

**Football Sports Development Limited**  
**Financial Statements**  
**2021-22**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Football Sports Development Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Football Sports Development Limited (“the Company”), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 Act 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 audit opinion on the financial statements.

#### **Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the Board Report, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **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 Act with respect to

the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 to the 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 have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Vishal Bansal**

Partner

Membership Number: 097546

UDIN: 22097546AHGQVN3368

Place of Signature: Mumbai

Date: April 18, 2022

**ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FOOTBALL SPORTS DEVELOPMENT LIMITED**

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

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

(I)	(a) (A)	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
	(a) (B)	The Company has maintained proper records showing full particulars of intangibles assets.
	(b)	Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
	(c)	There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
	(d)	The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2022.
	(e)	There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
(ii)	(a)	The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
	(b)	The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
(iii)	(a)	During the year, the Company has not provided new loans, advances in the nature of loans, provided guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
	(b)	During the year the Company has not made new investments, provided guarantees, provided security and granted new loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
	(c)	The Company has granted loan to a party where the schedule of repayment of principal and payment of interest has been stipulated. The principal amount of loan and interest thereon amounting to Rs. 1,000 Lakhs and Rs. 191.20 Lakhs, respectively, have been waived off during the year.

	(d)	There are no amounts of loan and amount in the nature of loan granted to a party which are overdue for more than ninety days as mentioned in Note 28.																		
	(e)	There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.																		
	(f)	The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.																		
(iv)		There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.																		
(v)		The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.																		
(vi)		The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.																		
(vii)	(a)	The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.																		
	(b)	<p>The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:</p> <table border="1"> <thead> <tr> <th>Name of the statute</th> <th>Nature of the dues</th> <th>Amount (Rs)</th> <th>Period to which the amount relates</th> <th>Forum where the dispute is pending</th> <th>Remarks, if any</th> </tr> </thead> <tbody> <tr> <td>Maharashtra Value added Tax, 1961</td> <td>Value Added Tax</td> <td>Rs. 5,368.21 Lakhs</td> <td>2013-14 till 2017-18</td> <td>Assistant Commissioner of Income Tax</td> <td>The Company has deposited Rs. 200.30 Lakh under protest</td> </tr> <tr> <td>Central Excise Act, 1944</td> <td>Excise Duty and Service Tax</td> <td>Rs. 6,428.43 Lakhs</td> <td>2013-14 till 2017-18</td> <td>Custom, Excise and Service Tax Appellate Tribunal</td> <td>The Company has deposited Rs. 298.48 Lakh under protest</td> </tr> </tbody> </table>	Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any	Maharashtra Value added Tax, 1961	Value Added Tax	Rs. 5,368.21 Lakhs	2013-14 till 2017-18	Assistant Commissioner of Income Tax	The Company has deposited Rs. 200.30 Lakh under protest	Central Excise Act, 1944	Excise Duty and Service Tax	Rs. 6,428.43 Lakhs	2013-14 till 2017-18	Custom, Excise and Service Tax Appellate Tribunal	The Company has deposited Rs. 298.48 Lakh under protest
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(viii)		The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
(ix)	(a)	The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
	(b)	The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
	(c)	The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
	(d)	The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
	(e)	The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
	(f)	The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
(x)	(a)	The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
	(b)	The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
(xi)	(a)	No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
	(b)	During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the cost auditor/ the secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	(c)	As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
(xii)		The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
(xiii)		Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not



		applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
(xiv)	(a)	The Company has an internal audit system commensurate with the size and nature of its business.
	(b)	The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
(xv)		The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
(xvi)	(a)	The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
	(b)	The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
	(c)	The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
	(d)	The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 hence the reporting under clause (xvi)(d) of the Order is not applicable.
(xvii)		The Company has incurred cash losses amounting to Rs. 3,021.97 lakhs in the current year and amounting to Rs. 921.60 lakhs in the immediately preceding financial year respectively.
(xviii)		There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
(xix)		<p>On the basis of the financial ratios disclosed in Note 26 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.</p> <p>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.</p>
(xx)		The Company is not required to incur any expenditure on Corporate Social Responsibility activities in the year ended March 31, 2022. Accordingly, provisions of section 135(5) and 135

	(6) is not applicable and hence the requirement to report under clause 3 (xx) (a) & (b) is not applicable to the Company.
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For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Vishal Bansal**

Partner

Membership Number: 097546

UDIN: 22097546AHGQVN3368

Place of Signature: Mumbai

Date: April 18, 2022

## **ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FOOTBALL SPORTS DEVELOPMENT LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to standalone financial statements of Football Sports Development Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, as amended.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 these standalone 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 judgement, 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 with reference to these standalone financial statements.

