

August 25, 2025

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Mumbai-400051

Symbol: THESL

Dear Sir / Madam,

Sub: **Annual Report for the financial year 2024-25**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report 2024-25 of the Company.

The Annual Report 2024-25 has been sent today through electronic mode to the Members who have registered their E-Mail IDS with the Company's R&TA / Depository Participant.

The Annual Report for the Financial Year 2024-25 is also available on the website of the Company at <https://thes.in/wp-content/uploads/2025/08/ar24-25.pdf>

Kindly take the above information on records and disseminate.

Yours faithfully

For Thinking Hats Entertainment Solutions Limited

Rajesh Bhardwaj
Managing Director
DIN: 02590002

Encl.

Thinking Hats Entertainment Solutions Limited



ANNUAL REPORT
2024-2025

CORPORATE INFORMATION

Managing Director

Rajesh Bhardwaj

Whole Time Director

Gaurav Singhania

Independent Director

Princy Anand

Nikita Jain

Chief Financial Officer

Gaurav Singhania

Company Secretary and Compliance Officer

Kritika Ronakk Jain

Statutory Auditors

Baid Agarwal Singhi & Co.

Chartered Accountants

Firm Registration No.: 328671E

Secretarial Auditor

CS Niaz Ahmed

Membership No: 9432

CP No: 5965

Registrars & Share Transfer Agents

M/s. MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area,

Phase - II, New Delhi -110020

Registered Office

KU220, Kuber Kartik, New Link Road,

Prem Co-operative Society, Andheri West,

Mumbai, Maharashtra, India, 400053

Audit Committee

Nikita Jain-Chairman

Princy Anand

Gaurav Singhania

Nomination and Remuneration Committee

Nikita Jain -Chairman

Princy Anand

Shruti Singhania

Stakeholders Relationship Committee

Princy Anand-Chairman

Shruti Singhania

Nikita Jain

Internal Auditor

M/s. Shubahm V Gupta &

Associates,

Chartered Accountants

FRN No.: 030626C

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NOTICE OF AGM

NOTICE is hereby given that the 12th Annual General Meeting of the members of **Thinking Hats Entertainment Solutions Limited** will be held on Wednesday, September 17, 2025 at 3.00 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the:
 - Audited Standalone Annual Financial Statements of the Company for the financial year ended 31st March, 2025 and the Reports of the Board of Directors and the Auditors' thereon; and
2. To appoint a director in place of Mr. Rajesh Bhardwaj (DIN: 02590002), Managing Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Secretarial Auditor of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), other applicable laws/statutory provisions, if any, as amended from time to time, CS Niaz Ahmed, Practicing Company Secretaries be and are hereby appointed as Secretarial Auditors of the Company for term of five consecutive years commencing from financial year 2025-26 till financial year 2029-30, at such fees, plus applicable taxes and other out-of-pocket expenses as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditors."

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

4. Appointment of Mrs. Sana Warsi (DIN: 11155001) as Non-Executive Non Independent Director.

To consider and if thought fit, to pass with or without modification(s) the following resolutions as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Sana Warsi (DIN: 11155001), who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 18, 2025 in terms of Section 161 of the Companies Act, 2013, and who is entitled to hold office up to the date of ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps as necessary or desirable to give effect to this resolution in conformity with the provisions of the Act."

5. Appointment of Mrs. Nikita Jain (DIN: 08222385) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules framed thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mrs. Nikita Jain (DIN: 08222385), who was appointed as an Additional Director by the Board of Directors of the Company ("the Board") based on the recommendation of the Nomination and Remuneration Committee with effect from February 11, 2025 pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and in respect

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of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a first term of consecutive five years up to February 10, 2030.”

RESOLVED FURTHER THAT the Board (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

21 August, 2025

Registered Office:

Thinking Hats Entertainment Solutions Limited
KU220, Kuber Kartik, New Link Road,
Prem Co-operative Society, Andheri West,
Mumbai, Maharashtra - 400053
Tel: +91 976 915 6256
Email: csco@thes.in
Website: www.thes.in
CIN: L92490MH2013PLC352652

By order of the Board

For Thinking Hats Entertainment Solutions Limited

SD/-

Rajesh Bhardwaj
Managing Director
DIN: 02590002

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NOTES:

1. Pursuant to various circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. A statement giving relevant details of the director seeking reappointment under Item No. 2 of the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith as **Annexure-I**.
3. The Explanatory Statement setting out material facts concerning the business under Item Nos. 3 to 5 of the Notice is annexed hereto. [Section 102 of the Companies Act, 2013 ("Act")]
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The Board of Directors has appointed **CS Md. Shahnawaz, Practicing Company Secretary (ACS No. 21427, CP No. 15076)** as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
5. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization be sent to the Scrutinizer by email through its registered email address to msassociates16@gmail.com with a copy marked to evoting@nsdl.co.in.
6. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors at the AGM, shall be without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
8. 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.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
10. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send their questions/ comments in advance mentioning their name, demat account number, email id and mobile number at csc@thes.in The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

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11. Members to intimate change in their details:

Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail ID, telephone/mobile no., PAN, mandates, choice of nominations, power of attorney, bank details viz., name of the bank and branch details, bank account, MICR code, IFSC code, etc.

a. **For shares held in electronic mode:** to their DPs

b. **For shares held in physical mode:** to the Company/RTA in prescribed Form ISR-1 and other forms. [SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023].

The facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. [Section 72 of the Act]

12. The Registers of Members and Share Transfer Books of the Company will remain closed from **Thursday, September 11, 2025 to Wednesday, September 17, 2025** (both days inclusive) for the purpose of annual closure of books.

13. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2024-25 are available on the website of the Company at www.thes.in and on the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com (the Authorised agency for providing voting through electronic means and AGM through (VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in Financial Express Mumbai (English Edition) and Mumbai Lakshadeep ((Marathi Edition).

14. Members who have not yet registered their e-mail address and mobile number are requested to register the same with their Depository Participants ("DP").

15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs.

16. For receiving all future correspondence (including Annual Report) from the Company electronically, the Members have to register their e-mail address with their Depository Participants and the Company as well.

Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.thes.in, websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL www.evoting.nsdl.com.

17. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. Wednesday, September 10, 2025, such person may obtain the User ID and Password from RTA requesting through e-mail at investor@masserv.com.

18. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

19. The Company has not paid any dividend in past, thus, details of the amount of dividend which remained unpaid/unclaimed for a period of 7 years and due for transfer to IEPF is not applicable to the Company. Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, as there are no equity shares on which dividend has not been paid or claimed for seven (7) consecutive years or more, no shares are due for transfer to the IEPF as notified by the Ministry of Corporate Affairs.

20. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders at least 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no/email ID with their respective depository participants.

21. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturday as well as Sundays, up to the date of meeting.

22. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and

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Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice 12th Annual General Meeting (AGM) through electronic voting system, to members holding shares as on **Wednesday, September 10, 2025** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard -2 on General Meetings]

Name of the Director	Rajesh Bhardwaj	Sana Warsi	Nikita Jain
DIN	02590002	11155001	08222385
Date of Birth	April 5, 1976	July 30, 1989	November 17, 1992
Age	49 years	36 years	33 years
Date of Appointment	May 9, 2014	June 18, 2025	February 11, 2025
Qualification	Undergraduate	Graduate	Post Graduate
Experience and Expertise	He has experience of more than two decades in the entertainment industry. He has played a key role in growth and development of the Company to the present level.	Sana Warsi, is the Creative Head of our Company. She holds a bachelor degree in arts from University of Delhi. She holds post graduate diploma course in television journalism & communication from Asian Academy of Film & Television. She is the creative driving force behind the Company's filmmaking and entertainment division and has successfully conceptualised and executed numerous projects for the company. She has devoted more than eight years to transforming ideas into real projects at our Company	Mrs. Nikita Jain has completed her Master (M.Com) from Calcutta University and pursuing CS Professional having 10 years of experience in the field of Legal Compliances
Number of Meetings of the Board attended during the financial year (2024-25)	16 out of 16 meetings	NA	2 out of 2 meetings
List of Directorship/ Membership / Chairmanship of Committees of other Board	Nil	Nil	Prudential Microprocessors Private Limited
Membership / Chairmanship of Committees of Other Board:	Nil	Nil	Nil
Shareholding in the Company	44,98,750 shares (36.03%)	7,62,500 shares (6.11%)	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Sana Warsi is the spouse of Rajesh Bhardwaj	Rajesh Bhardwaj is the spouse of Sana Warsi	NA

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Name of the Director	Rajesh Bhardwaj	Sana Warsi	Nikita Jain
Terms and Conditions of appointment or re-appointment along with details of remuneration, if any to be paid and the remuneration last drawn	Being liable to retire by rotation Last Drawn remuneration: Rs 27,00,000/- pa	Being liable to retire by rotation	Not liable to retire by rotation

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, September 14, 2025 at 9:00 A.M. and ends on Tuesday, September 16, 2025 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 10, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 10, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
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 options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. 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

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Type of shareholders	Login Method
	4. 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 held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience NSDL Mobile App is available on  App Store   Google Play 
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
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. Once 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: www.evoting.nsdl.com either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at www.eservices.nsdl.com with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

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8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to msassociates16@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@masserv.com or cs@thes.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@masserv.com or ccsc@thes.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted

Notice

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.

3. 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at csc@thes.in. The same will be replied by the company suitably.

General Instructions

- i. 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 AGM through ballot paper.
- ii. CS Md. Shah Nawaz, Practicing Company Secretary (Membership No. ACS- 21427 & CP No. 15076) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- iii. The members, who are present VC / OAVM at the AGM but have not cast their votes during the remote e-voting period, shall be allowed to cast their voting through e-voting.
- iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.thes.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the National Stock Exchange of India Limited.

21 August, 2025

Registered Office:

Thinking Hats Entertainment Solutions Limited
KU220, Kuber Kartik, New Link Road,
Prem Co-operative Society, Andheri West,
Mumbai, Maharashtra - 400053
Tel: +91 976 915 6256
Email: csc@thes.in
Website: www.thes.in
CIN: L92490MH2013PLC352652

By order of the Board
For Thinking Hats Entertainment Solutions Limited

SD/-
Rajesh Bhardwaj
Managing Director
DIN: 02590002

Notice

ANNEXURE TO THE NOTICE

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

ITEM NO. 3

Pursuant to the provisions of Sections 179 and 204 and other applicable provisions of the Companies Act, 2013, read with the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force) made thereunder and based on the recommendation of the Audit Committee and the Board of Directors at their respective meetings held on May 29, 2025, CS Niaz Ahmed, Practicing Company Secretaries is proposed to be appointed as the Secretarial Auditors for a term of five consecutive years to hold office from the conclusion of this 12th Annual General Meeting (AGM) till the conclusion of the 17th AGM to be held in the year 2030 to conduct Secretarial Audit for the period beginning from the Financial Year 2025-26 till the Financial Year 2029-30, subject to shareholders approval.

CS Niaz Ahmed, Practicing Company Secretaries has given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if approved) would be within the limits specified by Institute of Company Secretaries of India. Furthermore, in terms of the amended regulations, CS Niaz Ahmed, Practicing Company Secretaries has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.

Mr. Niaz Ahmed is a commerce graduate from the University of Calcutta. He has also done LLB from the University of Burdwan and is a Fellow Member of the Institute of Company Secretaries of India. He has experience of over 25 years in the field of Companies Act, NBFC Compliances and SEBI Regulations.

The remuneration to be paid to CS Niaz Ahmed for secretarial audit services for the financial year ending March 31st, 2026 plus applicable taxes and out-of-pocket expenses, if any, shall be mutually decided. Besides the secretarial audit services, the Company may also obtain certifications from CS Niaz Ahmed under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee.

The Board of Directors and the Audit Committee shall approve revisions to the remuneration of CS Niaz Ahmed for the remaining part of the tenure.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with CS Niaz Ahmed.

Based on the recommendations of the Audit Committee, the Board of Directors have approved and recommended the aforesaid proposal for approval of members taking into account the eligibility, experience, independent assessment & expertise in providing secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.

None of the Directors and Key Managerial Personnels or their relatives, are concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution as set out at item no. 3 of the Notice of the 12th AGM for the approval of members.

ITEM NO. 4

Mrs. Sana Warsi (Din- 11155001) has been appointed as an Additional Director (Non-Executive & Non-Independent) of the Company w.e.f. June 18, 2025

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Sana Warsi (Din- 11155001) will hold office up to the date of the ensuing AGM. The Company has received from Mrs. Sana Warsi (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. The directorship held by the proposed appointee is within the limits prescribed under the Act and Regulation 25 of the Listing Regulations.

The resolution seeking approval of members for the appointment of Mrs. Sana Warsi (Din- 11155001) as a Director of the Company is included in the Notice of AGM. She shall be liable to retire by rotation.

Notice

Except Mrs. Sana Warsi and Mr. Rajesh Bhardwaj (Spouse of Mrs Sana Warsi), none other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the resolutions set forth in the Item No. 4 of the Notice for approval of the members.

ITEM NO. 5

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company ("Board") at its meeting held on February 11, 2025 had appointed Mrs. Nikita Jain (DIN: 08222385), who was appointed as an Additional Director by the Board of Directors of the Company for first term of five (5) years effective from February 11, 2025, not liable to retire by rotation, subject to approval of the shareholders of the Company. Further, in terms of the amended Regulation 17(1C) of the SEBI Listing Regulations, effective from January 01, 2022, a listed entity shall ensure that the approval of shareholders for appointment of a person on the Board of Directors has to be taken either at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the shareholders is sought to comply with the SEBI Listing Regulations.

The Company has received from Mrs. Nikita Jain (i) consents in writing to act as Directors in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act and (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and under SEBI Listing Regulations. She does not hold any equity shares of the Company. The Company has also received a Notice under Section 160 of the Act from a member proposing candidature of Mrs. Nikita Jain for the office of Directors of the Company.

The resolution seeking approval of members for the appointment of Mrs. Nikita Jain (Din- 08222385) as a Director of the Company is included in the Notice of AGM. She shall not be liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in resolutions set out respectively at Item No. 5 of the Notice.

The Board recommends the resolutions set forth in the Item No. 5 of the Notice for approval of the members.

21 August, 2025

Registered Office:

Thinking Hats Entertainment Solutions Limited
KU220, Kuber Kartik, New Link Road,
Prem Co-operative Society, Andheri West,
Mumbai, Maharashtra - 400053
Tel: +91 976 915 6256
Email: csco@thes.in
Website: www.thes.in
CIN: L92490MH2013PLC352652

By order of the Board
For Thinking Hats Entertainment Solutions Limited

SD/-
Rajesh Bhardwaj
Managing Director
DIN: 02590002

DIRECTOR'S REPORT

TO,
THE MEMBERS,
THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED

Your Directors are pleased to submit the 12th Director's Report along with the audited financial statements, for the financial year ended March 31st, 2025.

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY

The Financial Results for the year ended March 31st, 2025 and the corresponding figure for the previous year are as under:

Particulars	(₹ in Lakhs except EPS)	
	Fiscal	
	FY 2025	FY2024
Revenue from Operations	4,766.80	2,663.18
Other Income	73.22	6.94
Profit before Tax	522.92	430.31
Profit after Tax	366.50	309.17
Earnings Per Share (In Rs.)	3.42	3.94

- Equity shares are at par value of ₹10/- per share.
- 34,29,000 equity shares were allotted pursuant to Initial Public Offer ("IPO") on September 30, 2024

2. TRANSFER TO RESERVES

We do not propose to transfer any amount to general reserve.

3. DIVIDEND

To strengthen the financial position of the Company and to augment working capital, your directors do not recommend any dividend for the FY 2025.

4. STATE OF COMPANY'S AFFAIRS

Your Directors are pleased to share the exceptional operational and financial performance achieved by the Company even during this turbulent times of, aggressive interest rate hikes and other geopolitical factors and its consequent effect on economies of worldwide.

During the FY 2025:

- Revenue from operations at ₹4766.80 lakhs in FY 25 as compared to ₹ 2663.18 lakhs in FY24, translating to a growth of 78.99%
- PAT at 366.50 lakhs in FY 25 as compared to 309.17 lakhs in FY 24, growth of 18.34%

It is expected that the Company will achieve better operation and financial performance in FY2026.

5. CHANGE IN THE NATURE OF BUSINESS

There is no Change in the nature of the business / operation of the Company done during the year under review.

6. CHANGE IN NAME AND STATUS OF THE COMPANY

The Company was originally formed as a private limited liability company in the name and style of "Thinking Hats Entertainment Solutions Private Limited" bearing CIN U92490MH2013PLC352652 pursuant to a certificate of incorporation date February 11, 2013 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by our Board of Director in their meeting held on August 18, 2023 and by the shareholders at an extra-ordinary general meeting held on August 19, 2023 our company was converted into a public limited company and consequently the name of our company was change to "Thinking Hats Entertainment Solutions Limited" and a fresh certificate of incorporation dated September 7, 2023 was issued by the Registrar of Company, Maharashtra at Mumbai.. The Corporate Identification Number of our Company is L92490MH2013PLC352652.

Director's Report

7. INITIAL PUBLIC OFFER (IPO) & LISTING OF SHARES ON NSE EMERGE PLATFORM

The Company vide Prospectus dated September 30, 2024 issued its securities via Initial Public Offering and on October 03, 2024 the Company's Securities were listed on NSE Emerge Platform. The company made an Initial Public Offering (IPO) of 34,29,000 Equity Shares of Rs. 10 each vide Prospectus dated September 30, 2024 for cash @ price of Rs. 44 per equity share aggregating up to Rs. 1508.76 lakhs by way of fresh issue of 34,29,000 of Equity Shares of Rs. 10 each. The public issue was subscribed 347.64 times in the retail category, 67.67 times in QIB category and 356.81 times in the NII category.

8. UTILISATION OF IPO PROCEEDS

During the year under review, the Company has come up with Initial Public offer of 34,29,000 Equity Shares for cash at a price of Rs.44/- per Equity Shares (including a premium of Rs 34/- per Equity Shares), aggregating to Rs. 1508.76 lakhs. Pursuant to Regulation 32(1)(a) and 32(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby confirmed that there was no deviation(s) or variation(s) in the utilization of public issue proceeds from the objects as stated in the prospectus dated September 30, 2024.

9. DEMATERIALISATION OF SHARES

During the year under review, pursuant to the Initial Public Offering (IPO) and subsequent listing of the company's equity shares on the NSE Emerge platform. Company has entered into tripartite agreements for dematerialization of equity shares with the MAS Services Limited, National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31st, 2025, the share of the Company held in demat form represents 100% of the total issued and paid-up capital of the Company. The Company ISIN No. is INE0SHE01019. M/s. MAS Services Limited is the Registrar and Share Transfer Agent of the Company.

10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THE REPORT

There were no other material changes and commitments affecting the financial position of the Company occurred during the period from the end of the financial year to which the financial statement related till the date of this report.

11. SHARE CAPITAL

a. Increased in the Authorized Share Capital:

During the year under review, the Authorised Share Capital of the Company was increased from Rs 1,00,00,000 (Rupees One Crore) divided into 10,00,000 (Ten Lakh) equity shares of Rs. 10/- (Rupees Ten) each to Rs 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (Rupees One Crore and Fifty Lakhs only) equity shares of Rs. 10/- (Rupees Ten) each as on March 31, 2025 .

b. Issued and Paid Up Share Capital:

During the year under review, the paid-up share capital of the Company increased from Rs 9,05,81,500 to Rs. 12,48,71,500 (Rupees Twelve Crore Forty-Eight lakh Seventy-One Thousand Five hundred Only) pursuant to allotment of 34,29,000 equity shares of ₹ 10/- each through an Initial Public Offer ("IPO") made by the company. The shares of the Company is listed on EMERGE Platform of National Stock Exchange of India Limited.

