- From Domestic	2,307.82	2,624.31
- From Export	-	-
Total	**2,307.82**	**2,624.31**

24. Other Income

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Interest income on fixed deposit	-	3.08
Gain/(loss) on cancellation of lease	0.59	-
Interest on IT refund	0.46	1.16
Interest income on security deposit (measured at amortised cost)	0.37	0.45
Interest Received on Short Term Investments	2.41	0.05
Fair value gain on financial instruments at FVTPL	-	1.10
Forex (loss)/Gain	-	0.14
Other Income	4.38	7.26
Income from sale of stock	10.50	-
Total	**18.71**	**13.25**

25. Changes In inventory

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Opening Stock	184.82	171.23
Closing Stock	131.71	184.82
Total	**53.11**	**(13.59)**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

26. Direct Cost

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Content Expenses	2,085.14	2,313.01
Total	**2,085.14**	**2,313.01**

27. Employee Benefits Expense

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Salaries and incentives	66.03	72.88
Directors Remuneration	117.075	117.00
Contribution to provident fund and other funds	2.088	3.02
Gratuity	6.19	9.67
ESOP Expenses	7.64	3.12
Staff welfare expenses	2.61	1.69
Total	**201.64**	**207.38**

28. Finance Cost

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Interest on lease liabilities	1.43	4.14
Interest on MSME creditors	-	-
Total	**1.43**	**4.14**

29. Depreciation and Amortisation expense

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Depreciation on property, plant and equipment	20.44	5.48
Amortisation of intangible assets	-	10.83
Amortisation of ROU Asset	20.98	27.97
Amortisation of Prepaid Lease	0.31	0.41
Total	**41.73**	**44.70**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

30. Other expenses

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Software expenses	13.22	12.77
Consultancy fee	8.10	3.72
Electricity charges	13.31	3.65
Office expenses	4.03	5.45
Rates & taxes	8.88	19.57
Audit fee	3.48	3.00
Travelling expenses	1.35	0.70
Printing & stationery	1.12	0.44
Rent	17.82	1.98
Provision for expected credit loss	16.48	-
Building maintainence	3.07	3.31
Professional charges		
-Sitting fee to directors	-	0.80
-Others	7.06	5.57
Bank charges	0.15	0.43
Business promotion	5.07	3.76
Repairs & maintenance	1.08	0.23
Assets written off	7.36	-
Miscellaneous expenses	3.22	0.70
Loss on sale of investement	5.30	-
Total	**120.10**	**66.07**

(i) Details of payments to auditors:

	31 March 2026	31 March 2025
As auditor:		
- Statutory audit fees	3.48	3.00
- Tax audit fee	-	-
-Certification fee	-	-

31. Earnings per equity share (EPES)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Profit for the year	-198.69	20.22
Weighted average number of equity shares outstanding during the year		
Basic	1,07,21,373	1,02,11,300
Diluted	1,20,92,606	1,03,28,473
Earnings per equity share (in absolute ₹ terms):		
Basic	-1.85	0.20
Diluted	-1.64	0.20

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

32. Contingent liabilities and commitments

Particulars	31 March 2026	31 March 2025
Contingent liabilities and commitments		
	NA	NA

33. Leases

Leases as lessee

The Company has lease contracts for building . The lease have lease termsof 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets. There lease contracts that include extension and termination options, which are further discussed below.