### **Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements**

A company's internal financial controls with reference to standalone 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 controls with reference to standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Vishal Bansal**

Partner

Membership Number: 097546

UDIN: 22097546AHGQVN3368

Place of Signature: Mumbai

Date: April 18, 2022

**Football Sports Development Limited**  
**Balance Sheet as at 31st March, 2022**

	Notes	As at <u>31st March, 2022</u>	(₹ in Lakh) As at <u>31st March, 2021</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	1	5.18	0.35
Intangible Assets	1	17 97.20	22 75.32
Financial Assets			
Loans and Advances	2	-	10 00.00
Other Non-Current Assets	3	12 43.77	17 68.31
<b>Total Non-Current Assets</b>		<b>30 46.15</b>	<b>50 43.98</b>
<b>Current Assets</b>			
Financial Assets			
Investments	4	125 81.37	125 84.68
Trade Receivables	5	193 27.54	187 16.35
Cash and Cash Equivalents	6	12 32.29	3 65.26
Other Financial Asset	7	-	1 60.38
Other Current Assets	8	67 68.16	69 12.89
<b>Total Current Assets</b>		<b>399 09.36</b>	<b>387 39.56</b>
<b>Total Assets</b>		<b>429 55.51</b>	<b>437 83.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	9	2 28.57	2 28.57
Other Equity	10	166 29.06	212 60.71
<b>Total Equity</b>		<b>168 57.63</b>	<b>214 89.28</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Provisions	11	56.26	39.58
<b>Total Non-Current Liabilities</b>		<b>56.26</b>	<b>39.58</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payables Due to:			
Micro and Small Enterprises	12	-	-
Other than Micro and Small Enterprises		249 77.69	213 19.57
Other Current Liabilities	13	10 62.72	9 34.22
Provisions	14	1.21	0.89
<b>Total Current Liabilities</b>		<b>260 41.62</b>	<b>222 54.68</b>
<b>Total Liabilities</b>		<b>260 97.88</b>	<b>222 94.26</b>
<b>Total Equity and Liabilities</b>		<b>429 55.51</b>	<b>437 83.54</b>

Significant Accounting Policies B.2  
 See accompanying Notes to the Financial Statements 1 to 33

As per our Report of even date  
**For SRBC & Co LLP**  
 Chartered Accountants  
 (Registration No. 324982E / E300003)

**Vishal Bansal**  
 Partner  
 Membership No. 097546  
 Date: 18th April, 2022

For and on behalf of the board

**Nita M. Ambani**

Chairperson

**B Srinivasan**  
**Madhavan Kunniyur**  
**Sanjog Gupta**

Directors

**Jitendra Gaonkar**

Chief Financial Officer

**Football Sports Development Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2022**

	Notes	<u>2021-22</u>	(₹ in Lakh) <u>2020-21</u>
<b>INCOME</b>			
Income from Services		459 70.68	430 95.94
Less: GST Recovered		<u>70 09.12</u>	<u>65 44.68</u>
Revenue from Operations	15	389 61.56	365 51.26
Other Income	16	4 16.02	6 41.71
<b>Total Income</b>		<u><u>393 77.58</u></u>	<u><u>371 92.97</u></u>
<b>EXPENSES</b>			
Employee Benefits Expense	17	11 12.26	9 18.29
Depreciation and Amortisation Expense	1	4 80.21	4 78.12
Other Expenses	18	424 15.13	371 66.50
<b>Total Expenses</b>		<u><u>440 07.60</u></u>	<u><u>385 62.91</u></u>
<b>Loss Before Tax</b>		<b>(46 30.02)</b>	<b>(13 69.94)</b>
<b>Tax Expenses</b>			
Current Tax	19	-	-
Deferred Tax	21	<u>-</u>	<u>-</u>
<b>Loss for the Year</b>		<u><u>(46 30.02)</u></u>	<u><u>(13 69.94)</u></u>
<b>Other Comprehensive Income</b>			
i) Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plan		( 1.63)	1.77
<b>Total Other Comprehensive Income/(loss) for the year</b>		<b>( 1.63)</b>	<b>1.77</b>
<b>Total Comprehensive Loss for the year</b>		<u><u>(46 31.65)</u></u>	<u><u>(13 68.17)</u></u>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic and Diluted (in ₹ )	20	<b>(2 02.56)</b>	<b>( 59.94)</b>
Significant Accounting Policies	B.2		
See accompanying Notes to the Financial Statements	1 to 33		

As per our Report of even date

**For SRBC & Co LLP**

Chartered Accountants

(Registration No. 324982E / E300003)

**Vishal Bansal**

Partner

Membership No. 097546

Date: 18th April, 2022

For and on behalf of the board

**Nita M. Ambani**

Chairperson

**B Srinivasan****Madhavan Kunniyur****Sanjog Gupta**

} Directors

**Jitendra Gaonkar**

Chief Financial Officer

**Football Sports Development Limited**  
**Statement of Changes in Equity for the year ended 31st March, 2022**

**A. Equity Share Capital** (₹ in Lakh)

	Balance as at 1st April, 2021	Changes during the year FY 2021-22	Balance as at 31st March, 2022
Equity Share Capital	2 28.57	-	2 28.57