12. ALTERATION OF MEMORANDUM AND ARTICLES OF ASSOCIATION

During the FY 2023-24, the Company has increased its authorised capital from Rs. 1,00,00,000 (Rupees One Crore Only) to Rs 15,00,00,000/- (Rupees Fifteen Crore only) and consequently altered its capital clauses in the Memorandum of Association. Further, there was alteration in the articles of Association of company for Adoption of new set of Articles of Association of the Company pursuant to the Companies Act, 2013 and upon conversion to a Public Limited Company.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following are the changes in the Board of the Company during the year under review:

DIN/PAN	Name	Particulars of Change	Appointment/ Cessation date
02590002	Mr. Rajesh Bhardwaj	Appointed as Managing Director	May 28, 2024
08868413	Mr. Gaurav Singhania	Appointed as Whole-time Director & CFO	May 28, 2024

Director's Report

DIN/PAN	Name	Particulars of Change	Appointment/ Cessation date
08868412	Mrs. Shruti Singhania	Appointed as a Non-Executive Non-Independent Director	May 28, 2024
10414963	Mrs. Princy Anand	Appointed as Independent Director	May 30, 2024
10435916	*Mr. Altab Uddin Kazi	Appointed as Independent Director	May 30, 2024
08222385	Mrs. Nikita Jain	Appointed as Additional Director	February 11, 2025
ATCPJ8057D	#Palak Jain	Appointed as Company Secretary	April 1, 2024
AXTPT0626K	Kritika Ronakk Jain	Appointed as Company Secretary	February 11, 2025

*Resigned w.e.f February 11, 2025

#Resigned w.e.f October 31, 2024

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Rajesh Bhardwaj (DIN: 02590002), director, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for reappointment. Necessary resolution for his re-appointment is included in the Notice of AGM for seeking approval of Members. The Directors recommend his re-appointment for your approval.

14. DECLARATIONS BY INDEPENDENT DIRECTORS

In accordance with the provisions of Section 149(7) of the Companies Act, 2013, each of the Independent Directors has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (the Listing Regulations) as amended.

In the opinion of the Board of Directors, all Independent Directors of the Company fulfils the conditions specified in the Act and Rules made thereunder.

15. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Regulation 17(10) of the Listing Regulations and in line with our corporate governance guidelines, peer evaluation of all Board members, annual performance evaluation of its own performance, as well as the evaluation of the working of Board's Committees was undertaken. This evaluation is led by the Chairman of the Nomination and Remuneration Committee with a specific focus on the performance and effective functioning of the Board and its Committees. The evaluation process, inter alia, considers attendance of Directors at Board and committee meetings, acquaintance with business, communication inter se board members, the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of committee meetings, etc.

The report on the performance evaluation of the Individual Directors was reviewed by the Board and feedback was given to the Directors.

16. BOARD MEETING

During the year under review, 16 (sixteen) board meetings were held in accordance with the provisions of Companies Act, 2013. The said meetings were held on: 01-04-24, 22-04-24, 23-04-2024, 29-04-24, 23-05-24, 28-05-24, 30-05-24, 07-06-24, 10-06-24, 01-07-24, 30-09-24, 05-11-24, 13-11-24, 02-01-25, 11-02-25, 31-03-25.

The intervening gap between two consecutive meetings was within the limit prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

17. MEETING OF THE INDEPENDENT DIRECTORS

During FY2024-25, one meeting of Independent Directors was held without the presence of the Executive Directors or Management Personnel on February 11, 2025. At such meeting, the Independent Directors have discussed, among other matters, the challenges faced by the Company, growth strategies, flow of information to the Board, strategy, leadership strengths, compliance, governance, HR related matters and performance of Executive Directors.

Director's Report

18. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The audit committee was constituted vide Board resolution dated June 7, 2024 pursuant section 177 of Companies Act, 2013.

As on 31st March 2025 Audit Committee comprises of :

Name of Directors	Category
Nikita Jain	Independent Director-chairperson
Princy Anand	Independent Director
Gaurav Singhania	Whole-time Director and Chief Financial Officer

Mr. Altab Uddin Kazi ceased to be the chairman of the committee w.e.f February 11, 2025

During the year under review, there has been no instance where the recommendations of the Audit Committee have not been accepted by the Board. The terms of reference of the Audit Committee are in accordance with the provision of the Companies Act, 2013 and in line with SEBI Listing Regulations. although the listing regulation pertaining to Audit Committee is not applicable to the Company.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted vide Board resolution dated June 7, 2024 pursuant section 178 of Companies Act, 2013.

As on 31st March 2025 Nomination and Remuneration Committee comprises of :

Name of Directors	Category
Nikita Jain	Independent Director-chairperson
Princy Anand	Independent Director
Shruti Singhania	Non-Executive Non Independent Director

Mr. Altab Uddin Kazi ceased to be the chairman of the committee w.e.f February 11, 2025

During the year under review, there has been no instance where the recommendations of the Nomination and Remuneration Committee have not been accepted by the Board. The terms of reference of the Nomination and Remuneration Committee are in accordance with the provision of the Companies Act, 2013 and in line with SEBI Listing Regulations although the listing regulation pertaining to Nomination and Remuneration Committee is not applicable to the Company

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted vide Board resolution dated June 7, 2024 pursuant section 17 of Companies Act, 2013.

As on 31st March 2025 Stakeholders Relationship Committee comprises of:

Name of Directors	Category
Princy Anand	Independent Director – Chairman
Shruti Singhania	Non-Executive Non-Independent Director
Nikita Jain	Independent Director

Mr. Altab Uddin Kazi ceased to be the member of the committee w.e.f February 11, 2025

During the year under review, there has been no instance where the recommendations of the Stakeholders Relationship Committee have not been accepted by the Board. The terms of reference of the Stakeholders Relationship Committee are in accordance with the provision of the Companies Act, 2013 and in line with SEBI Listing Regulations although the listing regulation pertaining to Stakeholders Relationship Committee is not applicable to the Company.

19. VIGIL MECHANISM

To meets the requirement under Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations the Company has adopted a vigil mechanism named Whistle Blower Policy for directors and employees to report genuine concerns, which shall provide adequate safeguards against victimization of persons who use such mechanism. Under this policy, we encourage our employees to report any reporting of fraudulent financial or other information to the stakeholder, any conduct that results in violation of the Company's Code of Business Conduct, to

Director's Report

management (on an anonymous basis, if employees so desire).

Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employee who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the said investigation. The Whistle Blower Policy is displayed on the Company's website at <http://www.thes.in>

No individual in the Company has been denied access to the Audit Committee or its Chairman during the FY2024-25.

20. APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for the selection and appointment of Directors and Senior Management Personnel and their remuneration. The Remuneration Policy is included in the Corporate Governance Report, which forms part of this Annual Report. The Company's policy relating to the Directors appointment, payment of remuneration and discharge of their duties is available on the website of the Company at <http://www.thes.in>

21. CORPORATE SOCIAL RESPONSIBILITY

Our Company is exempted from the provisions of section 135 of the Companies Act, 2013.

22. RISK MANAGEMENT POLICY

Your Company's Risk Management Framework is designed to enable risks to be identified, assessed and mitigated appropriately. The Risk Management framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

23. SUBSIDIARY, ASSOCIATE OR JOINT VENTURES OF OUR COMPANY

As on 31st March 2025, the Company does not have any Subsidiary, Joint Venture and Associate Company.

24. NON-APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS

As per Provision to regulation Rule 4(1) of the companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No. G.S.R 111 (E) on 16th February, 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirements of adoption of IND-AS w.e.f. 1st April, 2017. As your Company is also listed on EMERGE Platform of NSE Limited, is covered under the exempted category and is not required to comply with IND-AS for preparation of financial statements.

25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, no significant and material orders have been passed by the Regulators, Courts, or Tribunals impacting the going concern status of the Company and its operation in the future.

26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has entered into related party transaction in ordinary course of business and at arm's length. As none of the transactions with any of the related party exceed the 10% of the turnover of the Company, there was no material related party transaction during the year under review. Thus, the disclosure of particulars of contracts or arrangements with related parties as prescribed in Form AOC-2 under section 188(1) of the Companies Act, 2013, during the financial year ended March 31, 2025, is not applicable.

The details of other related party transactions are disclosed in Form AOC – 2 as “Annexure 1”, enclosed herewith. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.thes.in.

27. CORPORATE GOVERNANCE

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Director's Report

28. AUDITORS

AUDITORS & AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act and the Rules framed thereunder, M/S Baid Agarwal Singhi and Co, Chartered Accountants, (Firm Registration No. 0328671E), were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive financial years from 2024-25 to 2028-29.

The Statutory Auditors M/S Baid Agarwal Singhi and Co, Chartered Accountants, (Firm Registration No. 0328671E), have confirmed that they have not been disqualified to act as Statutory Auditors of the Company and that their continuation is within the maximum ceiling limit as prescribed under Section 141 of the Act / relevant statute.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed CS Niaz Ahmed (Membership No. F9432 CP No.5965), Practicing Company Secretary, to carry out the Secretarial Audit of the Company for the FY2024-25. He is having more than 25 years of the experience in the corporate law compliances, legal due diligence and audit, litigations, indirect taxes. The Secretarial Audit Report submitted by him, for FY2024-25 is annexed herewith marked as "**Annexure 2**" to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, and, therefore, does not call for any further comments.

INTERNAL AUDITOR AND THEIR REPORT

Pursuant to the provisions of the section 138 of the Companies Act, 2013 and rule 13 of the Companies (Accounts Rules) 2014, and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or enactment thereof for the time being in force), and on recommendation of Audit Committee M/s. Shubham V Gupta & Associates, Chartered Accountants (FRN No. 030626C) was appointed as the Internal Auditor of the Company to conduct an internal audit of the functions and activities of the company for the Financial Year 2024-25 and 2025-26 at such remuneration as may be mutually agreed upon between the Board of Directors, Audit Committee and Internal Auditors.

The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time. There are no qualifications or adverse remarks of the Internal Auditor in the Report issued by them for the Financial Year 2024-25 which calls for any explanation from the Board of Directors.

29. SECRETARIAL STANDARDS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

30. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

Internal Audit is conducted by an Independent Professional Firm of Chartered Accountants. The Internal Audit Reports are reviewed and discussed with the senior management team. The representative of Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee meetings. The measures as suggested by the Audit Committee are implemented as per the direction of the Audit Committee.

The controls comprise of:

- a) Officials of the Company have defined authority and responsibilities within which they perform their duty;
- b) All the Banking transactions are under joint authority and no individual authorization is given;
- c) Maker-checker system is in place.
- d) Any deviations from the previously approved matter require fresh prior approval.

Appointment of M/s. Shubham V Gupta & Associates, Chartered Accountants (FRN No. 030626C) as an Internal Auditor of the Company for Financial Year 2024-25 and 2025-26.

Director's Report

31. DETAILS OF FRAUD REPORTED BY THE AUDITORS

During the year under review, the Statutory Auditors and Internal Auditor have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) and Rule 13 of the Companies (Audit and Auditors) Rules, 2014 of the Companies Act, 2013.

32. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return for the year ending on March 31, 2025 is available on the Company's website at <http://www.thes.in>

33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized as per the provisions of Section 186 of the Companies Act, 2013 are disclosed in the notes to account to the financial statements for the financial year 2024-25.

34. DEPOSIT

The Company has neither accepted nor renewed any deposits during the year under review. Further, the Company does not have any outstanding amount qualified as a deposit as on 31st March, 2025.

35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The details of conservation of energy and technology absorption are applicable to the Company as the Company is engaged in the manufacturing activities. Further, the foreign exchange earnings and outgo for the financial year ended March 31, 2025 in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 in the prescribed format are annexed hereto as "Annexure 3" and forms part of this report.

36. REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP)/EMPLOYEES

Disclosures relating to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as "Annexure 4" and forms part of this Board's report.

The particulars of Managerial remuneration as stated in section 197(12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, is annexed herewith as "Annexure 4" and forms part of this Board's report.

37. MAINTENANCE OF COST RECORDS AND COST AUDIT

The requirement of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and audit of cost records were not applicable to the Company during the year under review.

38. DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

During the year under review, neither any application was made nor is any proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

39. DETAILS OF DIFFERENCE BETWEEN AMOUNTS OF THE VALUATION

There was no one time settlement by the Company with the Banks or Financial Institutions during the year under review, thus, the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof are not applicable.

40. DIRECTOR'S RESPONSIBILITY STATEMENT

The Director's Responsibility Statement referred to in clause (c) of Sub-section (3) of Section 134 of the Companies Act, 2013 shall state that

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the company for that period.

Director's Report

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a going concern basis;
- e) The directors, in the case of a listed company, 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
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

41. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at <http://www.thes.in>

42. DISCLOSURES AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESS) ACT, 2013

The Company has zero-tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has set up Internal Complaint Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 along with its relevant Rules.

The Committee met once during the FY2025 on March 30, 2025.

There was no complaint pending at the beginning and at the end of FY2024-25. No complaints have been received by the Committee during the FY2024-25.

43. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In term of requirements of Regulation 34(2)(e) of SEBI (LODR) Regulation 2015, a "**Management Discussion and Analysis Report**" are set out as a separate section in this Annual Report which forms an integral part of this report.

44. CREDIT RATING

The Company has not availed any Credit Rating.

45. TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years are also to be transferred to the Demat account of the IEPF Authority.

During the year, there was no unclaimed and unpaid dividend and corresponding equity shares on which dividend was unclaimed/unpaid for seven consecutive years which was required to be transferred as per the requirement of the IEPF Rules.

Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, as there were no equity shares on which dividend has not been paid or claimed for seven (7) consecutive years or more, no shares are due for transfer to the IEPF as notified by the Ministry of Corporate Affairs.

46. HUMAN RESOURCES

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain best talent in the market and the same can be felt in the past growth of the Company. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership, autonomy and towards this objective; your company makes all efforts on training. Your Company shall always place all necessary emphasis on continuous development of its Human Resources. The belief "Great People create Great Organization" has been at the core of the Company's approach to its people.

Director's Report

47. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

48. GREEN INITIATIVES

In commitment to keeping in line with the Green Initiative and going beyond it to create new green initiatives, an electronic copy of the Notice of the 12th Annual General Meeting of the Company along with a copy of the Annual Report is being sent to all Members whose email addresses are registered with the Company/ Depository Participant(s) and will also be available at the Company's website at <http://www.thes.in>

49. ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their sincere thanks to the Central Government and Governments of various states, Financial Institutions, Bankers and Customers for their co-operation and assistance extended.

Your Directors also wish to express their deep appreciation for the integrity and hard work of all the employees of the Company at all levels to cope-up the challenging scenario and strive for the growth of our Company.

The Board also takes this opportunity to express their deep gratitude for the continued co-operation and support received from the shareholders.

For and on behalf of the Board of Directors
THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED

SD/-

Rajesh Bhardwaj
(Managing Director)
DIN: 02590002

SD/-

Gaurav Singhania
(Whole time Director & CFO)
DIN: 08868413

Date: May 29, 2025
Place: Mumbai

Annexure to the Director's Report

ANNEXURE- 1

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

During the year under review, the contracts or arrangement or transactions with related party were done at arm's length basis.

2. Details of material contractors or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Skillarathi Ventures Pvt. Ltd (common promoter)	Varaa Exptech Pvt. Ltd. (common promoter)
Nature of contracts/arrangements/ transactions	Purchase of Services	Purchase of Services
Duration of the contracts / arrangements/ transactions	Ongoing	Ongoing
Salient terms of the contracts or arrangements or transactions including the value, if any	N.A	N.A
Date of approval by the Board, if any	01-04-2024	01-04-2024
Amount paid as advances, if any:	Nil	Nil

Note: Appropriate approvals have been taken for Related Party Transactions. All the transactions referred above are in the Ordinary Course of business and on arm's length basis.

For and on behalf of the Board of Directors

SD/-
GAURAV SINGHANIA
(Whole-time director & CFO)
DIN: 08868413

SD/-
RAJESH BHARDWAJ
(Managing Director)
DIN: 02590002

Date: May 29, 2025

Place: Mumbai

Annexure to the Director's Report

Annexure - 2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED
CIN:L92490MH2013PLC352652
KU220, Kuber Kartik, New Link Road,
Prem Co-operative Society, Andheri West,
Mumbai - 400053

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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, Overseas Direct Investment and External Commercial Borrowings;
- (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not Applicable during the Audit Period;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable during the Audit Period;**
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not Applicable during the Audit Period;**
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018- **Not Applicable during the Audit Period;**

Annexure to the Director's Report

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015; and

I report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with all the laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the Statutory Auditors, Tax Auditors and other designated professionals.

I further report that as per the explanations given to me and the representation made by the Management and relied upon by me, 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.

I further report that during the audit period, there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

1. The shareholders of the Company at their Extra Ordinary General Meeting held on April 23, 2024 have approved appointment of M/s. Baid Agarwal Singhi and Co, Chartered Accountants (FRN: 0328671E) as the statutory auditor under casual vacancy caused to resignation of K R A & Co.
2. The shareholders of the Company at their Extra Ordinary General Meeting held on May 23, 2024 have approved:
 - Increase in Authorised Share Capital of the Company from existing Rs.1,00,00,000 (Rupees One Crore) to Rs. 15,00,00,000 (Rupees Fifteen Crore).
 - Issuance of Bonus Share
3. The shareholders of the Company at their Extra Ordinary General Meeting held on May 30, 2024 have approved:
 - Issue of 3,00,000 equity shares at a face value of Rs.10/- each at a price of Rs.25/- per equity share including premium of Rs 15/- per equity share for an aggregate amount of Rs.75,00,000/- (Rupees Seventy-Five Lakhs Only) Equity Shares on Preferential Basis.
 - Appointment of Rajesh Bhardwaj (DIN:02590002) as a Managing Director of the Company.
 - Appointment of Gaurav Singhania (DIN: 08868413) as a Whole-Time Director and Chief Financial Officers (CFO) of the company.
 - Appointment of Ms. Shruti Singhania (DIN: 08868412) as Non-Executive Non-Independent Director of the Company
 - Appointment of Mr. Anand Bhardwaj (DIN: 03374819) as an Independent Director of the Company
 - Appointment of Ms. Princy Anand (DIN: 10414963) as an Independent Director of the Company
 - Authority to the Board of Directors under Section 180(1)(C) of the Companies Act, 2013 for borrowings up to

Annexure to the Director's Report

the revised limit of Rs. 50 crores.

- Authority to the Board of Directors under Section 180(1)(a) of the Companies Act, 2013 for creation of charge upto the revised limit of Rs.50 crores.
4. The shareholders of the Company at their Extra Ordinary General Meeting held on June 08, 2024 have approved Initial Public Offer of equity shares of Thinking Hats Entertainment Limited.
 5. The IPO of 34,29,000 Equity Shares of ₹10 each of the Company opened for subscription on September 25, 2024 and ended on September 27, 2024. The shares of the Company got listed on October 03, 2024 at NSE EMERGE.
 6. Ms. Palak Jain (Membership no.-A43333) resigned as Company Secretary of the Company with effect from closing the business hours on October 31, 2024.
 7. The Board of Directors of the Company at its meeting held on February 11, 2025 approved/noted the following:
 - Appointment of Mrs Nikita Jain (DIN: 08222385) as an Additional Director of the Company
 - Appointment of Ms. Kritika Ronakk Jain (ACS:68267) as Company Secretary & Compliance Officer of the Company
 - Resignation of Altab Uddin Kazi (DIN: 10435916) from the post of Independent Director.