(i) Break-up of lease liabilities is as under:

Particulars	As at	
	31 March 2026	31 March 2025
Lease liabilities	0.00	29.69

(ii) Movement in lease liabilities is as follows:

Particulars	As at	
	31 March 2026	31 March 2025
Balance at the beginning of the year	29.69	55.01
Additions during the year	-	-
Deletions during the year	-7.69	-
Finance cost accrued during the year	1.43	4.14
Payment of lease liabilities	(23.43)	(29.46)
Lease liabilities at the end of the year	**(0.00)**	**29.69**

(iii) Following amount has been recognized in statement of profit and loss:

Particulars	As at	
	31 March 2026	31 March 2025
Amortisation on right to use asset	20.98	27.97
Interest on lease liability	1.43	4.14
Total amount recognized in the statement of profit and loss	**22.41**	**32.12**

34. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
Key Management personnel (KMP)	Sanjay Reddy Tekulapalli - Managing Director Anil Kumar Pallala - Wholetime Director Redrowthu Sai Manikanta - Chief Financial Officer Chepur Ratnakar Rao - Chairman and Independent Director Swathi Reddy - Non-Executive Director Prasad Rao Kalluri - Independent Directors Chepur Ratnakar Rao - Independent Directors Rammohan Paruvu - Independent Directors
Wholly Owned Subsidiaries	Dreamboat Entertainment LLC

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(b) Transactions with related parties

(i) Transactions with Related Parties

Particulars	For the year ended	
	31 March 2026	31 March 2025
Remuneration		
Sanjay Reddy Tekulapalli	78.00	78.00
Anil Kumar Pallala	39.00	39.00
Sale of services		
Dreamboat Entertainment LLC	**281.23**	**332.26**

(c) Balance receivable / (payable)

(i) Trade Payables

Particulars	As at	
	31 March 2026	31 March 2025
Dreamboat Entertainment LLC	(2.52)	(2.52)

35. Defined benefit plans

'The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

(i) Reconciliation of present value of defined benefit obligation

	31 March 2026	31 March 2025
Defined benefit obligation at the beginning of the year	40.28	35.38
Current service cost	3.47	4.07
Interest cost	2.72	2.66
Past service cost		2.94
Benefits paid	(1.43)	(1.61)
Actuarial loss/(gain) recognised during the year		
- due to demographic assumption		
- due to change in financial assumptions	(1.36)	-1.62
- due to experience	(0.52)	(1.54)
Defined benefit obligation at the end of the year	**43.16**	**40.28**

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(ii) Reconciliation of fair value of plan asset

	31 March 2026	31 March 2025
Fair value of plan assets, beginning of the year	NA	NA
Interest on plan assets	NA	NA
Return on plan assets excluding interst income	NA	NA
Employer contribution *	NA	NA
Benefits paid	NA	NA
Remeasurement due to - actual return on plan assets less interest on plan assets		
Fair value of plan assets, at the end of the year	**NA**	**NA**

* During the current period, to fund its gratuity plan, the Company has made contributions to recognized insurance funds in India.

(iii) Reconciliation of present value of defined benefit obligation and fair value of plan assets

	31 March 2026	31 March 2025
Present value of defined benefit obligation	43.16	40.28
Fair value of plan assets	-	-
Liability/(Asset) recognised in the Balance Sheet	**43.16**	**40.28**
Non current	-	-
Current	-	-

(iv) Expenses recognised in the Statement of profit and loss / OCI

	31 March 2026	31 March 2025
Recognised in statement of profit and loss	3.47	4.07
Current service cost	-	2.94
Past service cost	2.72	2.66
Interest cost	**6.19**	**9.67**
Recognised in statement of other comprehensive income	(1.89)	(3.15)
Actuarial loss/(gain)	**(1.89)**	**(3.15)**

(v) Key actuarial assumptions

	31 March 2026	31 March 2025
Discount rate	7.25%	6.75%
Retirement age	60 Years	60 Years
Salary escalation rate	5.00%	5.00%
Withdrawal rate	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Financial Statements for the year ended 31st March 2026

(All amounts are in INR Lakhs except share data or unless otherwise stated)

(vi) Maturity profile of defined benefit obligation:

	31 March 2026	31 March 2025
Within 1 year	2.63	2.46
2 to 5 years	19.70	19.45
6 to 10 years	20.83	18.38

(vii) Sensitivity analysis

	31 March 2026	31 March 2025
Discount rate (+ 1% movement)	40.34	37.51
Discount rate (- 1% movement)	46.41	43.46
Salary escalation (+ 1% movement)	46.45	43.49
Salary escalation (- 1% movement)	40.25	37.44
Withdrawal rate (+1% movement)	43.58	40.60
Withdrawal rate (-1% movement)	42.68	39.92

(viii) Weighted average remaining duration of defined benefit obligation is 12 years

36 Segment information

The company has identified "Entertainment" as the only primary reportable business segment. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 "Operating segments" is not applicable

37 Categories of Financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2026		As at 31 March 2025	
	Total carrying value	Total fair value/ Amortised cost	Total carrying value	Total fair value/ Amortised cost
Financial assets				
Investments	-	-	8.30	8.30
Trade receivables	68.27	68.27	68.29	68.29
Cash and bank balances	464.35	464.35	69.69	69.69
Others	-	-	5.53	5.53
	532.61	**532.61**	**151.81**	**151.81**

	As at 31 March 2026		As at 31 March 2025	
	Total carrying value	Total fair value/ Amortised cost	Total carrying value	Total fair value/ Amortised cost
Financial liabilities				
Borrowings	-	-	-	-
Lease liabilities	0.00	0.00	29.69	29.69
Trade payables	202.16	202.16	216.27	216.27
Other financial liabilities	13.35	13.35	6.30	6.30
	215.52	**215.52**	**252.25**	**252.25**

The fair value of the financial assets and financial liabilities are included at an amount at which the instruments could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

38 Financial risk management objectives and policies

Financial Risk Management Framework

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, market risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these risks.

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. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, balances with banks and loan and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and bank balances and loans. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, loans and other financial assets were either past due or impaired as at the respective reporting period. The Company has diversified its portfolio of investment in cash and cash equivalents and term deposits with various banks which have secure credit ratings, hence the risk is reduced. Loans given to related parties and others are tested for impairment where there is an indicator and the assessed credit risk associated with such loans is relatively low. Other financial assets represent security deposits given to lessors and other assets. Credit risk associated with such deposits and other assets is relatively low.

The Company's credit period for trade receivables from its customers generally ranges from 30 - 180 days. The ageing of trade receivables is given below:

	As at 31 March 2026	As at 31 March 2025
Neither past due nor impaired		
Past due but not impaired:		
Less than 365 days	68.27	68.29
More than 365 days	-	-
Less: Allowance for credit losses	-	-
	68.27	**68.29**

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each balance sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix if they past due. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information.

39 Financial risk management objectives and policies (cont'd)

A. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining cash and cash equivalents and the cash flows generated from operations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2026	Up to 1 year	More than 1 year	Total
Borrowings	-	-	-
Lease liabilities	0.00	-	0.00
Trade payables	202.16	-	202.16
Other financial liabilities	13.35	-	13.35
Total	**215.52**	**-**	**215.52**

As at 31 March 2025	Up to 1 year	More than 1 year	Total
Borrowings	-	-	-
Lease liabilities	29.69	-	29.69
Trade payables	216.27	-	216.27
Other financial liabilities	6.30	-	6.30
Total	**252.25**	**-**	**252.25**

B. Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The majority of Company's revenue is generated in foreign currencies (primarily in United States Dollars), while a significant portion of its costs are in Indian rupees. As a result, as the rupee appreciates or depreciates against foreign currencies, the results of the entity's operations are impacted. The Company does not use financial derivatives such as foreign currency forward contracts.

(a) Significant unhedged foreign currency risk exposure relating to financial assets and financial liabilities expressed in ₹ terms are as follows:

	31 March 2026	31 March 2025
Financial assets		
Trade receivables		
- USD	-	-
- EURO		
Financial liabilities		
Trade payables		
- USD		
- EURO		
Other liabilities (PCFC- Packing credit in foreign currency)		
- USD		
- EURO		

(b) Foreign currency sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies ('FC'), with all other variables held constant:

	Impact on profit after tax / equity for the year ended			
	Appreciation in FC by 5%		Depreciation in FC by 5%	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Foreign currency				
USD	-	-	-	-
EURO	-	-	-	-

ii Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates primarily to the floating interest rate borrowings. The Company's investment in deposits with banks and loans are fixed interest rates and therefore do not expose the Company to significant interest rate risk.