	Balance as at 1st April, 2020	Changes during the year FY 2020-21	Balance as at 31st March 2021
Equity Share Capital	2 28.57	-	2 28.57

**B. Other Equity** (₹ in Lakh)

Particulars	Reserve and Surplus			Total
	Securities Premium	Retained Earnings	Other Comprehensive Income	
<b>As at 31st March, 2022</b>				
Balance as at 1st April, 2021	607 42.98	(394 80.06)	( 2.21)	212 60.71
Total Comprehensive Income for the year	-	(46 30.02)	( 1.63)	(46 31.65)
<b>Total</b>	<b>607 42.98</b>	<b>(441 10.08)</b>	<b>( 3.84)</b>	<b>166 29.06</b>

Particulars	Reserve and Surplus			Total
	Securities Premium	Retained Earnings	Other Comprehensive Income	
<b>As at 31st March, 2021</b>				
Balance as at 1st April, 2020	607 42.98	(381 10.12)	( 3.98)	226 28.88
Total Comprehensive Income for the year	-	(13 69.94)	1.77	(13 68.17)
<b>Total</b>	<b>607 42.98</b>	<b>(394 80.06)</b>	<b>( 2.21)</b>	<b>212 60.71</b>

As per our Report of even date  
**For SRBC & Co LLP**  
Chartered Accountants  
(Registration No. 324982E / E300003)

For and on behalf of the board  
**Nita M. Ambani**

Chairperson

**B Srinivasan**  
**Madhavan Kunniyur**  
**Sanjog Gupta**

Directors

**Vishal Bansal**  
Partner  
Membership No. 097546  
Date: 18th April, 2022

**Jitendra Gaonkar**

Chief Financial Officer

**Football Sports Development Limited**  
**Cash Flow Statement for the year ended 31st March, 2022**

	2021-22	2020-21
(₹ in Lakh)		
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/ (Loss) before Tax as per Statement of Profit and Loss	(46 30.02)	(13 69.94)
Adjusted for:		
Loss on Discarded Assets	0.03	-
Loan & accrued interest waived off	11 60.38	-
Depreciation and Amortisation Expense	4 80.21	4 78.12
Effect of Exchange Rate Change	3.42	(0.28)
(Profit)/ Loss on Sale/ Fair value of Investments (Net)	(2 98.34)	(2 58.46)
Interest Income	-	(1 37.67)
	<u>13 45.70</u>	<u>81.71</u>
<b>Operating (Loss) before Working Capital Changes</b>	<b>(32 84.32)</b>	<b>(12 88.23)</b>
Adjusted for:		
Increase/ (Decrease) in Trade and Other Receivables	(7 68.35)	(43 81.59)
Increase/ (Decrease) in Trade and Other Payables	<u>38 01.99</u>	<u>89 47.70</u>
	<u>30 33.64</u>	<u>45 66.11</u>
<b>Cash Generated from/ (used in) Operations</b>	<b>(2 50.68)</b>	<b>32 77.88</b>
Taxes Paid (Net)	<u>8 23.01</u>	<u>17 18.77</u>
<b>Net Cash flow from/ (used in) Operating Activities</b>	<b><u>5 72.33</u></b>	<b><u>49 96.65</u></b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	( 6.95)	-
Loans Given	-	(4 00.00)
Purchase of Other Investments	(329 98.35)	(364 50.40)
Sale of Other Investments	<u>333 00.00</u>	<u>318 51.79</u>
<b>Net Cash flow (used in)/ from Investing Activities</b>	<b><u>2 94.70</u></b>	<b><u>(49 98.61)</u></b>
<b>Net increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>8 67.03</b>	<b>( 1.96)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>3 65.26</b>	<b>3 67.22</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b><u>12 32.29</u></b>	<b><u>3 65.26</u></b>
<b>(Refer Note no. 6)</b>		

As per our Report of even date  
**For SRBC & Co LLP**  
Chartered Accountants  
(Registration No. 324982E / E300003)

**Vishal Bansal**  
Partner  
Membership No. 097546  
Date: 18th April, 2022

For and on behalf of the board  
**Nita M. Ambani** Chairperson

**B Srinivasan**  
**Madhavan Kunniyur**  
**Sanjog Gupta** } Directors

**Jitendra Gaonkar** Chief Financial Officer



## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### A. CORPORATE INFORMATION

Football Sports Development Limited ("the Company") is an unlisted entity incorporated in India. The Company's registered office and principal place of business is at Court House, 4th Floor, Lokmanya Tilak Marg, Dhobi Talao, Mumbai 400 002. The Company is mainly engaged in the business of Sports and Entertainment in India. The Company organises and operates "Indian Super League" (ISL), a top tier Football league in the country. The Company is a Joint Venture of Reliance Industries Limited, RISE Worldwide Limited, Asianet Star Communications Private Limited and Star India Private Limited.