SD/-

CS Niaz Ahmed

Proprietor

Membership No: 9432

CP No: 5965

UDIN: F009432G000497887

Peer Review Regn No. 4051/2023

Kolkata, 29th May, 2025

Note: 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 to the Director's Report

'ANNEXURE A'

To,
The Members,
THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED
CIN: L92490MH2013PLC352652
KU220, Kuber Kartik, New Link Road,
Prem Co-operative Society, Andheri West,
Mumbai - 400053

My 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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever 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.

SD/-

CS Niaz Ahmed

Proprietor

Membership No: 9432

CP No: 5965

UDIN: F009432G000497887

Peer Review Regn No. 4051/2023

Kolkata, 29th May, 2025

Annexure to the Director's Report

Annexure - 3

DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A) Conservation of Energy

Sl. No	Particular	Remark
1.	the steps taken or impact on conservation of energy;	NA
2	the steps taken by the company for utilizing alternate sources of energy	NA
3	the capital investment on energy conservation equipments	NA

B) Technology Absorption

From B: Disclosure of particulars with respect to Technology absorption		
Technology, absorption, adaptation and innovation		
Efforts made towards technology absorption		NA
The benefits derived like product improvement, cost reduction, product development or import substitution		NA
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and		NA
Research & Development (R & D) -		
the expenditure incurred on Research and Development		NA

C) Foreign Exchange Earning and Outgo

(Rs In Lacs)		
Particulars	FY 2025	FY2024
Foreign Exchange earnings	192.86	61.40
Foreign Exchange outgo	242.40	183.52

For and on behalf of the Board of Directors
THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED

SD/-

Gaurav Singhania

(Whole time Director & CFO)
DIN: 08868413

SD/-

Rajesh Bhardwaj

(Managing Director)
DIN: 02590002

Date: May 29, 2025
Place: Mumbai

Annexure to the Director's Report

Annexure - 4

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025

Name Of The Director / CEO / CFO / Company Secretary / Manager	Designation	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2024-25	Percentage increase in Remuneration during 2024-25
Rajesh Bhardwaj	Managing Director	7.50 times	(2.50%)
Gaurav Singhania	Whole-time Director and Chief Financial Officer	10 times	5.93%
Kritika Ronakk Jain	Company Secretary	0.60 times	0.60%

- ii. The median remuneration of employees of the Company during the financial year was Rs 3,60,000/-
- iii. During the financial year 33.33% was increased of median remuneration of employee.
- iv. There were 35 permanent employees on the rolls of the Company as on 31st March, 2025.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2024-25 was (9.34) % whereas there is 71.47 % increase in managerial remuneration for the same financial year.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Annexure to the Director's Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 [READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

It is hereby affirmed that:

- (i) No employee was in receipt of remuneration for the year in aggregate of more than Rs. 1.02 Crores;
- (ii) No employee was in receipt of remuneration for any part of the year at a rate which in aggregate was more than Rs. 8.50 lacs per month;
- (iii) No employee was in receipt of remuneration in that year which, in the 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 or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.
- (iv) Top Ten Employees in terms of Remuneration drawn for F.Y. 2024-25

Sr. No	Name	Designation	Remuneration (p.m.)	Qualification	Experience (Year)	Date of joining
1	Gaurav Singhania	Whole Time Director	3,00,000	Master Degree	20yrs	01/04/2023
2	Rajesh Bhardwaj	Managing Director	2,25,000	Post Graduate	27yrs	09/05/2014
3	Prashant Tyagi	COO	2,00,000	Post Graduate	25yrs	11/02/2013
4	Jayant Mukherjee	Asstt. Manager	1,51,748	Graduate	15yrs	01/12/2024
5	Sana Warsi	Head Content	1,50,000	Master Degree	10yrs	01/04/2018
6	Ayush Gupta	Business Head	1,35,000	Post Graduate	14yrs	01/12/2022
7	Ashish Lalu Hasija	Vice President	1,25,000	Post Graduate	19yrs	13/04/2015
8	Mahak Hasija	Manager	1,25,000	Graduate	17yrs	01/04/2022
9	Neeru	Manager	90,000	Graduate	14yrs	01/04/2021
10	Vijendra Prasad	AGM (F & A)	75,000	Post Graduate	17yrs	01/07/2015

For and on behalf of the Board of Directors
THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED

SD/-

Gaurav Singhania

(Whole time Director & CFO)
DIN: 08868413

Date: May 29, 2025
Place: Mumbai

SD/-

Rajesh Bhardwaj

(Managing Director)
DIN: 02590002

MANAGEMENT DISCUSSION & ANALYSIS

FY 2025 represents the fiscal year 2024-25, from 1 April 2024 to 31 March 2025, and analogously for FY 2024 and previously such labelled years.

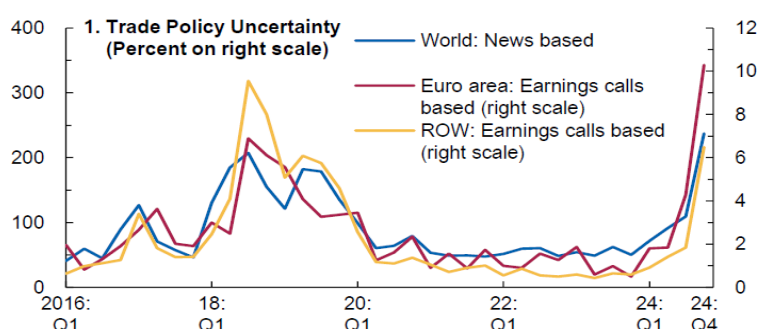
GLOBAL ECONOMY

The global economy is holding steady, although the degree of grip varies widely across countries. Global GDP growth in the third quarter of 2024 was 0.1 percentage point below that predicted in the October 2024 WEO, after disappointing data releases in some Asian and European economies. Growth in China, at 4.7 percent in year-over-year terms, was below expectations. Faster-than-expected net export growth only partly offset a faster-than-expected slowdown in consumption amid delayed stabilization in the property market and persistently low consumer confidence. Growth in India also slowed more than expected, led by a sharper-than-expected deceleration in industrial activity. Growth continued to be subdued in the euro area (with Germany's performance lagging that of other euro area countries), largely reflecting continued weakness in manufacturing and goods exports even as consumption picked up in line with

the recovery in real incomes. In Japan, output contracted mildly owing to temporary supply disruptions. By contrast, momentum in the United States remained robust, with the economy expanding at a rate of 2.7 percent in year-over-year terms in the third quarter, powered by strong consumption.

Where inflation is proving more sticky, central banks are moving more cautiously in the easing cycle while keeping a close eye on activity and labor market indicators as well as exchange rate movements. A few central banks are raising rates, marking a point of divergence in monetary policy.

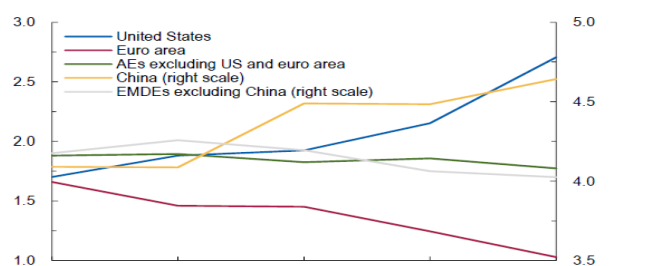
Global financial conditions remain largely accommodative, again with some differentiation across jurisdictions (see box below). Equities in advanced economies have rallied on expectations of more business friendly policies in the United States. In emerging market and developing economies, equity valuations have been more subdued, and a broad-based strengthening of the US dollar, driven primarily by expectations of new tariffs and higher interest rates in the United States, has kept financial conditions tighter.



Economic policy uncertainty has increased sharply, especially on the trade and fiscal fronts, with some differentiation across countries (see box below). Expectations of policy shifts under newly elected governments in 2024 have shaped financial market pricing in recent months. Bouts of

political instability in some Asian and European countries have rattled markets and injected additional uncertainty regarding stalled progress on fiscal and structural policies. Geopolitical tensions, including those in the Middle East, and global trade frictions remain elevated.

Figure 2. Evolution of 2025 Growth Forecasts (Percent)



The Outlook

Energy commodity prices are expected to decline by 2.6 percent in 2025, more than assumed in October. This reflects a decline in oil prices driven by weak Chinese demand and strong supply from countries outside of

OPEC+ (Organization of the Petroleum Exporting Countries plus selected non-member countries, including Russia), partly offset by increases in gas prices as a result of colder-than-expected weather and supply disruptions, including the ongoing conflict in the Middle East and outages in gas

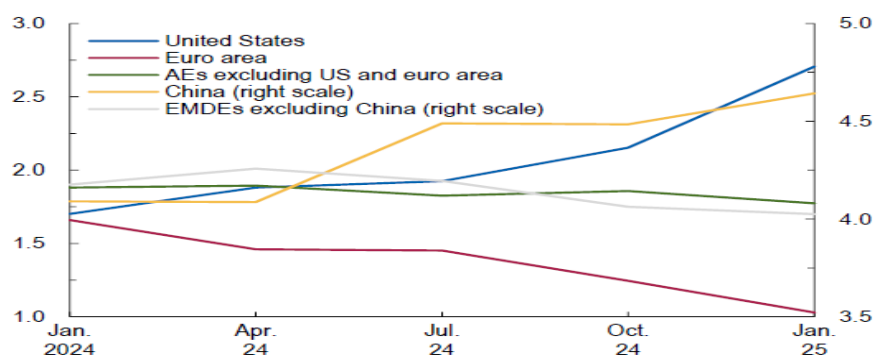
Management Discussion & Analysis

fields. Nonfuel commodity prices are expected to increase by 2.5 percent in 2025, on account of upward revisions to food and beverage prices relative to the October 2024 WEO, driven by bad weather affecting large producers. Monetary policy rates of major central banks are expected to continue to decline, though at different paces, reflecting variations in growth and inflation outlooks. The fiscal policy stance is expected to tighten during 2025–26 in advanced economies including the United States and, to a lesser extent, in emerging market and developing economies.

Global growth is expected to remain stable, albeit lackluster. At 3.3 percent in both 2025 and 2026, the forecasts for growth are below the historical (2000–19) average of 3.7

percent and broadly unchanged from October. The overall picture, however, hides divergent paths across economies and a precarious global growth profile (see the box below). Among advanced economies, growth forecast revisions go in different directions. In the United States, underlying demand remains robust, reflecting strong wealth effects, a less restrictive monetary policy stance, and supportive financial conditions. Growth is projected to be at 2.7 percent in 2025. This is 0.5 percentage point higher than the October forecast, in part reflecting carryover from 2024 as well as robust labor markets and accelerating investment, among other signs of strength. Growth is expected to taper to potential in 2026.

Figure 2. Evolution of 2025 Growth Forecasts (Percent)



Source: IMF staff calculations.

Note: The x-axis shows the months the World Economic Outlook is published. AEs = advanced economies; EMDEs = emerging market and developing economies.

In the euro area, growth is expected to pick up but at a more gradual pace than anticipated in October, with geopolitical tensions continuing to weigh on sentiment. Weaker-than-expected momentum at the end of 2024, especially in manufacturing, and heightened political and policy uncertainty explain a downward revision of 0.2 percentage point to 1.0 percent in 2025. In 2026, growth is set to rise to 1.4 percent, helped by stronger domestic demand, as financial conditions loosen, confidence improves, and uncertainty recedes somewhat.

In other advanced economies, two offsetting forces keep growth forecasts relatively stable. On the one hand, recovering real incomes are expected to support the cyclical recovery in consumption. On the other hand, trade headwinds—including the sharp uptick in trade policy uncertainty—are expected to keep investment subdued.

Source: World Economic Outlook, Update Growth: Divergent and Uncertain, International Monetary Fund

OVERVIEW OF THE INDIAN ECONOMY

India is poised to lead the global economy once again, with the International Monetary Fund (IMF) projecting it to remain the fastest growing major economy over the next two years. According to the April 2025 edition of the IMF's World Economic Outlook, India's economy is expected to grow by 6.2 per cent in 2025 and 6.3 per cent in 2026,

maintaining a solid lead over global and regional peers.

The April 2025 edition of the WEO shows a downward revision in the 2025 forecast compared to the January 2025 update, reflecting the impact of heightened global trade tensions and growing uncertainty. Despite this slight moderation, the overall outlook remains strong. This consistency signals not only the strength of India's macroeconomic fundamentals but also its capacity to sustain momentum in a complex international environment. As the IMF reaffirms India's economic resilience, the country's role as a key driver of global growth continues to gain prominence.

(Source: India: Fastest-Growing Major Economy, Ministry of Finance, Posted On: 23 APR 2025 4:40PM by PIB Delhi)

The recent GDP growth figures of 5.4% year over year for the second quarter of fiscal year 2024 to 2025 probably caught markets off guard (it was significantly below the Reserve Bank of India's projection of 6.8%). Slower growth in the first half of the fiscal (6%) led the RBI to bring down the annual projection to 6.6% (down from an earlier projection of 7%). However, it's essential not to let the headline numbers overshadow the nuanced story beneath: GDP is just one lens to evaluate economic health, and this quarter reveals resilience in certain pockets that are worth noting.

Rural consumption has remained robust, supported by

Management Discussion & Analysis

strong agricultural performance, while the services sector continues to be a key driver of growth. Manufacturing exports, particularly in high-value-added components (such as electronics, semiconductors, and pharmaceuticals), have displayed strength, underscoring India's growing role in global value chains. We believe the slow growth in the secondary sector³ is temporary (due to disruptions caused by monsoons).

Deloitte has revised its annual GDP growth projection for India to between 6.5% and 6.8% in this fiscal year, and between 6.7% and 7.3% in the following one. A tempered global growth outlook and a delayed synchronized recovery in the industrial economies amid changing trade and policy regulations—compared to what was previously expected—will likely weigh on India's exports and outlook for the next fiscal year. India will have to adapt to the evolving global landscape and harness its domestic strengths to drive sustainable growth.

Decoding the slowdown in the second quarter

On the expenditure side, the slowdown in investments and exports were key factors weighing on the economy. Gross fixed capital formation (GFCF), a key driver of economic growth, slowed down to 5.4%. This was partly due to slower government capex utilization, which was at 37.3% in the first half of this year, lower than last year's 49%.

Geopolitical uncertainties and disruptions in global supply chains, particularly in the Red Sea region, continued to weigh on exports. Petroleum product exports experienced a consistent decline across all three months of the quarter, averaging an approximate 30% contraction. As a result, total export growth slowed to 2.8%. At the same time, imports were higher due to a rise in oil and gold imports.

On the production side, gross value added grew by 5.6% in the second quarter, down from 6.8% in the previous one, primarily due to poor performance in the secondary sector. The slowdown in the industrial sector was somewhat expected as the index of industrial production showed signs of slowing across multiple sectors, particularly in mining and electricity. Mining contracted by 0.1%, while electricity and other utilities grew by just 3.3% (a sharp decline from the previous quarter's 10.4%). The construction sector grew 7.7%—its lowest since the last quarter of fiscal 2021 to 2022. Growth in manufacturing was modest, at 2.2% (down from 7%).

We believe these sectoral declines are temporary due to monsoon-driven disruptions (8% above-normal rainfall)⁴ and restrictive spending during elections. What is concerning is we also suspect the possibility of higher dumping from neighboring countries. Imports of goods such as plastics, organic chemicals, iron and steel products, machinery, and electronic components have seen a sharp jump in recent months and pose a significant threat in the months ahead amid restrictive trade regulations in industrialized nations.

Amid this growth slowdown, there were a few emerging

trends that pointed to inert resilience.

- **Robust rural consumption:** Agricultural growth hit a five-quarter high of 3.5%, aided by a strong monsoon season. Indicators like rising sales of fast-moving consumer goods and declining numbers of jobs demanded through the Mahatma Gandhi National Rural Employment Guarantee Act (more commonly, MGNREGA) confirm strength in rural demand. With healthy kharif⁵ harvests and improved rabi sowing, rural consumption is expected to remain strong, further boosted by festive season spending.⁶
- **Strong services sector growth:** Services grew by 7.2%, driven by public administration and defense (9.1%) and finance, insurance, and real estate (7.2%). Services exports surged 21.3%. Between April and October 2024, total services exports stood at US\$216 billion, compared to US\$192 billion in 2023. This growth is crucial given the sector's significant contribution to India's GDP and employment, specifically for the urban middle-income population.
- **High-value manufacturing exports:** Exports of electronics, engineering goods, and chemicals have grown significantly, now comprising 31% of total merchandise exports. Given that micro, small, and medium enterprises are significant contributors to manufacturing supply chains and exports, rising performance of these enterprises points to healthy growth in this export segment.
- **Controlled fiscal deficit:** The fiscal deficit stood at 4.4% of GDP in the second quarter of this fiscal year, accounting for 29.4% of the budget estimate, and standing 10% lower than last year. This gives government some room to ramp up spending to boost demand. With lower capital expenditure in the first half of this fiscal year, the government is poised to ramp up spending in the coming half, supporting demand and crowding in private investments. A significant uptick in government spending is expected in the second half of this fiscal year to meet budgetary targets, which may provide additional support to the economy and boost investment by crowding in private investments.

India's near-term outlook

We now expect India to grow between 6.5% and 6.8% in fiscal year 2024 to 2025, in our baseline scenario. Although admittedly lower than previously estimated, because of a slower first half of the year, we expect strong domestic demand in the second half, driven by a significant uptick in government spending).

This will be followed by growth between 6.7% and 7.3% in fiscal year 2025 to 2026, with significant downside risks (hence a wider range; figure 1). India's growth projections in the subsequent year will likely be tied to broader global trends, including rising geopolitical uncertainties and a delayed synchronous recovery in the West than

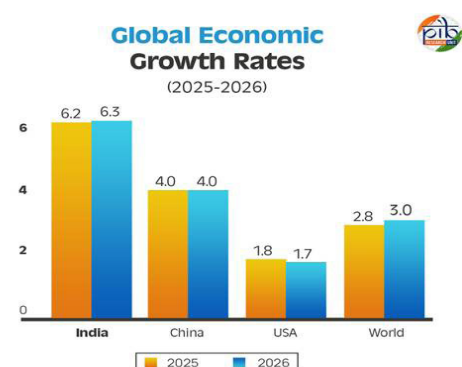
Management Discussion & Analysis

anticipated. Disruptions to global trade and supply chain due to intensifying geopolitical uncertainties will also affect demand for exports.

(Source: <https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>)

INDIA'S GROWTH IN GLOBAL CONTEXT

India is projected to remain the fastest-growing large economy for 2025 and 2026, reaffirming its dominance in the global economic landscape. The country's economy is expected to expand by 6.2 per cent in 2025 and 6.3 per cent in 2026, outpacing many of its global counterparts. In contrast, the IMF projects global economic growth to be much lower, at 2.8 per cent in 2025 and 3.0 per cent in 2026, highlighting India's exceptional outperformance.