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate borrowings. The exposure of the Company to variable rate borrowings at the end of the reporting period are as follows:

	31 March 2026	31 March 2025
Variable rate borrowings	-	-

Interest rate sensitivity

The Company noted that any reasonably possible change in interest rates on the variable rate instruments will not have any material impact on the Company's profit after tax and its equity.

40 Capital risk management

"Capital includes equity capital and all reserves attributable to the equity holders of the Company. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. 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 a debt to capital employed ratio which is debt divided by total capital plus debt. The Company's policy is to keep this ratio at an optimal level."

	31 March 2026	31 March 2025
Debt (includes lease liabilities)	0.00	29.69
Less: Cash and cash equivalents	69.69	69.69
Net debt	**69.69**	**99.38**
Total equity	1,199.46	761.30
Capital and net debt	**1,269.15**	**860.67**
Net debt to equity ratio (%)	**5.49%**	**11.55%**

41 Revenue from contracts with customers

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to profit and loss account:

	31 March 2026	31 March 2025
(i) Revenue from contracts with customers comprises of:		
Revenue from services	2,307.82	2,624.31
	2,307.82	**2,624.31**
(ii) Geographical markets		
India	2,307.82	2,624.31
Outside India	-	-
	2,307.82	**2,624.31**
(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contract	2,307.82	2,624.31
Less: Adjustments	-	-
	2,307.82	**2,624.31**
(iv) Timing of revenue recognition		
At a point in time	-	-
Over time	2,307.82	2,624.31
	2,307.82	**2,624.31**

	31 March 2026	31 March 2025
(v) Assets and liabilities related to contracts with customers		
Trade receivables	68.27	68.29
Contract liabilities	-	-
Contract assets		
Contract assets at the beginning of the year	-	-
Less: Contract assets invoiced during the year	-	-
Add: Satisfied performance obligations not invoiced	-	-
Contract assets at the end of the year	**68.27**	**68.29**
(vi) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contract	2,307.82	2,624.31
Adjustments	-	-
Revenue from contract with customers	**2,307.82**	**2,624.31**

42 Additional disclosures

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) No transactions are carried out with companies struck off under Section 248 of the Act or Section 560 of Companies Act, 1956.

(iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) "The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

(ix) "The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

(x) There are no charges or satisfaction which are yet to be registered with the registrar of companies beyond the statutory period.

43 "The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company, in respect of financial year commencing on 1 April 2023 has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log). Audit trail (edit log) is enabled at the application level, and the Company's users have access to perform transactions only from the application level."

44 Employee stock incentive plans

Silly Monks employee stock option scheme 2023

The Company instituted the Silly Monks ESOP 2023 Plan for eligible employees pursuant to the special resolution approved by the shareholders in the Meeting held on July 29, 2023. The Silly Monks ESOP 2023 Plan covers eligible employees.

The Nomination, Governance and Compensation Committee of the Board of the company (the "Committee") administers the Silly Monks ESOP 2023 Plan and grants stock options to eligible employees. The Committee determines which eligible employees will receive options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The options issued under the Silly Monks ESOP 2023 Plan vest in periods ranging between one and four years subject to a maximum period of four years from the date of grant of such options.

The company has established Silly Monks Employee Stock Option Scheme, 2023 (Silly Monks ESOP 2023 Plan) with 4,00,000 equity shares.

The exercise price of the options is INR 10 per share. The fair value of the share options is estimated at the grant date using a Black-Scholes Method, taking into account the terms and conditions upon which the share options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest.