#### B. SIGNIFICANT ACCOUNTING POLICIES

##### B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for Certain Financial Assets and liabilities which have been measured at fair value amount.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, including the rules notified under the relevant provisions of the Companies Act, 2013, amended from time to time.

Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakhs ( ₹ 00,000), except when otherwise indicated.

##### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

###### (a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

###### (b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

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

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

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

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

###### (c) Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

The contract conveys the right to control the use of an identified asset, if it involves the right-of-use an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

#### (d) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

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

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

The company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

Intangible Assets i.e. Commercial Rights are amortised over 11 years on straight line basis.

#### (e) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### (f) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

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

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

#### (g) Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

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

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### (h) Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### (i) Contingent Liabilities

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

#### (j) Employee Benefits Expense

##### Short Term Employee Benefits

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

##### Post-Employment Benefits

##### Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

##### Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and recognised as an expense in the statement of Profit & Loss.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income

##### Employee Separation Costs

The Company recognises the employee separation costs when the scheme is announced and the Company is demonstrably committed to it.

#### (k) Tax Expenses

The tax expense for the period comprises of Current Tax and Deferred Income Tax. Tax is recognised in the Statement of Profit and loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

##### i) Current tax

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

##### ii) Deferred tax

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

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are re-assessed at the each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

#### (l) Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

#### (m) Revenue Recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those services.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Generally, the credit period varies between 0-60 days from the shipment or delivery of goods or services as the case may be. In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

##### Contract Balances

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

##### Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

##### Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

##### Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

#### (n) Financial Instruments

##### (i) Financial Assets

###### A. Initial Recognition and Measurement

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

###### B. Subsequent measurement

###### a) Financial Assets carried at Amortised Cost (AC)

A Financial Asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

#### C. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit or Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

#### (ii) Financial liabilities

##### A. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit or Loss as finance cost.

##### B. Subsequent measurement:

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

#### (iii) Derecognition of Financial Instruments

The company derecognizes a Financial Asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### (iv) Offsetting

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

#### (o) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

#### C. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### a) Property, plant and Equipment / Intangible Assets

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

#### b) Recoverability of Trade Receivable and Loans Given

Judgements are required in assessing the recoverability of overdue trade receivables and loans given and determining whether a provision against those receivables and loans given is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### c) Provisions

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

#### d) Impairment of Financial and Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

#### e) Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

#### f) Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 26 of financial statements.

#### g) Estimation uncertainty relating to the global health pandemic on COVID 19

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of financial statements, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these financial statements and current indicators of future economic conditions.

## D. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the company's financial statements.

**Football Sports Development Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2022**

**1. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

Description	Gross block				Depreciation/ Amortisation				Net block	
	As at 1st April, 2021	Additions	Deductions	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
(₹ in Lakh)										
<b>As at 31st March, 2022</b>										
<b>(i) Property, Plant and Equipment</b>										
<b>Own Assets:</b>										
Office Equipment	6.91	6.95	0.61	13.25	6.56	2.09	0.58	8.07	5.18	0.35
<b>Sub-Total (i)</b>	<b>6.91</b>	<b>6.95</b>	<b>0.61</b>	<b>13.25</b>	<b>6.56</b>	<b>2.09</b>	<b>0.58</b>	<b>8.07</b>	<b>5.18</b>	<b>0.35</b>
<b>(ii) Intangible Assets</b>										
<b>Own Assets:</b>										
Commercial Rights	56 57.53	-	-	56 57.53	33 82.21	4 78.12	-	38 60.33	17 97.20	22 75.32
<b>Sub-Total (ii)</b>	<b>56 57.53</b>	<b>-</b>	<b>-</b>	<b>56 57.53</b>	<b>33 82.21</b>	<b>4 78.12</b>	<b>-</b>	<b>38 60.33</b>	<b>17 97.20</b>	<b>22 75.32</b>
<b>Total (i+ii)</b>	<b>56 64.44</b>	<b>6.95</b>	<b>0.61</b>	<b>56 70.78</b>	<b>33 88.77</b>	<b>4 80.21</b>	<b>0.58</b>	<b>38 68.40</b>	<b>18 02.38</b>	<b>22 75.67</b>
(₹ in Lakh)										
<b>As at 31st March, 2021</b>										
<b>(i) Property, Plant and Equipment</b>										
<b>Own Assets:</b>										
Office Equipment	6.91	-	-	6.91	6.56	-	-	6.56	0.35	0.35
<b>Sub-Total (i)</b>	<b>6.91</b>	<b>-</b>	<b>-</b>	<b>6.91</b>	<b>6.56</b>	<b>-</b>	<b>-</b>	<b>6.56</b>	<b>0.35</b>	<b>0.35</b>
<b>(ii) Intangible Assets</b>										
<b>Own Assets:</b>										
Commercial Rights	56 57.53	-	-	56 57.53	29 04.09	4 78.12	-	33 82.21	22 75.32	27 53.44
<b>Sub-Total (ii)</b>	<b>56 57.53</b>	<b>-</b>	<b>-</b>	<b>56 57.53</b>	<b>29 04.09</b>	<b>4 78.12</b>	<b>-</b>	<b>33 82.21</b>	<b>22 75.32</b>	<b>27 53.44</b>
<b>Total (i+ii)</b>	<b>56 64.44</b>	<b>-</b>	<b>-</b>	<b>56 64.44</b>	<b>29 10.65</b>	<b>4 78.12</b>	<b>-</b>	<b>33 88.77</b>	<b>22 75.67</b>	<b>27 53.79</b>