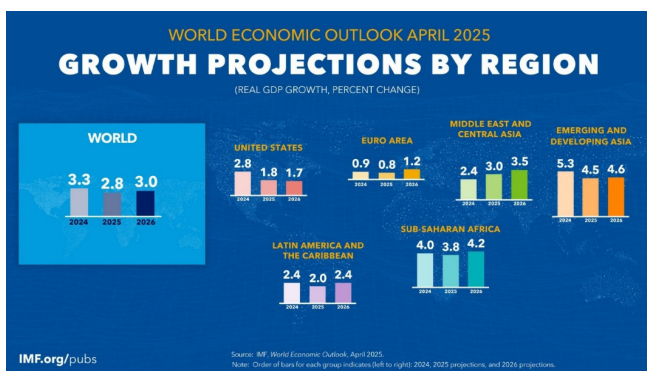


Source: IMF World Economic Outlook, April 2025
*GDP growth rates for India are on a fiscal year (FY) basis, 2025 refers to 2025/26

The IMF has also revised its growth estimates for other major global economies. China's GDP growth forecast for 2025 has been downgraded to 4.0 per cent, down from 4.6 per cent in the January 2025 edition of the World Economic Outlook. Similarly, the United States is expected to see a slowdown, with its growth revised downward by 90 basis points to 1.8 per cent. Despite these revisions, India's robust growth trajectory continues to set it apart on the global stage.

(Source: India: Fastest-Growing Major Economy, Ministry of Finance, Posted On: 23 APR 2025 4:40PM by PIB Delhi)

Global Growth Projections



Industry Overview

1. Industry Structure and Developments

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).

India is rapidly emerging as a global creative powerhouse, driven by its talent pool, cultural richness, and technological advancements. According to the EY report titled "A Studio Called India", the country's media infrastructure is expanding, with animation and VFX costs in India being 40% to 60% lower than in the West, supported by a workforce of around 2,60,000 skilled professionals.

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.



RECENT DEVELOPMENTS IN THE MEDIA AND ENTERTAINMENT INDUSTRY

- FDI inflows in the information and broadcasting sector (including print media) stood at Rs. 74,369 crore (US\$ 11.56 billion) between April 2000-December 2024.
- India's gaming market grew 23% YoY to US\$ 3.8 billion in revenue in FY24.
- Pocket FM, an audio series platform, has raised \$103 million in its Series D funding round, led by Lightspeed with participation from Stepstone Group
- Disney-owned Star India secured the TV broadcasting rights for the Indian Premier League from 2023 to 2027 through an online bid. During the same period,

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Viacom 18 won the bid for the digital streaming rights of the Twenty20 League.

- Major tech and e-commerce firms, including Google, Meta, Amazon, and Flipkart, saw their collective ad revenues rise 9% to over Rs. 60,000 crore (US\$ 7.13 billion) in FY24.
- The Star-Viacom18 merger deal signed on February 28 will create an US\$ 8.5 billion media goliath with a dominating presence in both TV and digital segments.
- Media company Shemaroo Entertainment did plan to spend Rs. 75 crore (US\$ 9.1 million) in FY24 to bolster its broadcast and over-the-top (OTT) businesses.
- Newly merged multiplex giant PVR Inox is ready with a plan to add up to 175 new screens and retrofit a host of existing ones at an investment of Rs. 700 crore (US\$ 85.1 million) during FY24.
- In April 2023, Prime Minister Mr. Narendra Modi commissioned Low Power FM Transmitters of capacity of 100 watt at 91 locations. These transmitters have been installed in 84 districts of 20 states. With this, the network of transmitters with All India Radio has increased from 524 to 615. The addition will further boost the coverage of AIR to 73.5% of the population of the country.
- A partnership was announced in April 2023 between the Ministry of Information & Broadcasting and Amazon India in the field of media, entertainment, and public awareness.
- Music from South Indian languages such as Kannada, Malayalam, Tamil, and Telugu have witnessed the fastest growth in the vernacular in the last four years. The highest contributor to OTTA with the non-film genre was Punjabi music (39%) across all states.



MARKET SIZE

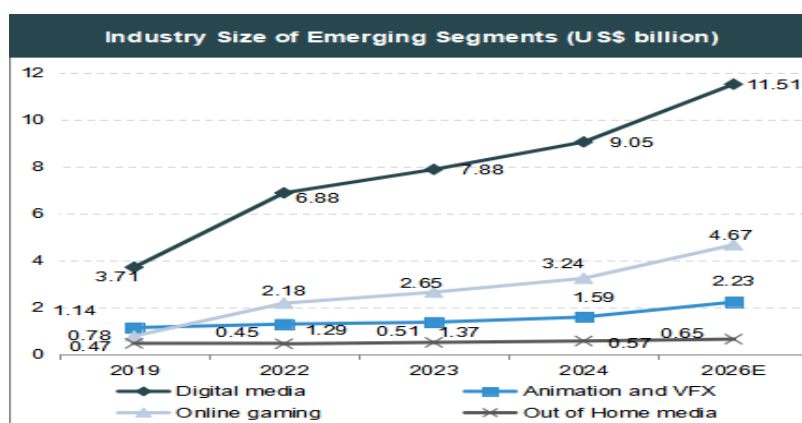
Between 2 to 2.5 million digital creators are influencing over Rs. 29,60,300 crore (US\$ 350 billion) in annual consumer spending, a number expected to surpass Rs. 84,58,000 crore (US\$ 1 trillion) by CY30. In the Union budget of FY26 the Ministry of Information and broadcasting received Rs. 4,358 crore (US\$ 515.5 million).

The Indian entertainment sector could unlock an estimated Rs. 50,724 crore (US\$ 6 billion) in unrealised value by FY30, according to a recent industry report. This growth potential is attributed to international collaboration, technology adoption, and strategic changes in content creation.

Indian advertising revenues is projected to grow at a CAGR of 9.4% to reach Rs. 1,58,000 crore (US\$ 19.2 billion) in FY28, which is 1.4x the global average of 6.7%.

The online gaming and sports sector in India is growing at a CAGR of 19.2% and is projected to reach Rs. 39,583 crore (US\$ 4.8 billion) by FY28.

The total music (live, recorded and digital) revenue grew from Rs. 2,416 crore (US\$ 293 million) in FY19 to Rs. 6,686 crore (US\$ 811 million) in FY23. It is expected to cross Rs. 10,899 crore (US\$ 1.3 billion) by FY28, growing at a CAGR of 10.3%.



By 2025, the number of connected smart televisions are expected to reach ~40-50 million. 30% of the content viewed on these screens will be gaming, social media, short video, and content items produced exclusively for this audience by television, print and radio brands. By 2025, ~600-650 million Indians, will consume short-form videos, with active users

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spending up to 55 to 60 minutes per day.

OTT video services market (video-on-demand and live) in India is likely to grow US\$ 4.1 billion in 2024 and reach US\$ 7 billion by 2027, driven by rapid developments in online platforms and increased demand for quality content among users.

INDIAN EVENT INDUSTRY

The India Events & Exhibition Market is Segmented by Type (B2B, B2C, Mixed/Hybrid), Revenue Stream (Exhibitor Fee, Sponsorship Fee, Entrance Fee, Services), End User (Consumer Goods and Retail, Automotive and Transportation, Industrial, Entertainment, Real Estate and Property, Hospitality, Healthcare, and Pharma Pharmaceutical). The Market Sizes and Forecasts are provided in Terms of Value (USD) for all the Above Segments.



RISE OF MEDIA AND ENTERTAINMENT

The Indian Media and Entertainment (M&E) sector has seen a major shift, with digital media overtaking television as the largest segment. This change has redefined content creation, distribution and monetization, focusing on information, escapism, materialism and self-actualization. In 2024, the M&E sector grew by 3.3% to INR2.5 trillion (US\$29.4 billion), with digital media contributing 32% of revenues. The sector is expected to grow by 7.2% in 2025, reaching INR2.68 trillion (US\$31.6 billion).

- The Indian M&E sector grew 3.3% in 2024, reaching INR2.5 trillion (US\$29.4 billion).
- Digital media in India became the largest segment, contributing 32% of M&E sector revenues.
- The M&E sector is expected to grow 7.2% in 2025 to reach INR2.7 trillion (US\$31.6 billion) and continue growing at a CAGR of 7% to reach INR3.1 trillion (US\$36.1 billion) by 2027.

New media, including digital media and online gaming, grew 12% and now make up 41% of the M&E sector's revenues.

The landscape of the Indian Media and Entertainment (M&E) has undergone a significant transformation, with digital media finally breaking television's 20-year stronghold to become the largest segment in the industry. This historic milestone marks the dawn of a new era, one where digital platforms redefine not only the creation, distribution, and monetization of content but also the very core of what the M&E sector represents.

In the past, M&E was synonymous with providing

knowledge and a means of escapism. Today, it has evolved into a multifaceted provider of value, catering to the diverse needs of consumers through four key tenets: information, escapism, materialism, and self-actualization. This comprehensive approach has become the new benchmark for media and content companies, as consumers increasingly evaluate the utility they receive across these dimensions.



Key Industry Drivers

GOVERNMENT INITIATIVES

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

In February 2021, Prasar Bharati (India) and PSM (the official State Media of Maldives) inked an agreement to facilitate collaboration and capacity building in the field of broadcasting.

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

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

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

To ease filming in railways, the Film Facilitation Office (FFO) set up in the National Film Development Corporation (NFDC) collaborated with the Ministry of Railways to develop an integrated single window filming mechanism

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to streamline the permission process for filming across railway premises.

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

On February 25, 2021, the government outlined the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules 2021 to establish a progressive institutional mechanism and a three-tier grievance redressal framework for news publishers and OTT platforms on the digital media.

In February 2021, the digital entertainment committee of the Internet and Mobile Association of India (IAMAI) finalised a code of conduct to form the basis for self-regulation code for OTT content. The code has been endorsed by 17 OTT platforms including Netflix, Amazon Prime Video, Disney+ Hotstar, ZEE5 and Voot.

In February 2021, Prasar Bharati (India) and PSM (the official State Media of Maldives) inked an agreement to facilitate collaboration and capacity building in the field of broadcasting.

Digital audio-visual content including films and web shows on over-the-top (OTT) streaming platforms, as well as news and current affairs on online platforms, have been brought under the Ministry of Information and Broadcasting in November 2020.

ROAD AHEAD

The Indian M&E industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate. This can be majorly credited to rising incomes, increasing internet penetration and a growing push toward digital adoption.

In the long run, growth in 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.

OPPORTUNITIES AND THREATS

Opportunities:

- Rising marketing budgets and personalization trends
- Regional content production for OTT platforms
- Expansion into Tier 2/3 cities for event and brand activation
- Expanding to scale up the content volume with new age
- Media such as YouTube, music streaming app and similar
- Expanding into tech enabled events and retail visual
- Merchandising solutions
- Forming strategic partnerships with streaming platform and other content providers to increase exposure and Access to new markets
- Expanding into international markets, where there may be higher demand for certain types of content

Threats:

- Rising interest rates and financing costs
- Delayed client payments affecting working capital
- Dependency on discretionary client spending
- Intense competition from large players
- Rapidly evolving technology, which requires continuous investment to stay competitive
- Changes in consumer preferences or trends, which can impact demand for specific types of event and digital contents
- Regulatory changes or legal challenges, which can impact the ability to distribute content or access certain markets

COMPANY OVERVIEW



Thinking Hats has evolved from a premier concept development, event design and production company that specializes in live events, corporate, MICE (Meetings, Incentives, Conferences and Exhibitions), social and virtual events to an OTT content production and experiential marketing company with a strong focus on content development, intellectual property curation and tech centric product development.

With more than a decade of experience in creating events and experiences, Thinking Hats is a team of visionaries who convert clients dreams into reality. Our creative and personalized approach executes every event with the utmost professionalism and provides our clients with dependable solutions and the finest attention to detail. Thinking Hats began its event management and retail visual merchandising since incorporation and has been offering event management services related to Corporates Events, Corporate Meetings, Conference Management, Brands and

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Product Launches, Lifestyle and Fashion Events, Exhibitions & Fairs, Entertainment Show Management, Pan-India Ground Activations and Artist Management among others in India. Our Event Management services are offered from Media, Retail, Financial, Food, Education, Healthcare and Technology industries. We also provide prominent display and retail visual merchandise with a broad spectrum of offerings and in-store solutions to various retail stores.

With exclusive content made for platforms such as Netflix, Amazon, Sony Liv, MX Player, Disney+Hotstar, Voot, Zee5, etc. OTT Platforms have become increasingly popular in recent years due to their convenience and flexibility, allowing consumers to watch their favourite shows and movies on a variety of devices, including smartphones, tablets, laptops, and smart TVs. They also offer a wider range of content options compared to traditional cable TV. The contracts for OTT are typically 6 to 10 episodes for 45-60-minute episodes, which then gets extended to multiple seasons based on the popularity of the series. Realising the

opportunity in OTT space and the expertise of management team, our Company has ventured into production of OTT contents in the year 2019. Creativity and courage are the core values at Thinking Hats' work culture. As a part of our storytelling expertise, Thinking Hats has produced two web series for OTT platforms i.e., "Aapkey Kamrey Me Koi Rehta Hai" and "Kathmandu Connection 2", and one Bengali Movie "Onek Diner Pore". Apart from movies and OTT web series, we also make short films for YouTube content and corporate event movies.

We recognize that Artificial Intelligence (AI), Augmented Reality (AR), Visual Reality (VR), photos, content licencing including music & videos, animation and others are key growth areas, and we are committed to expanding our business in these areas.

Financial and Operational Highlights (FY 2024–25)

Particulars	(Rs. In lakhs)	
	2024-25	2023-24
Revenue from Operations	4766.80	2663.18
Other Income	73.22	6.94
Profit before Tax	522.92	430.31
Profit after Tax	366.50	309.17
Earnings Per Share (In Rs.)	3.42	3.94

KEY RATIOS

Particulars	FY 2025	FY2024
Revenue (Rs. in Lacs)	4766.80	2663.18
Net Profit After Tax (Rs. in Lacs)	366.50	309.16
Earnings per share (in Rs.)	3.42	3.94
EBITDA (Rs. in Lacs)	522.92	499.58
Net Profit Margin (%)	7.57	11.57
Return on Net worth	13.1	28.11
Current Ratio (times)	1.7	1.84
Debtors Turnover(times)	4	2.8
Debt-equity (times)	1.68	2.18
Interest Coverage Ratio(times)	9.7	7.19

The growth was primarily attributed to:

- Higher execution of premium experiential events
- New client acquisitions in the retail and digital content verticals
- Streamlined operational efficiencies and resource utilization

Segment Performance

- **Events & Activations:** Strong demand across FMCG, BFSI, and tech sectors for high-impact events.
- **Visual Merchandising:** Continued demand from retail chains and luxury brands for seasonal and permanent

displays.

- **OTT & Content:** short-format series delivered on national OTT platforms; ongoing contracts for 2025.

Thinking Hats Entertainment Solutions Limited operates primarily through three verticals:

1. **Experiential Event Management and Brand Activation**
2. **Retail Visual Merchandising**
3. **Content Production (OTT and Digital Media)**

Each segment contributed significantly to the Company's

Management Discussion & Analysis

performance in FY 2024–25. The detailed performance is as follows:

1. Experiential Event Management and Brand Activation

This segment continues to be the core revenue driver for the Company. The demand for customized and large-scale on-ground activations from clients in the FMCG, BFSI, tech, and automotive sectors remained strong throughout the year.

2. Retail Visual Merchandising and Display Solutions

Retail VM services continued to support offline brand engagement strategies. The Company provided design, fabrication, and installation of in-store and window displays for premium and mid-tier retail brands.

3. OTT and Digital Content Production

This segment, though relatively nascent, showed significant momentum. The Company continued to expand its presence as a creative producer for short-form digital series and brand-sponsored content.

RISKS AND CONCERNS

While the Company has demonstrated consistent growth across its business segments, several internal and external risks may impact its future performance. The management proactively identifies, assesses, and mitigates key risk areas. The major risks and concerns are as follows:

1. Client Concentration Risk

A significant portion of revenue is derived from a few large clients in the events and retail sectors. A loss or reduction in business from any major client could impact revenue.

- Mitigation: Expanding into new client verticals and geographies; offering bundled creative and digital services to increase client retention.

2. Execution and Operational Risk

Given the live nature of events and tight delivery timelines for retail and content projects, any lapse in execution (logistics, vendor delays, quality issues) may result in financial loss or reputational damage.

- Mitigation: Robust project management systems, qualified in-house teams, and backup vendors for critical deliverables.

3. Content Approval and Platform Dependency (OTT Segment)

The OTT content production business is subject to approval delays and content rejection by streaming platforms. There is also growing regulatory oversight on digital content.

- Mitigation: Pre-production alignment with platform guidelines and co-production models to reduce risk exposure.

4. Regulatory and Compliance Risks

As a public limited company, the Company is subject to SEBI,

MCA, and other regulatory requirements. Non-compliance or delays in statutory filings could lead to penalties.

- Mitigation: Strong internal compliance team supported by external legal and financial advisors.

5. Talent Retention and Creative Capability Risk

The Company's operations depend heavily on creative professionals, designers, and content creators. Attrition or difficulty in attracting talent could affect quality and timelines.

- Mitigation: Incentive-based retention policies, continuous training, and a collaborative work culture.

6. Technology and Cybersecurity Risk

The Company uses digital tools for design, project management, and client coordination. Cyber threats or data breaches can disrupt operations and cause data loss.

- Mitigation: Secure cloud infrastructure, periodic IT audits, and multi-layered data protection measures.

7. Macroeconomic and Market Risk

Factors like inflation, recession, interest rate hikes, and geopolitical instability may affect marketing budgets of clients, especially in the discretionary spending categories.

- Mitigation: Cost control, agile budgeting, and maintaining service diversity to navigate downturns.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains adequate internal financial controls, supported by an in-house finance team and periodic third-party audits. All financial transactions are recorded with transparency and accuracy, supported by an ERP-based system.

It is based on five main components:

- Risk assessment
- Control environment
- Control activities
- Information and communication
- Monitoring at all organisational levels

Internal audit operates autonomously to review the completeness and accuracy of records, processes and performance relative to predetermined objectives. It acts as a value-added function for the Board in its concentration on:

- Effectiveness and efficiency of operations
- Safeguarding company assets
- Internal and external reporting reliability
- Compliance with legislation, regulation and internal policy

Internal audit drives change through delivery of fact-based information and practical recommendations.

Management Discussion & Analysis

These activities are monitored at the Board-level Audit Committee to ensure transparency and accountability. Throughout the year, focus was given to independent decision-making, recording process weaknesses, and taking corrective action. Regular reviews are carried out by an external Chartered Accountant firm under defined policies and procedures. Important audit findings are reported to management and the Audit Committee directly.

Human Resources

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on 31st March, 2025, our Company has 35 employees on payroll.

Cautionary Statement

Statements in this Management Discussion and Analysis report detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demandsupply conditions, raw material prices, finished goods prices, cyclical demand and pricing in the Company's products and their principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries with which the Company conducts business and other factors such as litigation and / or labor negotiations.

Additional Shareholders' Information

FY2025 represents fiscal year 2024-25, from 1 April 2024 to 31 March 2025, and analogously for FY2024 and previously such labelled years.

1. General Body Meetings

Below table gives the details of date, time, location and business transacted through special resolution at last three Annual General Meetings:

Financial Year	Date & Time	Location	Special Resolution(s) Passed
2023-24	July 31, 2024 at 11:00 am	AGM Conducted Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	None
2022-23	September 4, 2023 at 10:00 am.	AGM Conducted Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	Regularization of appointment of Mr. Gaurav Singhania as Director
2021-22	September 30, 2022 at 04:00 pm.	AGM Conducted Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	None

Resolution(s) passed through Postal Ballot

During the year, the Company did not pass any special resolution through postal ballot.