The carrying amount of the liability at 31 March 2026 is Nil (31 March 2025: INR 10.70 lakhs).

The expense recognised for employee services received during the year is shown in the following table:

	31 March 2026	31 March 2025
Expense arising from equity-settled share-based payment transactions	7.64	3.12
Total expense arising from share-based payment transactions	**7.64**	**3.12**
There were no cancellations or modifications to the awards in year ending 31 March 2026 and 31 March 2025.		
Movements during the year	-	-
The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year	-	-

	31 March 2026	31 March 2025
Options outstanding at the beginning of the year	2,71,396.00	4,00,000.00
Granted during the year		1,00,000.00
Forfeited during the year	2,27,243.00	1,85,856.00
Exercised during the year	25,471.00	24,066.00
Expired during the year	18,682.00	18,682.00
Options outstanding at the end of the year	0	2,71,396.00

The Weighted average grant date fair value of the options grated during the years ended 31 March 2026 was ₹ 15.41 per option.

The following tables list the inputs to the models used for the three plans for the years ended 31 March 2026 and 31 March 2025, respectively:

	31 March 2026	31 March 2025
Weighted average fair values at the measurement date	INR 15.41	INR 11.52
Dividend yield (%)	0	0
Expected Annualized Volatility (%)	0	0
Risk–free interest rate (%)	6.72%	6.72%
Expected life of share options(years)	4	4
Weighted average share price (INR)	INR 10	INR 10
Model used	Black-Scholes Method	Black-Scholes Method

42. Ratios as per the Schedule III requirements

Particulars	31 March 2026	31 March 2025	% Change	Note
Current Ratio	4.35	1.92	125.97%	a.
Debt Equity Ratio	0.00	0.04	-100.00%	b.
Debt Service Coverage Ratio	(0.15)	0.43	-135.31%	c.
Return on Equity	-20.27%	2.70%	-851.27%	d.
Inventory Turnover Ratio	0.34	(0.08)	-539.52%	e.
Trade Receivables turnover ratio	33.80	34.46	-1.92%	f.
Trade Payables turnover ratio	0.42	0.28	47.30%	g.
Net Capital Turnover Ratio	3.11	11.45	-72.81%	h.
Net profit ratio	(0.09)	0.01	-1217.21%	i.
Return on Capital employed	(0.25)	0.01	-2915.80%	j.

a. Current Ratio = Current assets divided by Current liabilities

Particulars	31 March 2026	31 March 2025
Current assets	962.72	477.40
Current liabilities	221.50	248.21
Ratio	**4.35**	**1.92**
% Change from previous year	**125.97%**	

Reason for change more than 25%: The increase in the ratio is mainly attributable to cuurent assets.

b. Debt Equity ratio = Total debt divided by Shareholder's Equity where total debt refers to sum of current & non current borrowings

Particulars	31 March 2026	31 March 2025
Total debt (including lease liabilities)	0.00	29.69
Shareholder's Equity	1,199.46	761.30
Ratio	**0.00**	**0.04**
% Change from previous year	**-100.00%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to closure of lease.

c. Debt Service Coverage Ratio = Earnings available for debt service divided by interest and lease payments + principal repayments

Particulars	31 March 2026	31 March 2025
Net Profit after tax	(198.69)	20.22
Add: Non cash operating expenses and finance cost		
- Depreciation and amortizations	41.73	44.70
- Finance cost	1.43	4.14
Earnings available for debt service	(155.53)	69.07
Interest cost on borrowings		-
Lease payments	23.43	29.46
Principal repayments for long-term borrowings	-	-
Total Interest and principal repayments	23.43	29.46
Ratio	**-0.15**	**0.43**
% Change from previous year	**-135.31%**	

Reason for change more than 25%: The decrease in ratio is attributable to decrese in profit after tax .

d. Return on Equity Ratio / Return on Investment Ratio = Net profit after taxes divided by average shareholder's equity