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

<b>2 LOANS AND ADVANCES - NON CURRENT</b>					(₹ in Lakh)
<b>(Unsecured and Considered Good)</b>					As at
		<b>As at</b>			<b>31st March, 2021</b>
		<b>31st March, 2022</b>			
Loan Given (Refer Note no. 28)		-			10 00.00
<b>Total</b>		<b>-</b>			<b>10 00.00</b>
<b>3 OTHER NON-CURRENT ASSETS</b>					(₹ in Lakh)
<b>(Unsecured and Considered Good)</b>					As at
		<b>As at</b>			<b>31st March, 2021</b>
		<b>31st March, 2022</b>			
Advance Income Tax (Net of Provision)		7 44.00			15 67.01
Other Non-Current Assets*		4 99.77			2 01.30
*Includes Deposit with Government Authorities					
<b>Total</b>		<b>12 43.77</b>			<b>17 68.31</b>
<b>3.1 Advance Income Tax (Net of Provision)</b>					(₹ in Lakh)
		<b>As at</b>			<b>As at</b>
		<b>31st March, 2022</b>			<b>31st March, 2021</b>
At start of year		15 67.01			32 85.78
Tax paid (Net) during the year		(8 23.01)			(17 18.77)
<b>At end of year</b>		<b>7 44.00</b>			<b>15 67.01</b>
<b>4 INVESTMENTS - CURRENT</b>					(₹ in Lakh)
		<b>As at</b>			<b>As at</b>
		<b>31st March, 2022</b>			<b>31st March, 2021</b>
		<b>Units</b>	<b>Amount</b>		<b>Units</b> <b>Amount</b>
<b>Investments measured at Fair Value Through Profit or Loss (FVTPL)</b>					
<b>In Mutual Funds - Unquoted</b>					
Aditya Birla Sun Life Liquid Fund (formerly known as Aditya Birla Sun Life Cash Plus) - Growth - Regular	2,797,107	95 22.38		3,821,541	125 84.68
Aditya Birla Sun Life Corporate Bond Fund - Growth - Direct	3,353,957	30 58.99		-	-
<b>Total Investments - Current</b>		<b>125 81.37</b>			<b>125 84.68</b>
Aggregate amount of Unquoted Investments		125 81.37			125 84.68



**Football Sports Development Limited****Notes to the Financial Statements for the year ended 31st March, 2022**

<b>5 TRADE RECEIVABLES</b>	As at <b>31st March, 2022</b>	As at <b>31st March, 2021</b>
		(₹ in Lakh)
Receivables - considered good - Unsecured	193 27.54	187 16.35
Receivables - credit impaired	-	-
	<u>193 27.54</u>	<u>187 16.35</u>
Less : Allowances for Credit losses	-	-
<b>Total</b>	<u><u>193 27.54</u></u>	<u><u>187 16.35</u></u>

**5.1 Trade Receivable ageing schedule as at 31st March, 2022**

Particulars	Outstanding from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	
Undisputed Trade receivables – considered good	184 48.06	7 91.82	25.66	48.56	-	193 14.10
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Subtotal</b>	<b>184 48.06</b>	<b>7 91.82</b>	<b>25.66</b>	<b>48.56</b>	<b>-</b>	<b>193 14.10</b>

**5.1 Trade Receivable ageing schedule as at 31st March, 2021**

Particulars	Outstanding from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	
Undisputed Trade receivables – considered good	156 54.34	-	30 61.86	-	-	187 16.20
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Subtotal</b>	<b>156 54.34</b>	<b>-</b>	<b>30 61.86</b>	<b>-</b>	<b>-</b>	<b>187 16.20</b>

<b>6 CASH AND CASH EQUIVALENTS</b>	As at <b>31st March, 2022</b>	As at <b>31st March, 2021</b>
		(₹ in Lakh)
<b>Bank Balances:</b>		
In Current Accounts	12 32.29	3 65.26
<b>Cash and Cash equivalent as per Balance Sheet</b>	<u>12 32.29</u>	<u>3 65.26</u>
<b>Cash and Cash equivalent as per Cash flow Statement</b>	<u>12 32.29</u>	<u>3 65.26</u>

<b>7 OTHER FINANCIAL ASSET - CURRENT</b>	As at <b>31st March, 2022</b>	As at <b>31st March, 2021</b>
		(₹ in Lakh)
Interest Accrued on Loan given (Refer Note no. 28)	-	1 60.38
<b>Total</b>	<u>-</u>	<u>160.38</u>