Annual General Meeting (AGM):

As per the Circulars issued by the Ministry of Corporate Affairs and the SEBI, from time to time, the 12th Annual General Meeting of the Company is scheduled to be held on Wednesday, September 17, 2025, at 3.00 P.M through Video Conference /Other Audio-Visual Means ("VC/OAVM") facility. The venue of the AGM shall be deemed to be the registered office of the Company at KU220, Kuber Kartik, New Link Road, Prem Co-operative Society, Andheri West, Mumbai, India, 400053. The detailed instruction for participation and voting at the meeting is available in the notice of the 12th AGM.

Proposal to Conduct Postal Ballot for any Matter in the Ensuing Annual General Meeting

There is no proposal to conduct a postal ballot for any matter in the ensuing Annual General Meeting.

2. Book Closure Date:-

From September 11, 2025 to September 17, 2025 (both days inclusive)

3. Dividend

To strengthen the financial position of the Company and to augment working capital, your directors do not recommend any dividend for the FY 2025.

4. Financial Calendar

The financial year of the Company starts on 1st April every year and ends on 31st March subsequent year.

Indicative calendar of events for the financial year 2025-26 are as under

For the first half-year ending 30 September 2025	First / Second week of November 2025
For the quarter and nine months ending 31 December 2025	First / Second week of February 2026
AGM for the year ending 31 March 2026	First week of September 2026

5. Listing of Stock Exchange and Stock Codes

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051
Trading Symbol- THESL

Annual Listing fees to the National Stock Exchange of India have been paid for the FY 2024-25. The Custodian fee for NSDL & CDSL has also been paid for the FY 2024-25.

6. The International Security Identification Number (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized securities of the Company. The ISIN of the Company's equity shares is INE0SHE01019.

Additional Shareholders' Information

7. Market Price Data

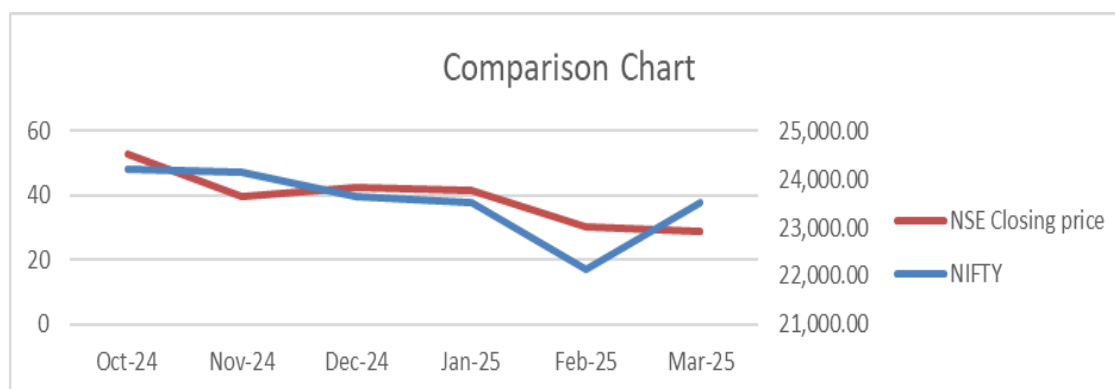
Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2025: (Source: www.nseindia.com)

Month	NSE	
	High	Low
Oct 24	61.00	33.30
Nov 24	56.00	39.55
Dec 24	48.40	39.15
Jan 25	50.90	41.25
Feb 25	40.95	30.35
Mar 25	35.80	25.70

* Your Company got listed on October 03, 2024 hence the Market Price Data is available from October 03, 2024 till March 31, 2025

8. Performance in comparison to board based indices

Performance of Equity Shares of the company in comparison to NIFTY:



The Company got listed on October 3, 2024 hence the comparison to board based indices has been prepared w.e.f October 3, 2024.

9. Registrar and Share Transfer Agents

M/s. MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi -110020, is the Registrar and Share Transfer Agent of the Company, both for Physical & Demat Shareholders. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. Complaints, if any, on these matters may also be sent to the Compliance Officer of the Company.

10. Share Transfer System

As on date, the 100% of the issued and subscribed capital are held in dematerialised form, the process for physical share transfer is not relevant.

11. Description of Voting Rights

All shares issued by the Company carry equal voting rights, and one share confirms one vote.

12. Nomination Facility

Shareholders may contact their respective Depository Participant (DP) to avail nomination facility.

Additional Shareholders' Information

13. Shareholding Pattern as on 31st March 2025:

Distribution of shareholdings on the basis of ownership

	As on 31 st March 2024		As on 31 March 2025		% change
	No. of shares	% of total	No. of shares	% of Total	
Promoter's Holding					
Individuals	7,09,125	80.97	70,91,250	56.79	24.18
Companies	-	-	-	-	-
Sub-Total	7,09,125	80.97	70,91,250	56.79	24.18
Indian Financial Institutions	-	-			
Banks	-	-	-	-	
Mutual Funds	-	-	-	-	
Foreign holdings					
Foreign Institutional Investors	-	-			
Non-Resident Indians	-	-	66,000	0.53	-0.53
ADRs / Foreign Nationals	-	-	-	-	-
Sub total	-	-			-0.53
Indian Public and Corporate	1,66,690	19.03	53,29,900	42.68	-23.65
Total	8,75,815	100	1,24,87,150	100	-

14. Distribution of shareholding as on March 31, 2025

Range	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1 - 5000	0	0	0	0
5001 – 10000	2	0.438	2000	0.016
10001 – 20000	0	0	0	0
20001 – 30000	339	74.179	1017000	8.144
30001 – 40000	2	0.438	8000	0.064
40001 – 50000	0	0	0	0
50001 – 100000	58	12.691	400230	3.205
100001 & Above	56	12.254	11059920	88.570
Total	457	100	12487150	100

15. Outstanding ADR's & GDR's, Warrants or any other convertible instruments, conversion date and likely impact on equity shares

During the year under review, the Company has not issued any ADR's & GDR's, Warrants or any other convertible instruments. The Company has at present no outstanding ADR's/GDR's/Warrants to be converted that has an impact on the equity shares of the Company.

16. Commodity Price Risk or Foreign Exchange Risk

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods and exchange rate fluctuation. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices and hedging of foreign currency payables and receivables. The Company's reputation for quality, products differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

17. Credit Rating

The Company has not availed any Credit Rating.

Additional Shareholders' Information

18. Dematerialization of Shares

The Company's scrip forms part of the compulsory dematerialization segment for all investors. To facilitate easy access of the dematerialized system to the investors, the Company has signed up with both the depositories namely National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") – and has established connectivity with the depositories through its Registrar and Transfer Agents, MAS Services Limited.

The breakup of dematerialized shares and shares in certificate form as on March 31, 2025 as under:

Physical	NSDL	CDSL
-	7222370	5264780

19. Other Disclosures

Disclosures on materially significant related party transaction

The statements containing the transactions with related parties were submitted periodically to the Audit Committee. The details of Related Party Transaction are discussed in detail in Note No. 31 of Notes to the Financial Statements.

All the contracts/ arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business on an Arm's Length Basis.

None of the transactions with any of related parties were in conflict with the Company's interest.

Details of non-compliance(s) by the company

There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any Statutory Authority for Non-Compliance of any matter related to the Capital Markets

Whistle Blower Policy/Vigil Mechanism

The Board of Directors of the company has adopted Whistle Blower Policy. The management of the Company, through the policy envisages encouraging the employees of the Company to report the higher authorities any unethical, improper, illegal, or questionable acts, deeds & things which the management or any superior may indulge in. This policy has been circulated to the employees of the Company. However, no employee has been denied access to the Audit Committee.

Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company is exempted from compliance with the mandatory requirements of Corporate Governance under listing Regulations However, the Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on the Board, constitution of an Audit Committee and Nomination and Remuneration Committee.

Disclosure of Accounting Treatments

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) to comply in all material aspects under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the Act 1956"), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost conventions.

20. Name, Designation & Address of Compliance Officer and RTA for Complaints & Correspondence

Thinking Hats Entertainment Solutions Limited

Kritika Ronakk Jain

Company Secretary

KU220, Kuber Kartik, New Link Road,
Prem Co-operative Society, Andheri West,
Mumbai, Maharashtra - 400053

Tel: +91 976 915 6256

Email: info@thes.in

Additional Shareholders' Information

Website: www.thes.in

CIN: L92490MH2013PLC352652

Registered / Corporate Office Address for Correspondence

Thinking Hats Entertainment Solutions Limited

KU220, Kuber Kartik, New Link Road,
Prem Co-operative Society, Andheri West,
Mumbai, Maharashtra - 400053
Tel: +91 976 915 6256
Email: csc@thes.in
Website: www.thes.in
CIN: L92490MH2013PLC352652

Registrar & Share Transfer Agents

M/s. MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi -110020
Tel: 033 2280-6616/6617/6618, Fax: 033 2280-6619
Email: info@masserv.com
URL: https://www.masserv.com/

21. Disclosure with respect to demat suspense account/unclaimed suspense account

SL No.	Particulars	Applicability
1.	Aggregate number of Shareholder and the outstanding shares in the suspense account lying in the beginning of the year	Nil
2.	Number of Shareholder who approached the Company for transfer of shares from suspense account during the year	Nil
3.	Number of Shareholders to whom shares were transferred from suspense account during the year	Nil
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil
5.	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Nil

22. Transfer of Unpaid / Unclaimed Amounts and Shares to Investor Education and Protection Fund

Your Company did not declared any dividend hence the above provisions is not applicable.

23. Reminder to Investors:

As there is no unpaid / unclaimed dividends, no reminders for such unclaimed shares and unpaid dividends to be sent to shareholders. The Company shall ensure compliance as and when applicable.

For and on behalf of the Board of Directors
THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED

SD/-

Gaurav Singhania

(Whole time Director & CFO)

DIN: 08868413

SD/-

Rajesh Bhardwaj

(Managing Director)

DIN: 02590002

Date: May 29, 2025

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF M/s THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED (FORMERLY KNOWN AS THINKING HATS ENTERTAINMENT SOLUTIONS PRIVATE LIMITED)

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED ("the Company")** which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of Material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its *Profit*, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31 March 2025. 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. Based on the information and explanation given to us, we have determined that there are no Key Audit Matter to communicate in our Report.

Or For each matter below, our description of how our audit addressed the matter is provided in that context:

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report including Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

RESPONSIBILITY OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position,

Independent Auditor's Report

financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

1. 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
5. 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.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

Independent Auditor's Report

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 public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
 - g. With respect to the other matters to be included in the Auditor's Report under Section 197(16) of the Act
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended) in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 34 of the standalone financial statements.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - IV.
 - a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons 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, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any

Independent Auditor's Report

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 such audit procedures as 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 (IV) (a) and (IV) (b) above contain any material mis-statement.
- V. The Company did not declare or pay dividend during the year and therefore the compliance under section 123 of Companies Act is not applicable to the company.
- 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 31 March 2025 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 feature being tampered with and the audit trail has been preserved by the Company as per statutory requirements for record retention.

For

BAID AGARWAL SINGHI & CO.

Chartered Accountants

Firm Registration No. 328671E

CA SOURABH AGARWAL

(Partner)

Membership No: 301075

Place: Kolkata

Dated: 29th Day of May, 2025

UDIN: 25301075BMI2V6111

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to statutory audit of **THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED** for the year ended 31 March 2025, we report that:

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
- (b) As explained to us, the company has a regular programme of physical verification of its property, plant and equipment by which property, plant and equipment have been physically verified by the management in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, a portion of the property, plant and equipment have been physically verified during the year and 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 all the immovable properties as disclosed in Note number 11 on Property, Plant and Equipment, 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, the Company has not revalued any of its property, plant and equipment or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- (e) Based on the information and explanations furnished to us and on the basis of our examination of the records of the company, there are no proceedings initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the Company has no inventory and hence reporting under clause 3(ii)(a) is not applicable to the Company.
- (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 been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from bank on the basis of security of current assets at any point of time of the year. The Company has filed monthly returns and statements with such banks, which are in agreement with the books of accounts other than those set out as below:

(Amount in Lakhs)

Sl. No.	Name of the Bank	Aggregate working capital limits sanctioned	Month ended	Particulars	Amount as per Books of Accounts	Amount Disclosed as per monthly return/ statement	Difference	Reasons for Variance
1	HDFC Bank	440.00	April	Stock	-	-	-	Differences in Trade Receivable is primarily due to inclusion of certain other receivables in stock statement which were not forming part of debtors.
				Debtors	863.08	982.94	-119.86	
2	HDFC Bank	440.00	May	Stock	-	-	-	
				Debtors	575.85	781.57	-205.72	
3	HDFC Bank	440.00	June	Stock	-	-	-	
				Debtors	533.17	782.38	-249.20	
4	HDFC Bank	440.00	July	Stock	-	-	-	
				Debtors	588.63	778.38	-189.75	
5	HDFC Bank	440.00	August	Stock	-	-	-	
				Debtors	397.28	762.86	-365.58	
6	HDFC Bank	440.00	September	Stock	-	-	-	
				Debtors	466.60	762.53	-295.92	
7	HDFC Bank	440.00	October	Stock	-	-	-	
				Debtors	315.32	739.25	-423.92	
8	HDFC Bank	440.00	November	Stock	-	-	-	
				Debtors	273.89	709.62	-435.73	
9	HDFC Bank	440.00	December	Stock	-	-	-	
				Debtors	666.33	882.93	-216.61	
10	HDFC Bank	440.00	January	Stock	-	-	-	
				Debtors	1,496.75	1,083.79	412.96	
11	HDFC Bank	440.00	February	Stock	-	-	-	
				Debtors	792.96	980.65	-187.68	
12	HDFC Bank	440.00	March	Stock	-	-	-	
				Debtors	1,178.31	1,427.16	-248.85	

Annexure to the Independent Auditor's Report

- (iii) (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 made investment in one party for the production of web series as a co producer amounting to Rs. 150 lakhs during the year. Apart from it, the company has not granted any loan, advances in the nature of loan, nor provided any guarantee or security to Companies, firms, Limited Liability Partnerships or any other parties during the year. Since, the company has not granted any loan, advances in the nature of loan, nor provided any guarantee or security to Companies, firms, Limited Liability Partnerships or any other parties during the year, the disclosure of aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans, advances in the nature of loan, guarantee and security to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are not applicable.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.
- (c) The company has not granted any loans or advances in the nature of loan, hence, reporting under clause 3(iii) (c)(d)(e) and (f) is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans and investments made, if any. There are no guarantees, and securities granted in respect of which provisions of section 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public in terms of directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposit) Amendment Rules, 2015. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods & service tax, provident fund, employees state insurance, income tax, sales tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities *though there has been a slight delay in few cases*. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, duty of customs, value added tax, goods & service tax, cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material statutory dues of income tax or sales tax or duty of customs or value added tax or goods & service tax or cess which have not been deposited with the appropriate authorities on account of any dispute, except:

Sr. No.	Name of the Statute	Nature of Dues	Amount in Lakhs.	Amount paid under protest in Lakhs.	Period to which the due is pending	Forum at which Dispute is pending
1.	Goods and Services	Demand under GST	15.44	0.76	FY 2018-19	Form GST APL-01 filed on May 24, 2024 by the Company against the Appellate Authority

- (viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has been previously unrecorded in the books of account.
- (ix) (a) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or other lender.

Annexure to the Independent Auditor's Report

- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) During the year, the Company raised Rs, 1,508.76 lakhs by issuing 34,29,000 Equity Shares of Face Value of Rs 10 each at a price of Rs 44 each (including Rs. 34 Security Premium) through an Initial Public Offer (SME IPO) on 3rd October, 2024 with its equity shares listed on Emerge Platform of National stock Exchange of India. The IPO Proceeds were allocated for various purposes as follows:

Original Object	Original Allocation (Rs in Lakhs)	Fund Utilized (Rs in Lakhs)	Fund Unutilized (Rs in Lakhs)
Prepayment or repayment of all or a portion of certain loans availed by our Company	200.00	200.00	-
Working Capital Requirement	840.00	840.00	-
General corporate purposes	279.76	279.76	-
Issue Related Expenses	189.00	189.00	-
Total	1,508.76	1,508.76	

Based on our examination, we confirm that the funds have been utilized in accordance with the terms of the issue and for the purposes disclosed in the offer document, with no deviations observed.

- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement of 3,00,000 equity shares of face value Rs.10/- each at a price of Rs.25/- each including premium of Rs. 15/- each during the year and the funds were used for the purpose they were raised. Apart from the above, the Company has not made any preferential allotment / private placement of shares or fully or partially or optionally convertible debentures during the year.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) (b) & (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditor for the period under audit have been considered by us.

Annexure to the Independent Auditor's Report

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is 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. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the current financial year or in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (also refer Note 37 to the financial statements), ageing and expected dates of realisation 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) Based on information and explanations provided to us and our audit procedures, the company does not have any obligation under 135 of the Act and hence, the requirements of Clause 3(xx) of the Order are not applicable to the company.
- (xxi) The reporting under Clause 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For

BAID AGARWAL SINGHI & CO

Chartered Accountants

Firm Registration No. 328671E

CA SOURABH AGARWAL

(Partner)

Membership No: 301075

Place: Kolkata

Dated: 29th Day of May, 2025

UDIN: 25301075BMI2V6111

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date in respect to the internal financial control with reference to the financial statement under clause (i) of sub-section 3 of section 143 of the Act of THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED for the year ended 31 March 2025, we report that:

We have audited the internal financial controls with reference to the financial statements of **THINKING HATS ENTERTAINMENT SOLUTIONS LIMITED** (“the Company”) as of 31st 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 Company’s management is responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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 Company’s internal financial controls system with reference to the financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

A company’s internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to the financial statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to

Annexure to the Independent Auditor's Report

the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements 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 with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March 2025, 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 ICAI.

For

BAID AGARWAL SINGHI & CO.

Chartered Accountants

Firm Registration No. 328671E

CA SOURABH AGARWAL

(Partner)

Membership No: 301075

Place: Kolkata

Dated: 29th Day of May, 2025

UDIN: 25301075BMI2V6111

Balance Sheet as at 31st March, 2025

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	1,248.72	87.58
(b) Reserves and surplus	3	1,547.89	1,012.28
2 Non-current liabilities			
(a) Long-term Borrowings	4	298.47	91.99
(b) Long-term Provisions	5	11.91	10.41
(c) Deferred Tax Liability (Net)	6	0.76	0.64
3 Current liabilities			
(a) Short-Term Borrowings	7	953.09	446.56
(b) Trade payables	8	-	-
(i) Total Outstanding dues of Micro and Small Enterprises and		-	-
(ii) Total Outstanding dues other than Micro and Small Enterprises		371.71	411.18
(c) Other current liabilities	9	446.07	283.31
(d) Short-Term Provisions	10	80.92	70.13
TOTAL		4,959.54	2,414.08
II ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant & Equipments	11	146.82	158.12
(ii) Intangible Assets	12	53.79	-
(iii) Capital Work in Progress	13	52.08	-
(iv) Intangible Assets under Development	14	1,481.40	236.83
(b) Non-current investments	15	13.31	10.18
(c) Other non-Current Assets	16	50.75	22.24
2 Current assets			
(a) Current Investments	17	904.50	754.50
(b) Trade receivables	18	1,234.99	988.50
(c) Cash and cash equivalents	19	392.79	57.09
(d) Short-term loans and advances	20	565.91	136.77
(e) Other Current Assets	21	63.20	49.85
TOTAL		4,959.54	2,414.08

Material accounting policies (Refer Note 1)

Accompanying notes form an integral part of the financial statements.