Particulars	31 March 2026	31 March 2025
Net profit after taxes	(198.69)	20.22
Less: Preference dividend	-	-
Earning available to equity shareholders	**(198.69)**	**20.22**
Average Shareholder's Equity	980.38	749.66
Ratio	**(0.20)**	**0.03**
% Change from previous year	**-851.27%**	

Reason for change more than 25%: The decrease in ratio is attributable to decrese in profit after tax .

e. Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	31 March 2026	31 March 2025
Cost of Inventory Consumed	53.11	(13.59)
Average Inventory	158.27	178.03
Inventory Turnover Ratio	**0.34**	**(0.08)**
% Change from previous year	**-539.52%**	

Reason for change more than 25%: The increase in ratio is attributable to increase in closing inventory.

f. Trade Receivables turnover ratio = Revenue from operations divided by Average Trade Receivables

Particulars	31 March 2026	31 March 2025
Net credit sales	2,307.82	2,624.31
Average Trade Receivables	68.28	76.15
Ratio	**33.80**	**34.46**
% Change from previous year	**-1.92%**	

Reason for change more than 25%: NA

g. Trade Payables turnover ratio = Purchases of stock-in-trade and other expenses divided by average Trade Payables

Particulars	31 March 2026	31 March 2025
Purchase of stock-in-trade	-	-
Other expenses (excluding other adjustments like allowance for trade receivables etc)	87.47	66.07
Total	87.47	66.07
Average Trade payables	209.22	232.79
Ratio	**0.42**	**0.28**
% Change from previous year	**47.30%**	

Reason for change more than 25%: NA

h. Net Capital Turnover Ratio = Sales divided by Working Capital where Working Capital = Current Assets - Current Liabilities

Particulars	31 March 2026	31 March 2025
Revenue from operations	2,307.82	2,624.31
Working capital	741.22	229.19
Ratio	**3.11**	**11.45**
% Change from previous year	**-72.81%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to increase in working capital requirment

i. Net profit ratio = Net profit after taxes divided by Net Sales

Particulars	31 March 2026	31 March 2025
Net profit after taxes	-198.69	20.22
Net Sales	2,307.82	2,624.31
Ratio	**(0.09)**	**0.01**
% Change from previous year	**-1217.21%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to decrease in profit after tax and decrease in net sales.

j. Return on Capital employed (pre cash)=Earnings Before Interest and Taxes (EBIT) divided by Capital Employed

Particulars	31 March 2026	31 March 2025
Profit before tax (A)	(176.61)	15.84
Finance costs (B)	1.43	4.14
Other income (C)	18.71	13.25
EBIT (D) = (A)+(B)-(C)	**(193.89)**	**6.74**
Capital Employed (Pre Cash) (J)= (E)-(F)-(G)	**775.64**	**759.11**
Total Assets (E)	1,461.49	1,077.01
Current liabilities (F)	221.50	248.21
Cash and Cash equivalents (G)	464.35	69.69
Ratio (D)/(J)	**-0.25**	**0.01**
% Change from previous year	**-2915.80%**	

Reason for change more than 25%: The decrease in ratio is mainly attributable to increase in cash and cash equivalents during the current year.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For M/s. NSVR & ASSOCIATES LLP
Chartered accountants
FRN: 008801S/S200080

For and on behalf of the Board
Silly Monks Entertainment Limited

Sd/-
V.Gangadhara Rao N
Partner
Membership No: 219486
UDIN: 26219486HFFVWL9299

Sd/-
Guthikonda HariKrishna
Director
DIN:11636121

Sd/-
Anish Kumar Badugu
Managing Director
DIN:11635335

Sd/-
Itikapati Madhusudana Reddy
CFO

Sd/-
Naneru Greeshma Sandhya
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 30-05-2026

SILLY MONKS ENTERTAINENT LIMITED

CIN: L92120TG2013PLC090132

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