<b>8 OTHER CURRENT ASSETS (Unsecured and Considered Good)</b>	As at <b>31st March, 2022</b>	As at <b>31st March, 2021</b>
		(₹ in Lakh)
Balance with Government/ Statutory authorities	65 22.41	64 45.47
Security Deposit	35.00	35.00
Others #	2 10.75	4 32.42
<b>Total</b>	<u>67 68.16</u>	<u>69 12.89</u>

# Others include advances to vendors, prepaid expenses and claims receivable.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### 9 SHARE CAPITAL

Authorised Share Capital	As at 31st March, 2022		(₹ in Lakh) As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹ 10 each	3,000,000	3 00.00	3,000,000	3 00.00
<b>Total</b>		<b>3 00.00</b>		<b>3 00.00</b>
<b>Issued, Subscribed and Paid-up</b>				
Equity Shares of ₹ 10 each fully paid up	2,285,711	2 28.57	2,285,711	2 28.57
<b>Total</b>		<b>2 28.57</b>		<b>2 28.57</b>

#### 9.1 The details of Shareholders holding more than 5% shares :

Name of the Shareholders	As at 31st March, 2022		31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
Reliance Industries Limited	1,080,141	47.26	1,080,141	47.26
RISE Worldwide Limited	405,570	17.74	405,570	17.74
Asianet Star Communications Private Limited	571,429	25.00	571,429	25.00
Star India Private Limited	228,571	10.00	228,571	10.00

#### 9.2 Shareholding of Promoter

##### As at 31st March, 2022

Class of Equity Share	Name of Promoter	No of shares at the beginning of year	% of total shares	No. of share at the end of the year	% change during the year
Equity Shares of ₹ 10 each fully paid up	Reliance Industries Limited	1,080,141	47.26	1,080,141	-
	RISE Worldwide Limited	405,570	17.74	405,570	-
	Asianet Star Communications Private Limited	571,429	25.00	571,429	-
	Star India Private Limited	228,571	10.00	228,571	-

#### 9.3 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2022	As at 31st March, 2021
	No. of shares	No. of shares
Equity Shares at the beginning of the year	2,285,711	2,285,711
Add: Equity Shares issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>2,285,711</b>	<b>2,285,711</b>

#### 9.4 Rights, Preferences and Restrictions attached to Equity Shares :

The Company has one class of Equity Shares having a par value of ₹ 10 per share. Each equity shareholder is entitled to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion to their shareholding.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

10 OTHER EQUITY	As at <u>31st March, 2022</u>	(₹ in Lakh) As at <u>31st March, 2021</u>
<b>Securities Premium</b>		
As per Last Balance Sheet	607 42.98	607 42.98
Add: On issue of Shares	-	-
	<u>607 42.98</u>	<u>607 42.98</u>
<b>Retained Earnings</b>		
As per Last Balance Sheet	(394 80.06)	(381 10.12)
Add: Profit/ (Loss) for the Year	(46 30.02)	(13 69.94)
	<u>(441 10.08)</u>	<u>(394 80.06)</u>
<b>Other Comprehensive Income</b>		
As per Last Balance Sheet	( 2.21)	( 3.98)
Transferred from statement of Profit & Loss	( 1.63)	1.77
	<u>( 3.84)</u>	<u>( 2.21)</u>
<b>Total</b>	<u><u>166 29.06</u></u>	<u><u>212 60.71</u></u>

11 PROVISIONS - NON-CURRENT	As at <u>31st March, 2022</u>	(₹ in Lakh) As at <u>31st March, 2021</u>
Provision for Employee Benefits (Refer Note no. 17.1)	56.26	39.58
<b>Total</b>	<u><u>56.26</u></u>	<u><u>39.58</u></u>

12 TRADE PAYABLES DUE TO	As at <u>31st March, 2022</u>	(₹ in Lakh) As at <u>31st March, 2021</u>
Micro and Small Enterprises	-	-
Other than Micro and Small Enterprises	249 77.69	213 19.57
<b>Total</b>	<u><u>249 77.69</u></u>	<u><u>213 19.57</u></u>

12.1 There are no overdue amounts to Micro and Small Enterprises as at March 31, 2022 for which disclosure requirements under Micro and Small Enterprises Development Act, 2006 are applicable.