1-42

For **Baid Agarwal Singhi & Co.**

Chartered Accountants

Firm Registration Number with ICAI : 0328671E

Sourabh Agarwal

(Partner)

Membership Number : 301075

UDIN: 25301075BMI2V6111

PLACE: Kolkata

DATE: 29th May, 2025

For and on behalf of Board of Directors

Thinking Hats Entertainment Solutions Limited**Rajesh Bhardwaj**

Managing Director

DIN: 02590002

Gaurav Singhania

Director & CFO

DIN: 08868413

Kritika Ronakk Jain

Company Secretary

Statement of Profit & Loss for the period ended on 31st March, 2025

(Rs. In Lakhs)

Particulars	Note No	For the year ended 31st March, 2025	For the year ended 31st March, 2024
I. Income			
Revenue from operations	22	4,766.80	2,663.18
Other Income	23	73.22	6.94
Total Income		4,840.02	2,670.13
II. Expenses:			
Operational Expenses	24	3,692.74	1,757.39
Employee benefit expense	25	326.22	251.86
Finance costs	26	53.70	57.42
Depreciation and amortization expense	11	21.68	16.78
Other expenses	27	222.76	156.37
Total Expenses		4,317.10	2,239.82
III Profit before tax (I-II)		522.92	430.31
IV. Tax expense:	28		
(I) Current tax		148.60	123.68
(II) Deferred tax		0.12	(2.53)
(III) Earlier Year Tax		7.70	-
V. Profit/(Loss) from the year		366.50	309.16
VI. Earning per equity share:	29		
(I) Basic		3.42	3.94
(II) Diluted		3.42	3.94

Material accounting policies (Refer Note 1)

Accompanying notes form an integral part of the financial statements.

1-42

For **Baid Agarwal Singhi & Co.**

Chartered Accountants

Firm Registration Number with ICAI : 0328671E

Sourabh Agarwal

(Partner)

Membership Number : 301075

UDIN: 25301075BMI2V6111

PLACE: Kolkata

DATE: 29th May, 2025

For and on behalf of Board of Directors

Thinking Hats Entertainment Solutions Limited**Rajesh Bhardwaj**

Managing Director

DIN: 02590002

Gaurav Singhanian

Director & CFO

DIN: 08868413

Kritika Ronakk Jain

Company Secretary

Statement of Cash Flow for the year ended March 31, 2025

(Rs. In Lakhs)

Particulars	For the Year ended 31-Mar-25	For the Year ended 31-Mar-24
(A) Cash flow from Operating Activities		
Net Profit / (Loss) before tax as per Statement of Profit & Loss	522.91	430.31
Adjustments for :		
Depreciation & Amortisation Exp.	21.68	16.78
Loss on discard of Property, Plant & Equipment	1.38	-
Liability no longer required, written back	(19.69)	-
Interest Income	(18.27)	(1.03)
Finance costs	53.70	52.49
Operating Profit before Working Capital Changes	561.71	498.55
Adjustments for Changes in WorkingCapital		
(Increase) / decrease in trade receivables	(246.49)	(382.95)
(Increase) / decrease in other current assets	(8.83)	(41.91)
Increase / (decrease) in trade payables	(19.78)	59.54
Increase / (decrease) in other current liabilities	162.76	173.99
(Increase) / decrease in Short term loan and advances	(429.14)	(109.25)
(Increase) / decrease in Other Non Current Assets	(28.51)	0.95
Increase / (decrease) in Short Term Provisions	0.08	0.57
Increase / (decrease) in Long Term Provisions	1.50	10.41
Net Cash Flow from Operations	(6.71)	209.92
Less: Income Tax Paid	145.59	59.88
Net Cash Flow from Operating Activities (A)	(152.30)	150.04
(B) Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(4.97)	(8.89)
(Increase) / decrease in Capital Works in Progress	(52.08)	-
(Increase) / Decrease in Current Investments	(150.00)	(162.00)
(Increase) / Decrease in Non-Current Investments	(3.13)	(1.35)
(Increase) / decrease in Investment in Fixed Deposits	(373.02)	-
(Increase) / decrease in Intangible Assets Under Development	(1,305.15)	(236.83)
Interest Received	13.75	1.03
Net Cash Flow from Investing Activities (B)	(1,874.59)	(408.05)
(C) Cash Flow From Financing Activities		
Finance Cost Paid	(53.70)	(52.49)
Proceeds From Issue of Equity Share Capital with Security Premium	1,583.76	217.44
Expenses related to Initial Public Offer	(253.52)	-
Increase / (Decrease) in Long Term Borrowing	206.49	(8.53)
Increase / (Decrease) in Short Term Borrowing	506.54	133.42
Net Cash Flow from Financing Activities (C)	1,989.57	289.83
Net (Decrease) / Increase in Cash & Cash Equivalents(A+B+C)	(37.33)	31.83
Opening Cash & Cash Equivalents	57.09	25.26
Cash and Cash Equivalents at the end of the period	19.76	57.09

Statement of Cash Flow for the year ended March 31, 2025

(Rs. In Lakhs)

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard- 3 on 'Cash Flow Statement' notified by the Companies (Accounting Standards) Rules, 2006.

2. Cash and Cash Equivalents Comprises:

Cash in Hand	19.32	7.71
Bank Balances in Current Account	0.44	49.38
Total	19.76	57.09

3. Figures in brackets indicate cash outflows.

For **Baid Agarwal Singhi & Co.**

Chartered Accountants

Firm Registration Number with ICAI : 0328671E

Sourabh Agarwal

(Partner)

Membership Number : 301075

UDIN: 25301075BMI2V6111

PLACE: Kolkata

DATE: 29th May, 2025

For and on behalf of Board of Directors

Thinking Hats Entertainment Solutions Limited

Rajesh Bhardwaj

Managing Director

DIN: 02590002

Gaurav Singhania

Director & CFO

DIN: 08868413

Kritika Ronakk Jain

Company Secretary

Notes to the Financial Statements for the years ended 31st March, 2025

NOTE 1: MATERIAL ACCOUNTING POLICIES

A. COMPANY INFORMATION

The Company was incorporated on February 11, 2013 as 'Thinking Hats Entertainment Solutions Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. For administrative convenience, pursuant to an order passed by the Regional Director, Northern Region, New Delhi on November 29, 2019, the registered office of the Company was shifted from the National Capital Territory of Delhi and Haryana to the state of Maharashtra. Further, the Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on August 18, 2023, and by the Shareholders at an Extraordinary General Meeting held on August 19, 2023 and consequently the name of the Company was changed to 'Thinking Hats Entertainment Solutions Limited' and a fresh certificate of incorporation dated September 7, 2023 was issued by the Registrar of Companies, Maharashtra at Mumbai. The company is mainly engaged in the business of event management, visual retail merchandise and Film, Music and Content Development, Production and Distribution.

B. STATEMENT OF MATERIAL ACCOUNTING POLICIES

1. (a) Basis of Preparation of Financial Statements:

The financial statements has been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ("GAAP") and comply with the mandatory Accounting Standards ("AS") specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013 ("the 2013 Act").

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Revised) to the Companies Act, 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current- non current classification of assets and liabilities.

The Financial statements are presented in Indian Rupee (Rs.) & all the amounts included in the financial statements have been rounded off to the nearest Lakhs upto two decimals, as required by General instructions for preparation of Financial Statements in Division I of Schedule III of the Companies Act, 2013, except number of shares, face value of shares, earning per shares, or wherever otherwise stated. Wherever the amount represented Rs '0.00' construes value less than Rupees Five Hundred.

(b) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known materialized.

(c) Going Concern Accounting Assumption:

The enterprise is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. It is assumed that the enterprise has neither the intention nor the necessity of liquidation or of curtailing materially the scale of the operations.

2. Property plant and equipments:

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses (if any)

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

Notes to the Financial Statements for the years ended 31st March, 2025

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalized and disclosed separately under leasehold improvement.

Capital Work-in-progress (CWIP) includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal and retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in Statement of profit and loss.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other subsequent cost are charged to Statement of profit and loss at the time of incurrence.

Depreciation Policy:

Depreciation on the Property Plant and Equipment is provided to the extent of depreciable amount on Written down Value (WDV) Method based on the useful life of the assets as prescribed in Schedule II to Companies Act, 2013 . The residual value shall not be higher than that prescribed in Part C of Second Schedule. 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.

3. Intangible Assets:

Intangible Asset is carried in the books, if it is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes.

An intangible asset is recognized if, and only if:

- a) It is probable that the future economic benefits that are attributed to the asset will flow to the company; and
- b) cost of the asset can be measured reliably.

Intangible assets acquired by the Company are stated at cost less accumulated amortization less impairment loss, if any.

Intangible Asset comprises Film, Music and Content Rights, including acquired rights, which the company intends to retain post release and are stated at cost less amortization less provision for impairment. Costs include line production costs, overhead and capitalized interest costs.

Film / Music production cost and content advances are transferred to film, Music and content rights at the point at which content/Film/Music is first exploited. Till the time it is not exploited/under development stage all such production cost and content advances are shown under Intangible Asset under Development.

Amortization Policy:

The Cost of Music Rights are amortised over a period of one to five years from the date of release of Music.

The Cost of Film Rights are amortised over a period of one to ten years from the date of release of Films on various platforms.

The Cost of Content Rights are amortized over a period of 3 years.

The determination of useful life is based upon Management's judgment and includes assumptions on the timing and future estimated revenues to be generated by these assets. The Company reviews the expected future revenue potential at the end of each accounting period and recognises impairment loss, where required.

4. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an assets is identified as impaired. The impaired loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

Notes to the Financial Statements for the years ended 31st March, 2025

5. Investments:

Long-term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

Current Investments are carried at lower of cost or market value. The cost of securities sold is determined on the first-in-first-out (FIFO) method.

6. Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalization of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are charged to statement of profit and loss as and when incurred.

7. Employee Benefits:

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled. Gratuity has been calculated based on date of joining for all the employees.

Post Retirement Employee Benefits

(a) Defined contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. Retirement benefits in the form of contribution to Provident fund are defined contribution plans. The Company's contribution to defined contribution plans is recognized in the Statement of Profit and Loss in the financial year to which they relate.

(b) Defined benefit plans

Defined Benefit plans are the plans for which the benefits has been defined for the eligible employees which are meant to be paid to then at the time of retirement. The Company operates defined benefit plan viz., gratuity. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method.

Defined benefit costs are comprised of:

- a) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b) Net interest expense or income; and
- c) Re-measurement.

8. Foreign Currency Transactions:

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions or that approximates the actual rate on transaction date.

Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction

Any Income or Expense on account exchange difference in respect of current assets and current liabilities not covered by forward contracts, are recognized in the Statement of Profit and Loss at the period end.

9. Revenue Recognition:

a) Revenue from Sale of Goods:

Sale of goods are recognized, net of returns and trade discounts on transfer of significant risks and rewards of ownership to the buyer. Sales include excise duty but exclude Goods & Service Tax.

Notes to the Financial Statements for the years ended 31st March, 2025

b) Revenue from Service:

Revenue from service transactions is usually recognized as the service is performed, either by the proportionate completion method or by the completed service contract method.

c) Revenue from Films:

Income from production of films is recognized in the statement of Profit and Loss on release/Streaming of films/ Web series as per the contracts/ arrangements with distributors/Channels/Buyers. Revenue from distribution of motion pictures is recognized based on ticket sales on exhibition of motion pictures at exhibition theatres.

d) Revenues from Terrestrial Rights, Video Rights, Satellite Rights etc :

Revenue recognized on transfer/ assignment/ effective date of respective rights in accordance with the respective agreement or on realization of the substantial consideration whichever is earlier and on delivery of the specified telecasting material.

e) Audio Product Sale:

Revenue from sale of Audio Rights is recognized on transfer/ assignment of the rights as per the contracts/ arrangements with parties.

f) Revenue from Event: Revenue from events is recognised on exhibition of Events through ticket sales and sponsorship. Contracted minimum guarantees are recognised on exhibition of event.

f) Interest Income:

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable, And Dividend income is recognized when right to receive is established.

g) Others:

Income is recognized when no significant uncertainty exists as to measurability and realization.

10. Inventories:

Items of inventory are valued on the basis as given below:

a) Raw Material:

Raw Materials are valued at cost (on First-in-First Out basis) or net realizable value whichever is lower.

b) Work-In-Progress:

Work-In-Progress is valued at cost of materials consumed and services used.

c) Finished Goods:

Finished Goods are value at cost or net realizable value whichever is lower. Cost comprises of cost of purchase, cost of in-house productions {audio/video/films), cost of conversion and other costs incurred in bringing the inventory to their present location and condition.

d) Cost of Feature Films:

Cost of feature films produced or acquired, the rights of which company intends to sell is inventorized and charged to statement of profit and loss account on release of films.

e) Cost of under Production Film:

Expenses of under production films incurred till the films are ready for release are inventorized if the company intends to sell the rights of the same. The production of films requires various types of material Is in different qualities and quantities. Considering the peculiar nature of those items including where multiplicity and complexity, it is not practicable to maintain quantitative records of those items. Further, in the absence of reusability of such items, the same are not valued.

Inventories includes films under production are stated at lower of cost/ un-amortized cost or realizable value. Cost comprises acquisition direct production cost. Where the realizable value on the basis of its estimated useful economic life is less than its carrying amount, the difference is expensed as impairment.

Notes to the Financial Statements for the years ended 31st March, 2025

11. Provision and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provisions or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

12. Income Taxes:

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period. It is determined as the amount of tax payable under the provisions of Income Tax Act, 1961, in respect of taxable income for the year.

Deferred Tax:

Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

13. Leases:

Lease payments in respect of assets taken on operating lease are charged to the Statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases, if any. However, there is no lease payments during the period under consideration.

14. Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity share holder, by weighted average number of equity share outstanding during the period.

Diluted earnings per share is computed by dividing the net profit or loss attributable to equity share holder by weighted average number of equity and equivalent diluted equity share outstanding during the year except where the result would be antidilutive.

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE 2 SHARE CAPITAL

	As at 31st March 2025	As at 31st March 2024
Authorised		
1,50,00,000 Equity Shares (Previous Year - 10,00,000) of Rs.10 each	1,500.00	100.00
	1,500.00	100.00
Issued, Subscribed And Fully Paid Up		
1,24,87,150 Equity Shares (Previous Year - 8,75,815) of Rs.10 each fully paid up	1,248.72	87.58
Total	1,248.72	87.58

A) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March 2025		As at 31st March 2024	
Issued, Subscribed and paid up Equity Shares	Nos.	Amount (Rs. In Lakhs)	Nos.	Amount (Rs. In Lakhs)
Opening Balance	8,75,815	87.58	7,62,500	76.25
Issued During the Period	1,16,11,335	1,161.13	1,13,315	11.33
Closing Balance	1,24,87,150	1,248.72	8,75,815	87.58

Pursuant to the approval of shareholders of the company in the Extra Ordinary General Meeting dated May 23, 2024, the Board of Directors of the Company in the Board meeting dated May 28, 2024 have issued and allotted 78,82,335 equity shares of Rs.10/-each in the proportion of 9 fully paid-up Equity Shares for every 1 Equity-Share of the Company, held by existing shareholders of the company by capitalization of Rs 788.23 lacs each out of securities Premium and free reserves of the company.

Pursuant to approval of members of the company in the Special Resolution dated May 30, 2024, the Board of Directors of the Company in the Board meeting dated June 7, 2024 have issued and allotted 3,00,000 equity shares of face value Rs.10/- each at a price of Rs.25/- each including premium of Rs. 15/- each through private placement basis.

The Company has issued and allotted 34,29,000 Equity Shares of face value of Rs. 10/- each at the price of Rs. 44/- each (including Rs. 34/- Security Premium) for total consideration of Rs. 1,508.76 Lacs through SME IPO (Initial Public Offer) on Emerge Platform of National Stock Exchange of India.

B) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting. However, no dividend has been declared by the Company.

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.

C) Details of Equity Shareholders holding more than 5% shares in the company

Name of Shareholders	As at 31st March 2025		As at 31st March 2024	
	In Nos	In %	In Nos	In %
Rajesh Bhardwaj	44,98,750	36.03%	4,49,875	51.37%
Gaurav Singhania	18,28,000	14.64%	1,82,800	20.87%
Sana Warsi	7,62,500	6.11%	76,250	8.71%
	70,89,250	56.77%	7,08,925	80.94%

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

D) Details of shareholding of Promoters & Promoter Group

Name of Shareholder	As at 31st March, 2025			As at 31st March, 2024		
	No of shares held	% of Holding	% Change during the year	No of shares held	% of Holding	% Change during the year
Rajesh Bhardwaj	44,98,750	36.03%	-15.34%	4,49,875	51.37%	-4.17%
Gaurav Singhania	18,28,000	14.64%	-6.23%	1,82,800	20.87%	-0.11%
Sana Warsi	7,62,500	6.11%	-2.60%	76,250	8.71%	0.00%
Shruti Singhania	1,000	0.01%	0.00%	100	0.01%	100.00%
Ruchi Agarwal	1,000	0.01%	0.00%	100	0.01%	100.00%

E) Aggregate number of bonus shares issued, shares allotted as fully paidup pursuant to contract without payment being received in cash and shares bought back during the period of five years immediately preceding the reporting date: Nil

NOTE 3 RESERVE AND SURPLUS

	As at 31st March 2025	As at 31st March 2024
Securities Premium Account		
At the beginning of the period	206.11	-
Add: Addition during the year on account of new issue of Shares through Private Placement	45.00	206.11
Add: Addition during the year on account of new issue of Shares through SME IPO	1,165.86	-
Less : Adjustment for Bonus Issue	206.11	-
Less: Utilized during the year in writing off the expenses of Issue of Shares through SME IPO (*Refer Note No 3.1)	253.51	-
At the end of the period	957.35	206.11
Surplus in the statement of Profit & Loss		
At the beginning of the period	806.17	497.01
Add : Profit during the year	366.50	309.16
Less : Adjustment for Bonus Issue	582.13	-
At the end of the period	590.54	806.17
Total	1,547.89	1,012.28

Note No 3.1

Issue Expenses amounting to INR 253.51 Lakhs incurred in relation to IPO for Fresh issue of shares to general public have been charged off against Securities Premium account in accordance with the provisions of Sec 52 of Companies Act, 2013.

NOTE 4 Long Term Borrowings

	As at 31st March 2025	As at 31st March 2024
Secured Loan, considered good		
Vehicle Loan from Bank	11.78	15.04
Unsecured Loan, considered good		
Term Loan from Bank	126.00	-
Term Loan From Financial Institutions	280.96	109.90
	418.74	124.94
Less: Current Maturities of Long Term Borrowings*	(120.27)	(32.95)
Total Long Term Borrowings	298.47	91.99

*Disclosed under the head 'Short Term Borrowings' (Refer Note No-7)

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

The details of Security and the Terms of Repayments in respect of the above borrowings are given in separate schedule forming part of the financial statements.

NOTE 5 Long Term Provisions

	As at 31st March 2025	As at 31st March 2024
Provision for Gratuity	11.91	10.41
Total	11.91	10.41

NOTE 6 Deferred Tax Liability (Net)

	As at 31st March 2025	As at 31st March 2024
A) Deferred Tax Liabilities		
(i) Depreciation and Amortization Expenses	4.25	3.69
B) Deferred Tax Assets		
(i) Provision for Gratuity	3.49	3.05
Net Deferred tax Liabilities	0.76	0.64

NOTE 7 Short-Term Borrowings

	As at 31st March 2025	As at 31st March 2024
Secured Loan, considered good		
A. From Banks		
Cash Credit Account/Bank Overdraft	781.63	348.70
Unsecured Loan, considered good		
B. Loan payable on demand		
From Related Parties	51.19	64.91
C. Current Maturity of Long term Debts (Refer Note: 4)	120.27	32.95
Total	953.09	446.56

The details of Security and the Terms of Repayments in respect of the above borrowing share given in separate schedule forming part of the financial statements.

The company has filed monthly returns or statements with the bank in lieu of the sanctioned working capital facilities, which are in agreement with the unaudited books of account other than those as set out below :

(Rs. In Lakhs)

Sl no	Name of the Bank	Aggregate working capital limits sanctioned	Month ended	Particulars	Amount as per Books of Accounts	Amount Disclosed as per monthly return/ statement	Difference	Reason for Variance
1	HDFC Bank	440.00	April	Stock	-	-	-	Differences in Trade Receivables is primarily due to inclusion of certain other receivables in stock statement which were not forming part of debtors.
				Debtors	863.08	982.94	-119.86	
2	HDFC Bank	440.00	May	Stock	-	-	-	
				Debtors	575.85	781.57	-205.72	
3	HDFC Bank	440.00	June	Stock	-	-	-	
				Debtors	533.17	782.38	-249.20	

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

(Rs. In Lakhs)

Sl no	Name of the Bank	Aggregate working capital limits sanctioned	Month ended	Particulars	Amount as per Books of Accounts	Amount Disclosed as per monthly return/ statement	Difference	Reason for Variance
4	HDFC Bank	440.00	July	Stock	-	-	-	
				Debtors	588.63	778.38	-189.75	
5	HDFC Bank	440.00	August	Stock	-	-	-	
				Debtors	397.28	762.86	-365.58	
6	HDFC Bank	440.00	September	Stock	-	-	-	
				Debtors	466.60	762.53	-295.92	
7	HDFC Bank	440.00	October	Stock	-	-	-	
				Debtors	315.32	739.25	-423.92	
8	HDFC Bank	440.00	November	Stock	-	-	-	
				Debtors	273.89	709.62	-435.73	
9	HDFC Bank	440.00	December	Stock	-	-	-	
				Debtors	666.33	882.93	-216.61	
10	HDFC Bank	440.00	January	Stock	-	-	-	
				Debtors	1,496.75	1,083.79	412.96	
11	HDFC Bank	440.00	February	Stock	-	-	-	
				Debtors	792.96	980.65	-187.68	
12	HDFC Bank	440.00	March	Stock	-	-	-	
				Debtors	1,178.31	1,427.16	-248.85	

Name of the Lender	Rate of Interest	Nature of Loan	Amount Sanctioned	Amount as on 31st March, 2025	Repayment Term	Security
HDFC Bank Ltd	Upto 2.40CR 9.5% Next 2.00Cr @10%	Cash Credit	440.00	746.24	Repayable On Demand	Primary Security: Stock , Debtors Collateral CGT Guarantee, Commercial Property, Industrial Property 1.Equitable mortgage of the Commercial Property No. 220 Second Floor Kuber Complex, Industrial Estate, Veera, Desai Industrial Estate, New Link Road, Andheri (Kuber Kartik New Link Road PCSL, Near Laxmi 400042 Industrial Estate, Veera Desai Industrial Estate, New Link Road and Mumbai Maharashtra 400042) 2.Commercial Properties No. 221 Second Floor Kuber Complex, Industrial Estate, Veera, Desai Industrial Estate, New Link Road, Andheri (W), Mumbai Second floor (Kuber Complex, Kuber Kartik New Link Road PCSL, Near Laxmi Estate, Andheri (w) Mumbai, Maharashtra 400042
		Overdraft Limit	308.00		Repayable On Demand	Secured against Lien on Fixed Deposit No. 50301050086652 of Rs. 348.78 lakhs
TATA Capital	15% p.a.	Business Loan Overdraft facility	60.10	60.10	36 Months with Principal payments of Rs. 1,66,944/- commencing from 30th April 2025 to 27 February, 2028.	Unsecured

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

Name of the Lender	Rate of Interest	Nature of Loan	Amount Sanctioned	Amount as on 31st March, 2025	Repayment Term	Security
Aditya Birla Fincorp Ltd	15% p.a.	Business Loan	50.00	50.00	36 Equal Monthly Instalments of Rs.1,73,327/- commencing from 2nd April 2025 to 2nd April 2028.	Unsecured
Bajaj Finance Ltd. Loan A/c	17.00%	Business Loan	50.74	50.74	60 Equal Monthly Instalments of Rs.1,26,098/- commencing from 2nd May 2025 to 2nd April 2030.	Unsecured
ICICI Bank Limited	15% p.a.	Business Loan	75.00	75.00	36 Equal Monthly Instalments of Rs.2,59,028/- commencing from 10th April 2025 to 10th March 2028.	Unsecured
IDFC First Bank	15.50%	Business Loan	51.00	51.00	24 Equal Monthly Instalments of Rs.248495/- commencing from 3rd May 2025 to 3rd April 2027.	Unsecured
Kisetsu Saison Finance India Pvt. Ltd	15.00%	Business Loan	60.00	60.00	36 Equal Monthly Instalments of Rs.2,48,495/- commencing from 3rd April 2025 to 3rd March 2027.	Unsecured
L & T Finance	16.5% pa	Dropline OD	60.12	60.12	36 Equal Monthly Instalments of Rs.2,12,852/- commencing from 3rd May 2025 to 3rd April 2027.	Unsecured
HDFC Bank Ltd (OD A/c No 50200035455407)	7.09%	OD Account	9.00	4.47	Repayable on Demand	Secured against Lien on Fixed Deposit No. 50300550893890 of Rs. 11.68 lakhs
HDFC Bank Ltd (OD A/c No 50200026900731)	7.09%	OD Account	57.98	30.92	Repayable on Demand	Secured against Lien on: Fixed Deposit No. 50301051684360 of Rs. 39.74 lakhs Fixed Deposit No. 50301102024559 of Rs. 11.00 lakhs Fixed Deposit No. 50300505494280 of Rs. 12.55 lakhs
Frameless Expressions Pvt. Ltd.	Interest Free loan	Business Loan		17.22	On Demand	Unsecured
Kotak Mahindra Prime Ltd	9.27%	Vehicle Loan	18.15	11.78	60 Equal Monthly Instalments of Rs.37,670/- commencing from 5th April 2023 to 5th March 2028.	Secured against hypothecation of Vehicle
Loans From Related Parties	Interest Free loan	Business Loan	47.29	33.97	Payable on or before December 31st, 2025	Unsecured
Total Loan			1,287.37	1,251.56		

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE 8 Trade payables

	As at 31st March 2025	As at 31st March 2024
Due to Micro & Small Enterprises For Goods & Services	-	-
Due to Others For Goods & Services	371.71	411.18
Total	371.71	411.18

There are no amounts which are due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006". The information as required to be disclosed under the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent of information available with the Company. (Refer Note No. 32)

Ageing for Trade Payable Outstanding as at 31st March, 2025 is as follows:

Particulars	As at 31st March, 2025				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	-	-	-	-	-
Undisputed dues - Others	303.30	36.84	15.65	15.92	371.71
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	303.30	36.84	15.65	15.92	371.71

Ageing for Trade Payable Outstanding as at 31st March, 2024 is as follows:

Particulars	As at 31st March, 2024				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	-	-	-	-	-
Undisputed dues - Others	324.87	43.42	11.25	31.64	411.18
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	324.87	43.42	11.25	31.64	411.18

Note-9 Other current liabilities

	As at 31st March 2025	As at 31st March 2024
Advance from customers	58.25	20.41
Employee Related Liabilities	30.46	25.51
Security Deposit Taken	50.84	-
Statutory Dues		
-GST Payable	60.86	66.49
-PF Payable	0.30	-
-ESI Payable	0.02	-
-P.Tax Payable	0.05	-
-TDS Payable	59.01	9.06
Liability for Expenses	186.28	161.84
Total	446.07	283.31

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE10 Short term Provisions

	As at 31st March 2025	As at 31st March 2024
Provision for Gratuity	0.65	0.57
Provision for Income Tax (Net of TDS, TCS, Advance Tax Rs. 68.33 Lacs) (P.Y. FY 2023-24 Rs. 62.83 Lacs)	80.27	69.56
Total	80.92	70.13

NOTE 11 Property, Plant & Equipments as at March 31, 2025

SL No	Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		As at 01-Apr-24	Addi-tions	Dele-tion	As at 31-Mar-25	As at 01-Apr-24	For the Year	Impair-ment Loss	Dele-tion	As at 31-Mar-25	As at 31-Mar-25	As at 31-Mar-24
	Tangible Assets											
1	Building*	161.44	-	-	161.44	27.77	6.51	-	-	34.28	127.16	133.67
2	Computer and software	22.70	2.35	16.80	8.25	20.23	1.45	-	15.96	5.72	2.53	2.47
3	Furniture & Fittings	5.92	-	2.42	3.51	5.33	0.13	-	2.29	3.16	0.35	0.59
4	Office equipment	21.57	2.62	8.30	15.90	16.74	2.01	-	7.88	10.88	5.02	4.83
5	Vehicle - Two wheeler	0.79	-		0.79	0.46	0.08	-	-	0.54	0.24	0.33
6	Vehicle - Motor Car	25.30	-		25.30	9.08	4.71	-	-	13.79	11.52	16.22
	Total	237.73	4.97	27.51	215.19	79.61	14.90	-	26.14	68.37	146.82	158.12

*Note: Title deeds of the immovable properties as set out in the above table are in the name of the Company.

NOTE 11 Property, Plant & Equipments as at March 31, 2024

SL No	Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		As at 01-Apr-23	Addi-tions	Dele-tion	As at 31-Mar-24	As at 01-Apr-23	For the Year	Impair-ment Loss	Dele-tion	As at 31-Mar-24	As at 31-Mar-24	As at 31-Mar-23
	Tangible Assets											
1	Building	161.44			161.44	20.91	6.86	-	-	27.77	133.67	140.54
2	Computer and software	21.28	1.43		22.70	19.95	0.28	-	-	20.23	2.47	1.33
3	Furniture & Fittings	5.92			5.92	5.12	0.21	-	-	5.33	0.59	0.80
4	Office equipment	18.84	2.74		21.57	14.83	1.92	-	-	16.74	4.83	4.01
5	Vehicle - Two wheeler	0.79			0.79	0.34	0.11	-	-	0.46	0.33	0.44
6	Vehicle - Motor Car	20.57	4.73		25.30	1.68	7.40	-	-	9.08	16.22	18.89
	Total	228.84	8.89	-	237.73	62.83	16.78	-	-	79.61	158.12	166.00

Note: There were no Intangible Assets as at the reporting date 31st March, 2024

NOTE 12 Intangible Asset as at March 31, 2025

SL No	Particulars	GROSS BLOCK				AMMORTISATION					NET BLOCK	
		As at 01-Apr-24	Addi-tions	Dele-tion	As at 31-Mar-25	As at 01-Apr-24	For the Year	Impair-ment Loss	Dele-tion	As at 31-Mar-25	As at 31-Mar-25	As at 31-Mar-24
	Intangible Assets											
1	Copyrights- music	-	60.58		60.58	-	6.79	-	-	6.79	53.79	-
	Total	-	60.58	-	60.58	-	6.79	-	-	6.79	53.79	-

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE 13 Capital Work in Progress

as at March 31, 2025

SL No	Particulars	GROSS BLOCK			
		As at 01-Apr-24	Additions	Deletion	As at 31-Mar-25
1	Capital Work in Progress- Building	-	52.08	-	52.08
	Total	-	52.08	-	52.08

Capital Work In Progress Ageing Schedule

As at 31st March, 2025

Particulars	Amount in Capital Work In Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	52.08	-	-	-	52.08

There are no Projects as on each Reporting Date where activity has been suspended. Also, there are no projects as on the Reporting Date which has exceeded cost as compared to its Original Plan or where Completion is overdue.

There were no Capital Work in progress as at the reporting date 31st March, 2024

NOTE 14 Intangible Assets Under Development

as at March 31, 2025

SL No	Particulars	GROSS BLOCK				
		As at 01-Apr-24	Additions	Disposed/ Discarded*	Transfer	As at 31-Mar-25
1	Intangible Assets Under Development	236.83	1,313.21	8.06	60.58	1,481.40
	Gross Total	236.83	1,313.21	8.06	60.58	1,481.40

*During the year, the Company decided to abandon two projects due to unforeseen circumstances. Consequently, all cost incurred on the project amounting to Rs. 8.06 lacs have been recognised as an expense in the Profit & Loss Account.

as at March 31, 2024

SL No	Particulars	GROSS BLOCK				
		As at 01-Apr-24	Additions	Disposed/ Discarded	Transfer	As at 31-Mar-25
1	Intangible Assets Under Development	-	236.83	-	-	236.83
	Gross Total	-	236.83	-	-	236.83

NOTE 14 Intangible Assets Under Development (IAUD) Ageing Schedule

As at 31st March, 2025

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,252.63	228.77	-	-	1,481.40

As at 31st March, 2024

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	236.83	-	-	-	236.83

There are no Projects as on each Reporting Date where activity has been suspended except two project amounting to Rs 8.06 Lacs which has been discarded. Also, there are no projects as on the Reporting Date which has exceeded cost as compared to its Original Plan or where Completion is overdue.

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE 15 Non Current Investments

	As at 31st March 2025	As at 31st March 2024
Investment in Gold and Silver	13.31	10.18
Total	13.31	10.18

NOTE 16 Other Non Current Assets

	As at 31st March 2025	As at 31st March 2024
Fixed Deposit with remaining maturing of more than 12 months*	50.75	22.24
Total	50.75	22.24

*Lien with Bank against Overdraft as on 31st March, 2025 Rs. 50.75 Lakhs

NOTE 17 Current Investments

	As at 31st March 2025	As at 31st March 2024
Investment as a co-producer in the production of Web Series	904.50	754.50
Total	904.50	754.50

Note:

The company has made an investment of Rs.754.50 Lacs as a co producer for the production and development of a web series as per the initial agreement dated 30th September, 2022 with a party. As per the agreement, the Company shall receive the Investment amount by 31st May, 2023 or the completion of the shooting of the web series, whichever is earlier. However an addendum to the agreement was made on 18.12.23 in which the the date for repayment of Investment amount was extended till 31.8.24 owing to the delay in the production of the web series. Further, a Second addendum to the agreement was made on 18.01.2025 whereby the date for repayment of the Investment amount was again extended because the channel commissioning the web series has pushed the release date considering the present market conditions for OTT market. It was agreed that the Company will receive the entire Investment amount through various Post Dated Cheques latest by 31st January, 2026.

NOTE 18 Trade Receivables

	As at 31st March 2025	As at 31st March 2024
A)Trade Receivables Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	134.15	16.52
Unsecured, considered doubtful	-	1.23
B) Others		
Unsecured, considered good	1,100.84	970.75
Total	1,234.99	988.50

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

Ageing for Trade Receivable Outstanding as at 31st March, 2025 is as follows:

Particulars	As at 31st March, 2025					
	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - considered good	1,100.84	2.03	124.83	7.28	-	1,234.99
Undisputed dues - considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Total	1,100.84	2.03	124.83	7.28	-	1,234.99

Ageing for Trade Receivable Outstanding as at 31st March, 2024 is as follows:

Particulars	As at 31st March, 2024					
	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - considered good	970.75	8.35	7.79	-	0.39	987.27
Undisputed dues - considered doubtful	-	-	-	-	1.23	1.23
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Total	970.75	8.35	7.79	-	1.62	988.50

NOTE 19 Cash And Bank Balances

	As at 31st March 2025	As at 31st March 2024
A. Cash and cash equivalents		
Balance with banks in Current account	0.44	49.38
Cash in hand (As certified by the Management)	19.32	7.71
B. Other Bank Balances		
Fixed Deposit with remaining maturity of less than 12 months*	373.03	-
Total	392.79	57.09

*Lien with Bank against Overdraft as on 31st March, 2025 Rs. 373.03 Lakhs

NOTE 20 Short Term Loans And Advances

	As at 31st March 2025	As at 31st March 2024
Advances to suppliers	431.86	119.87
Staff Advance	4.75	4.68
Other Advances	-	1.36
Balance with Government/Statutory Authorities	122.17	2.35
TDS, TCS (Net of Provision Rs. Nil(P.Y. 23-24 Rs. Nil))	7.13	8.51
Total	565.91	136.77

NOTE 21 Other Current Assets

	As at 31st March 2025	As at 31st March 2024
Prepaid expenses	1.66	0.15
Interest Accrued on Fixed Deposits	6.40	1.88
Unbilled Receivables	43.23	40.64
Security Deposit	11.91	7.18
Total	63.20	49.85

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE 22 Revenue from operations

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Revenue from Event Management	3,375.04	1,510.16
Revenue from Retail Visual Merchandising	1,369.26	953.02
Revenue from Film, Music and Content Development, Production and Distribution & Other ancilliary services	22.50	200.00
Total	4,766.80	2,663.18

NOTE 23

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Interest income on fixed deposits	18.27	1.03
Discount Received	1.21	5.91
Miscellaneous Income	34.05	-
Liabilities no longer required written back	19.69	-
Total	73.22	6.94

NOTE 24 Operational Expenses

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a) Event Management Expenses		
Marketing & Lead Generation Services	600.83	-
Content Creation for Advertising	678.24	-
Sound & Lights	82.90	106.32
Event Setup Expenses	539.54	160.04
Venue Booking	23.46	19.91
Photography & Printing Cost	25.83	33.41
Travelling Expenses	24.39	35.35
Manpower & Security	13.01	41.16
Event Miscellaneous Expenses*	1136.62	952.48
(b) Retail Visual Merchandising Expenses		
Purchases of Retail Visual Merchandising Items	567.92	408.72
Total	3,692.74	1,757.39

*Note : Event Miscellaneous Expenses includes expenses incurred like Equipment hiring charges, Permission Costs, Photography Cost, Transportation Costs and other technical expenses, etc. for receipt of various services for Event Organisation.

NOTE 25 Employee Benefit Expense

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Salaries , wages & Bonus	265.89	197.91
Director's remuneration	52.25	38.00
Contributions to provident and other funds	2.92	3.32
Staff welfare expenses	3.59	1.65
Gratuity Expense	1.57	10.98
Total	326.22	251.86

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE 26 Finance costs

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Interest Cost		
To Banks	30.40	32.45
To Financial Institution	14.73	20.05
To Others	0.68	-
Other Borrowing Cost	7.89	4.92
Total	53.70	57.42

NOTE 27 Other Expenses

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Bad debts	4.34	4.99
Auditors' remuneration (Refer Note Below)	6.75	3.00
Advertisement Expense	0.15	0.06
Bank Charges	1.28	0.22
Business Promotion Expense	37.61	31.19
Charity and Welfare	11.67	3.72
Commission and Brokerage	1.29	1.31
Data Management & Software Expense	2.55	1.59
Festival Expenses	5.35	2.33
Forwarding and Courier Expenses	4.22	8.14
Income Tax - Self Assessment FY22-23	-	-
Installation Charge	-	0.80
Insurance	12.57	2.98
Interest and Penalty on late payment of Statutory Dues	7.08	2.44
Legal and professional charge	8.73	11.95
License and Registration Fees	0.73	0.04
Listing Charge	-	0.19
Loss on Discard of Property, Plant & Equipment	1.38	-
Office Expenses	10.93	3.45
Packaging Charges	0.41	14.48
Printing and stationery	6.15	5.08
Rent	40.54	35.31
GST Expenses	20.97	-
Repairs and maintenance	-	-
- Others	9.47	5.19
Skill Development & Training	5.09	5.00
Telephone expenses	1.05	0.42
Travelling Expenses	12.15	7.63
Water and Electricity	5.04	4.62
Miscellaneous expenses	5.27	0.24
Total	222.76	156.37
Payment to Auditors		
Statutory Audit Fee	5.00	2.70
Tax Audit Fee	0.60	0.30
Other Services	0.09	-
Out of Pocket Expenses	1.06	-
Total	6.75	3.00

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

Note 28 Income Taxes

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Income tax related to items charged or credited directly to profit or loss during the year :		
a) Statement of profit and loss		
(i) Current Income Tax	148.60	123.68
(ii) Deferred Tax expense / (benefit)	0.12	(2.53)
(iii) Income tax adjustment for earlier years	7.70	-
Total	156.42	121.14

The reconciliation of estimated income tax (arrived at by multiplying accounting profit with India's domestic tax rate) to income tax expense is as follows.