#### 12.2 Trade Payable ageing as at 31st March, 2022

Particulars	Outstanding from due date of payment				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
MSME	-	-	-	-	-
Others	155 41.88	0.37	-	-	155 42.25
Disputed-MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
<b>Subtotal</b>	<b>155 41.88</b>	<b>0.37</b>	<b>-</b>	<b>-</b>	<b>155 42.25</b>

#### 12.3 Trade Payable ageing as at 31st March, 2021

Particulars	Outstanding from due date of payment				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
MSME	-	-	-	-	-
Others	154 21.67	23.87	-	-	154 45.54
Disputed-MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
<b>Subtotal</b>	<b>154 21.67</b>	<b>23.87</b>	<b>-</b>	<b>-</b>	<b>154 45.54</b>

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

13 OTHER CURRENT LIABILITIES	As at <u>31st March, 2022</u>	(₹ in Lakh) As at <u>31st March, 2021</u>
Other Payables #	10 62.72	9 34.22
<b>Total</b>	<b>10 62.72</b>	<b>9 34.22</b>
# Mainly includes statutory dues.		
14 PROVISIONS - CURRENT	As at <u>31st March, 2022</u>	(₹ in Lakh) As at <u>31st March, 2021</u>
Provision for Employee Benefits (Refer Note no. 17.1)	1.21	0.89
<b>Total</b>	<b>1.21</b>	<b>0.89</b>
15 REVENUE FROM OPERATIONS	<u>2021-22</u>	(₹ in Lakh) <u>2020-21</u>
Income from Sponsorship	-	1 79.12
Income from Event Management	253 59.78	227 81.36
Income from Participation	136 01.78	135 90.78
<b>Total^^</b>	<b>389 61.56</b>	<b>365 51.26</b>
^^ Net of GST		
16 OTHER INCOME	<u>2021-22</u>	(₹ in Lakh) <u>2020-21</u>
<b>Interest Income</b>		
Interest on Income Tax Refund	89.49	2 03.18
Interest on Loan	-	1 37.67
<b>Gain on Financial Assets measured at FVTPL</b>		
Realised Gain	2 62.38	2 28.96
Unrealised Gain	35.96	29.50
<b>Insurance Claim Received</b>	1.54	-
<b>Other Non-Operating Income</b>	26.65	42.40
<b>Total</b>	<b>4 16.02</b>	<b>6 41.71</b>
Above other income comprises of income on assets measured at cost ₹ 91.03 Lakh (Previous year ₹ 3 40.85), Fair value through profit or loss ₹ 2 98.34 Lakh (Previous year ₹2 58.46 Lakh) and Other Non-Operating income ₹ 26.65 Lakh (Previous year ₹ 42.40 Lakh).		
17 EMPLOYEE BENEFITS EXPENSE	<u>2021-22</u>	(₹ in Lakh) <u>2020-21</u>
Salaries and Wages	10 56.60	8 56.65
Contribution to Provident Fund and Other Funds	44.80	51.24
Staff Welfare Expenses	10.86	10.40
<b>Total</b>	<b>11 12.26</b>	<b>9 18.29</b>

**Football Sports Development Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2022**

17.1 As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

Particulars	(₹ in Lakh)	
	2021-22	2020-21
Employer's Contribution to Provident Fund	33.67	39.56
Employer's Contribution to Pension Scheme	1.32	1.70

**Defined Benefit Plan**

**I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation**

	(₹ in Lakh)	
	Gratuity (Unfunded)	
	2021-22	2020-21
Defined Benefit Obligation at beginning of the year	23.24	16.84
Current Service Cost	6.54	7.03
Past Service Cost	-	-
Interest Cost	1.62	1.14
Re-Measurement (Actuarial) (gain)/loss	1.63	(1.77)
Benefits Paid	-	-
Defined Benefit Obligation at year end	33.03	23.24

**II. Reconciliation of Fair Value of Assets and Obligations**

	(₹ in Lakh)	
	Gratuity (Unfunded)	
	2021-22	2020-21
Fair Value of Plan Assets	-	-
Present Value of Obligation	33.03	23.24
<b>Amount recognised in Balance Sheet</b>	<b>33.03</b>	<b>23.24</b>

**III. Expenses recognised during the year**

	(₹ in Lakh)	
	Gratuity (Unfunded)	
	2021-22	2020-21
<b>In Income Statement</b>		
Current Service Cost	6.54	7.03
Past Service Cost	-	-
Interest Cost on Benefit Obligation	1.62	1.14
<b>Net Cost</b>	<b>8.16</b>	<b>8.17</b>
<b>In Other Comprehensive Income</b>		
Actuarial (Gain)/ Loss	1.63	(1.77)
<b>Net (Income)/ Expense for the year recognised in OCI</b>	<b>1.63</b>	<b>(1.77)</b>

**IV. Actuarial Assumptions**

Mortality Table (IALM)	Gratuity (Unfunded)	
	2021-22 2012-14 (Ultimate)	Gratuity (Unfunded) 2020-21 2012-14 (Ultimate)
Discount Rate (per annum)	7.09%	6.95%
Rate of Escalation in Salary (per annum)	6.00%	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

**V. Sensitivity Analysis**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	(₹ in Lakh)			
	31st March, 2022		31st March, 2021	
	Decrease	Increase	Decrease	Increase
Delta Effect of (-/+) 0.5% Change in Rate of Discounting	2.17	(2.00)	1.70	(1.55)
Delta Effect of (-/+) 0.5% Change in Rate of Salary Increase	(2.03)	2.18	(1.58)	1.71
Delta Effect of (-/+) 0.5% Change in Rate of Employee Turnover	(0.10)	0.09	(0.01)	0.01

These plans typically expose the Company to actuarial risks such as: Interest Risk, Longevity Risk and Salary Risk.