Profit / (Loss) before taxes	522.92	430.31
Enacted Income Tax rate in India	27.82	27.82
Income tax expense at tax rates applicable	145.47	119.71
Adjustments ;		
Tax effect of items that are deductible for tax purpose	-	-
Tax effect of items that are not deductible for tax purpose	3.25	1.43
Other Adjustments	-	
-Others	7.70	
Income tax expense reported	156.42	121.14
Effective Income tax rate (%)	29.91%	28.15%

Note 29 Earnings per share (EPS)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Net Profit/ (Loss) After Tax Attributed to the Equity Shareholders of the Company for the Year	366.50	309.16
Nominal value of equity shares (Rs per share)	10.00	10.00
Weighted average number of equity shares outstanding during the period:	1,07,22,279	78,50,644
Basic earnings per Equity shares (Rs.)	3.42	3.94
Diluted earnings per Equity shares (Rs.)	3.42	3.94

Note 30 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013

Defined Benefit Plan:

The following are the types of defined benefit plans:

a Gratuity Plan

The Gratuity scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of seporation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of seporation and paid as lumpsum. There is a vesting period of 5 years. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method.

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

b CHANGE IN DEFINED BENEFIT OBLIGATION

Particulars	Gratuity	Gratuity
	2024-25	2023-24
Present value of obligation as at the beginning of the period	10.98	-
Interest Cost	0.79	-
Past service cost	-	8.69
Current service cost	2.09	2.29
Curtailment cost	-	-
Settlement cost	-	-
Benefits Paid	-	-
Actuarial(gain)/loss on obligation	(1.31)	-
Present value of obligation as at the end of the period	12.56	10.98

c FAIR VALUE OF PLAN ASSETS

Particulars	Gratuity	Gratuity
	2024-25	2023-24
Fair value of plan assets at the beginning of the period	-	-
Actual return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the period	-	-
Funded status	(12.55)	(10.98)
Excess of actual over estimated return on plan assets	-	-

d BIFURCATION OF ACTUARIAL GAIN/LOSS ON OBLIGATION

Particulars	2024-25	2023-24
Actuarial (Gain)/Loss on arising from change in demographic assumption	-	-
Actuarial (Gain)/Loss on arising from change in financial assumption	0.33	-
Actuarial (Gain)/Loss on arising from change in experience adjustment	(1.64)	-

e ACTUARIAL GAIN/LOSS RECOGNIZED

Particulars	2024-25	2023-24
Actuarial gain/(loss) for the period- obligation	1.31	-
Actuarial (gain)/loss for the period-plan assets	-	-
Total (gain)/loss for the period	(1.31)	-
Actuarial (gain)/loss for the period-plan assets	(1.31)	-

f AMOUNT TO BE RECOGNIZED IN BALANCE SHEET AND RELATED ANALYSIS

Particulars	2024-25	2023-24
Present value of obligation as at the end of the period	12.55	10.98
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(12.55)	(10.98)
Excess of actual over estimated	-	-
Unrealized Actuarial Gain/ Loss	-	-
Net asset/(liability) recognized in balance sheet	(12.55)	(10.98)

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

g EXPENSE RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS

Particulars	2024-25	2023-24
Current service cost	2.09	2.29
Past service cost	-	8.69
Interest cost	0.79	-
Expected return on plan assets	-	-
Curtailement cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	(1.31)	-
Expenses recognized in the statement of profit and loss account	1.57	10.98

h MOVEMENT IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET

Particulars	2024-25	2023-24
Opening liability	10.98	-
Expenses recognized in profit and loss	1.57	10.98
Benefits paid	-	-
Actual return on plan assets	-	-
Closing liability	12.55	10.98

i Actuarial Assumptions

Particulars	Gratuity 2024-25	Gratuity 2023-24
Economic Assumptions		
Discount Rate	6.93%	7.22%
Future Salary Increase	5%	5%
Demographic Assumptions		
Retirement Age (Years)	60	60
Mortality Rate inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at ages		
Upto 30 years	5.00	5.00
From 31 to 44 years	5.00	5.00
Above 44 years	5.00	5.00

j Sensitivity Analysis

(A) Impact of the change in discount rate	
Present Value of Obligation at the end of the period	12.55
Impact due to increase of 0.50%	(0.58)
Impact due to decrease of 0.50 %	0.62
(B) Impact of the change in salary increase	
Present Value of Obligation at the end of the period	12.55
Impact due to increase of 0.50%	0.63
Impact due to decrease of 0.50 %	(0.59)

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

Note No: 31 RELATED PARTY DISCLOSURE AS REQUIRED IN TERMS OF "AS - 18"

A Name of the related parties irrespective of whether transactions have occurred or not :

(i) Key Management Personnel

1	Mr. Rajesh Bhardwaj	Managing Director
2	Mr. Gaurav Singhanian	Whole Time Director & CFO
3	Ms. Ruchi Agarwal	Director (Resigned w.e.f 28/5/24)
4	Ms. Nikita Jain	Additional Director
5	Mr. Princy Anand	Independent Director
6	Ms. Shruti Singhanian	Director (Resigned w.e.f 21/05/2025) & Additional Director (Resigned w.e.f 29/05/2025)
7	Ms. Palak Jain	Company Secretary (Resigned w.e.f 31/10/2024)
8	Mr. Altab Uddin Kazi	Independent Director (Resigned w.e.f 11/02/2025)
9	Ms. Kritika Ronakk Jain	Company Secretary

Note :

Ms. Nikita Jain was appointed as an additional director w.e.f 11/02/2025

Mr. Rajesh Bhardawaj was appointed as a Managing Director w.e.f from 28/05/2024

Mr. Princy Anand was appointed as an Independent Director w.e.f 30/05/2024

Ms. Ruchi Agarwal had resigned as Director w.e.f 28/05/2024.

Mr. Altab Uddin Kazi was Appointed as Independent Director w.e.f 30/05/2024 & Resigned w.e.f 11/02/2025

Mr. Gaurav Singhanian was appointed as Chief Financial Officer and Whole Time Director w.e.f 28/05/2024

Ms. Palak Jain was appointed as Company Secretary w.e.f 01/04/2024 & Resigned w.e.f 31/10/2024

Ms. Shruti Singhanian was appointed as a Director w.e.f 30/05/2024 & Resigned w.e.f 21/05/2025 and was appointed as an additional Director w.e.f 28/05/2024 & Resigned w.e.f 29/05/2025

Ms. Kritika Ronakk Jain was appointed as the Company Secretary w.e.f 11/02/2025

(ii) Relative of Key Management Personnel

1	Mrs. Sana Warsi (spouse of Director)
2	Mr. Prashant Tyagi (brother of Director)
3	Mr. Ishwar Singh (Father of Director)
4	Ms. Rani (Sister)
5	Mr. Aarav Singhanian (Son of Director)

(iii) Enterprises owned or significantly influenced by Key Management personnel or their relatives

1	M/s Frameless Expressions Pvt. Ltd.
2	Varaa Exptech Pvt. Ltd.
3	Skillarthi Ventures Pvt. Ltd.

Note: The name of the related party and their relationship with the Company is as identified by the management and relied upon by the auditors.

B Disclosure of Transaction between the Company and Related Party that has taken place during the year and its status of outstanding

i. Transactions with enterprises where Key Management Personnel and their Relatives have significant influence:

Nature of Transaction	Ref. to note (A) above	31st March, 2025	31st March, 2024
Remuneration Paid to KMP			
Mr. Rajesh Bhardwaj	(i)	27.00	27.00
Mr. Gaurav Singhanian	(i)	24.00	11.00
Palak Jain	(i)	4.20	
Kritika Ronakk Jain	(i)	0.18	
Sitting Fee Paid to KMP			

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

Nature of Transaction	Ref. to note (A) above	31st March, 2025	31st March, 2024
Mr. Altab Uddin Kazi	(i)	0.50	
Mr. Princy Anand	(i)	0.75	-
Salaries Paid to Relatives of Key Managerial Personnel			
Mr. Prashant Tyagi	(ii)	24.00	24.11
Ms. Sana Warsi	(ii)	18.00	16.61
Mr. Ishwar Singh	(ii)	0.30	3.60
Ms. Bhawna	(ii)	-	3.60
Mr. Aarav Singhania	(ii)	-	1.00
Mrs. Neeru	(ii)	7.80	
Purchase of Services			
Skillarthi Ventures Pvt. Ltd.	(iii)	3.92	4.90
Varaa Exptech Pvt. Ltd.	(iii)	33.36	25.74
Loans Received			
Mr. Rajesh Bhardwaj	(i)	35.89	-
Loan Repaid			
Mr. Rajesh Bhardwaj	(i)	49.22	4.71
Mr. Prashant Tyagi	(ii)	-	23.50
M/s Frameless Expressions Pvt. Ltd.	(iii)	0.40	46.00

(ii) Outstanding Balances As at year End

Particulars	Ref. to note (A) above	KMP	
		2023-24	2023-24
Loans Received			
Mr. Rajesh Bhardwaj	(i)	33.97	47.29
Mr. Prashant Tyagi	(ii)	-	-
M/s Frameless Expressions Pvt. Ltd.	(iii)	17.22	17.62
Remuneration/ Salaries Payable			
Mr. Rajesh Bhardwaj	(i)	1.88	0.57
Mr. Prashant Tyagi	(ii)	4.75	7.78
Mr. Gaurav Singhania	(i)	3.20	2.80
Ms. Sana Warsi	(ii)	1.36	4.22
Ms. Kritika Ronakk Jain	(i)	0.18	
Creditors For Services			
Skillarthi Ventures Pvt. Ltd.	(iii)	-	0.98
Varaa Exptech Pvt. Ltd.	(iii)	-	6.27
Advances To Suppliers Against Supply of Services			
Skillarthi Ventures Pvt. Ltd.	(iii)	0.78	-
Varaa Exptech Pvt. Ltd.	(iii)	2.93	-

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

Note 32

The information regarding amounts due to creditors registered under the Micro, Small and Medium Enterprises Development Act, 2006, has been given to the extent available with the Company. The required disclosures of outstanding dues of micro, small & medium enterprises are as under:

(a) Principal amount remaining unpaid as at 31st March 2025 & 31st March, 2024	Nil	Nil
(b) Interest amount remaining unpaid as at 31st March 2025 & 31st March, 2024	Nil	Nil
(c) Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the Period.	Nil	Nil
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(e) Interest accrued and remaining unpaid as at 31st March 2025 & 31st March, 2024	Nil	Nil
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

Note 33 Segment Reporting

Segment Information

a) Identification of Operating Segments

Based on the criteria for segment as specified in AS 17 the company operates in three reportable primary segment (Business segment) namely:

- Event Management
- Visual Retail Merchandising
- Film, Music and Content Development, Production and Distribution

b) Business Segment wise revenue/results/assets/liabilities

March 31, 2025

Particulars	Event Man- agement	Retail Visual Merchandising	Film, Music and Content Development, Produc- tion and Distribution	Total
Segment Revenue	3,375.04	1,369.26	22.50	4,766.80
Segment Results	250.21	801.34	15.71	1,067.26
Less: Other Unallocable expenses				(563.86)
Operating Profit / (Loss)				503.40
Add: Other income				73.22
Less : Finance Cost				(53.70)
Profit/(Loss) before taxes				522.92
Tax expense				(156.42)
Profit/(Loss) for the year				366.50
Other Information				
Segment Assets	966.10	713.21	2,468.57	4,147.88
Un-allocable Assets				811.66
Total Assets				4,959.54
Segment Liabilities	272.33	284.64	77.55	634.52
Un-allocable Liabilities				1,528.40
Total Liabilities				2,162.92

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

March 31, 2024

Particulars	Event Man- agement	Retail Visual Merchandising	Film, Music and Content Development, Produc- tion and Distribution	Total
Segment Revenue	1,510.16	953.02	200.00	2,663.18
Segment Results	161.49	544.31	200.00	905.80
Less: Other Unallocable expenses				(425.01)
Operating Profit / (Loss)				480.79
Add: Other income				6.94
Less : Finance Cost				(57.42)
Profit/(Loss) before taxes				430.31
Tax expense				(121.15)
Profit/(Loss) for the year				309.16
Other Information				
Segment Assets	411.91	469.36	991.33	1,872.60
Un-allocable Assets				541.48
Total Assets				2,414.08
Segment Liabilities	319.62	319.62	-	639.23
Un-allocable Liabilities				674.99
Total Liabilities				1,314.22

c) Geographical Information

As on 31th March 2025

	Outside India	Within India	Total
Segment revenue by location of Customers			
Revenue from Sale of Goods and Services	-	4,766.80	4,766.80
Segment Assets by location			
Segment assets	425.92	4,533.63	4,959.54

As on 31th March 2024

	Outside India	Within India	Total
Segment revenue by location of Customers			
Revenue from Sale of Goods and Services	-	2,663.18	2,663.18
Segment Assets by location			
Segment assets	183.52	2,230.56	2,414.08

d) Service wise revenue from external customers has been detailed in Note No. 22.

NOTE 34 Contingent liability

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Disputed demands with various government departments. The details are as follows-	15.44	15.44

Name of the Act	Forum at which Dispute is Pending
Demand of Goods & Service Tax Act for the FY 2018-19 including Interest & Penalty vide order no ZD070224069582C dated 29-02-2024 amounting to Rs. 15.44 Lakhs. Out of the above, Rs. 0.76 lakhs were paid under Protest.	Form GST APL-01 filed on May 24, 2024 by the Company against the Appellate Authority

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

NOTE 35 Capital Commitments

Particulars	As at 31st March 2025	As at 31st March 2024
Estimated amount of contracts remaining to be executed on Film, Music and Content Commitments	3,303.51	986.23

NOTE 36 Foreign Currency Transaction

	As at 31st March 2025	As at 31st March 2024
Payments For Project Under Development		
GBP in Lakhs	2.21	1.75
INR in Lakhs	242.40	183.52
Earning in Foreign Currency		
US\$ in Lakhs	2.24	0.75
INR in Lakhs	192.86	61.40

Note No. : 37 Ratio Analysis

Ratio	Numerator	Denominator	Current Period 2024-25	Previous Period 2023-24	% Variance	Reason for Variance
Current ratio (in times)	Total current assets	Total current liabilities	1.71	1.64	4.08	NA
Debt-equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.45	0.49	(8.60)	NA
Debt service coverage ratio (in times)	Earning for Debt Service= Net Profit before taxes+ Non cash operating expenses+ Interest+Other non cash adjustments	Debt service = Interest payments+Principal repayments	5.12	5.53	(7.33)	NA
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	18.81%	36.96%	(49.10)	Due to Increase in Share holders fund from fund raising through SME IPO and Private Placements
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	-	-	-	NA
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.29	3.34	28.32	Due to increase in Revenue from Operations & Average Trade Receivables
Trade payables turnover ratio (in times)	Cost of Operational Expenses	Average trade payables	9.43	4.61	104.74	Due to increase in Operational Expenses During the year
Net Capital turnover ratio (in times)	Revenue from operations	Average working capital(i.e. Total current assets less total current liabilities)	4.57	8.21	(44.30)	Due to increase in Revenue from Operations & Average Working Capital

Notes to the Financial Statements for the years ended 31st March, 2025

(Rs. In Lakhs)

Ratio	Numerator	Denominator	Current Period 2024-25	Previous Period 2023-24	% Variance	Reason for Variance
Net profit ratio (in %)	Profit for the year	Revenue from operations	7.69%	11.61%	(33.77)	Due to increase in Revenue from Operations
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities+ Deferred tax liabilities+ Total Borrowings	14.24%	29.76%	(52.14)	Due to Increase in Share holders fund from fund raising through SME IPO and Private Placements & Due To Increase in Borrowings
Return on Investments (in %)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	NA

Note 38**Disclosure on Corporate Social Responsibility Expenses**

The company is not covered under section 135 of the companies act, hence no disclosure has been provided with regard to CSR activities.

Note 39**Contingencies and Events occurring after the Balance Sheet Date**

There were no events which occurred after the Balance Sheet date up to the date of approval of financial statements which required any adjustments/disclosure in the financial statements as per AS-4.

Note 40**Additional Regulatory Information**

- The company has not entered into any scheme of arrangement under section 230 to 237 of Companies Act, 2013 which has an accounting impact for the year ended 31st March, 2025 and for the year ended 31st March, 2024.
- The company doesn't have any investments through more than two layers of investment companies as per section 2(87) (d) and section 186 of Companies Act, 2013 during the year ended 31st March, 2025 and during the year ended 31st March, 2024.
- No proceedings have been initiated on or are pending against the company for holding any benami property under Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under for the year ended 31st March, 2024 and for the year ended 31st March, 2023.
- The Company has not been declared as wilful defaulter by any bank or financial institution or other lender during the year ended 31st March, 2025 and during the year ended 31st March, 2024 .
- There has been no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31st March, 2025 and 31st March 2024.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period for the year ended 31st March, 2025 and 31st March 2024 except for Charges which has not been created for Vehicle Loan taken from Kotak Mahindra Prime Limited and Overdraft Facility taken from HDFC Bank against Lien on Fixed Deposit.
- The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the the statutory period for the year ended 31st March, 2025 and 31st March 2024 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 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 :

Notes to the Financial Statements for the years ended 31st March, 2025

- (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.
- i. 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 Beneficiary.
- ii. The Company has not traded or invested in Crypto currency or Virtual Currency; during the year ended 31st March 2025 and 31st March 2024. The company has not received any deposits or advances, during the year ended 31st March, 2025 and 31st March 2024 for the purpose of trading or investment in crypto currency or virtual currency.

Note 41

Balances of debtors, creditors, Advances to Suppliers & Advances from Customers are subject to confirmation. In the opinion of the management, current assets, loan and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated.

Note 42

Previous year figures have been regrouped/rearranged wherever necessary.

For **Baid Agarwal Singhi & Co.**
Chartered Accountants
Firm Registration Number with ICAI : 0328671E

Sourabh Agarwal
(Partner)
Membership Number : 301075
UDIN: 25301075BMI2V6111
PLACE: Kolkata
DATE: 29th May, 2025

For and on behalf of Board of Directors
Thinking Hats Entertainment Solutions Limited

Rajesh Bhardwaj
Managing Director
DIN: 02590002

Gaurav Singhania
Director & CFO
DIN: 08868413

Kritika Ronakk Jain
Company Secretary

Thinking Hats Entertainment Solutions Limited

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