**Interest risk** : A decrease in the bond interest rate will increase the plan liability.

**Longevity risk**: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk**: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**Football Sports Development Limited****Notes to the Financial Statements for the year ended 31st March, 2022****18 OTHER EXPENSES**

(₹ in Lakh)

	<u>2021-22</u>	<u>2020-21</u>	
<b>Operational Expense</b>			
Event Management Expenses	75 01.25	69 28.14	
Advertisement & Promotional Expenses	22 39.12	20 00.67	
Fees for Commercial Rights	42 00.00	42 00.00	
Prize Money	15 98.05	15 93.50	
Players, Commentators & other professional fees	22 85.74	12 39.58	
Stadium Costs	10 17.16	11 12.07	
Operational Assistance Services	1 13.85	2 65.20	
Travelling Expenses	41 70.71	25 06.65	
Central Rights Distribution	<u>179 95.48</u>	<u>171 29.05</u>	369 74.86
<b>Establishment Expense</b>			
Insurance	32.75	20.70	
Rates & Taxes	70.33	1 23.94	
General Expenses	11 81.33	32.08	
Payment to Auditors	9.40	7.33	
Loss on Discarded Assets	0.03	-	
Exchange Differences (Net)	<u>(0.07)</u>	<u>7.59</u>	1 91.64
<b>Total</b>	<u><u>424 15.13</u></u>	<u><u>371 66.50</u></u>	

**18.1 Payment to Auditors as:**

(₹ in Lakh)

	<u>2021-22</u>	<u>2020-21</u>
(a) Statutory Audit Fees	9.00	7.00
(b) Tax Audit Fees	0.40	0.33
<b>Total</b>	<u><u>9.40</u></u>	<u><u>7.33</u></u>

**Football Sports Development Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2022**

19 TAXATION	(₹ in Lakh)	
	As at	As at
	<u>31st March, 2022</u>	<u>31st March, 2021</u>
<b>a) Income Tax recognised in Statement of Profit and Loss</b>		
Current Tax	-	-
Deferred Tax	-	-
<b>Total Income Tax expenses recognised in the current year</b>	<u>-</u>	<u>-</u>
		(₹ in Lakh)
<b>The Income Tax expenses for the year can be reconciled to the accounting profit as follows</b>		
	As at	As at
	<u>31st March, 2022</u>	<u>31st March, 2021</u>
Profit before tax	(46 30.02)	(13 69.94)
Applicable Tax Rate	25.168%	25.168%
Computed Tax Expense	(11 65.28)	(3 44.79)
<b>Tax Effect of :</b>		
Expenses Disallowed	83.61	67.93
Carried forward losses	<u>10 81.67</u>	<u>2 76.86</u>
<b>Current Tax</b>	<u>-</u>	<u>-</u>
<b>20 EARNINGS PER SHARE (EPS)</b>		(₹ in Lakh)
	<u>2021-22</u>	<u>2020-21</u>
i) Face Value per Equity Share (₹)	10.00	10.00
ii) Basic and Diluted Earnings/ (Loss) per Share (₹)	(2 02.56)	( 59.94)
iii) Net Profit/(loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakh )	(46 30.02)	(13 69.94)
iv) Weighted Average number of Equity Shares used as denominator for calculating Basic and Diluted EPS	2,285,711	2,285,711
<b>Reconciliation of Weighted Average number of Shares outstanding</b>		
Weighted Average number of Equity Shares outstanding during the year	2,285,711	2,285,711
Weighted Average Potential Equity Shares	-	-
Weighted Average number of Equity Shares used as denominator for calculating Basic and Diluted EPS	2,285,711	2,285,711
<b>21 RECOGNISED DEFERRED TAX (ASSETS)/ DEFERRED TAX LIABILITIES</b>		(₹ in Lakh)
Particular	As at	As at
	<u>31st March, 2022</u>	<u>31st March, 2021</u>
<b>Deferred Tax Liability</b>		
Property, Plant and Equipment	3 27.48	4 06.41
Financial Assets and Others	9.05	7.42
<b>Deferred Tax Asset</b>		
Provisions	( 14.46)	( 10.18)
Unused tax losses	<u>(3 22.06)</u>	<u>(4 03.65)</u>
<b>At the end of the year</b>	<u>-</u>	<u>-</u>
<b>21.1 Unrecognised Deferred Tax Asset (Net)</b>		
	As at	As at
	<u>31st March, 2022</u>	<u>31st March, 2021</u>
<b>Deferred tax Assets (Net)</b>	(93 36.73)	(96 44.99)
In the absence of reasonable certainty that sufficient taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax losses can be utilised, the Company has not recognized the deferred tax assets (net). The same shall be reassessed at subsequent balance sheet date.		
<b>21.2 Components of Deferred Tax (Asset)/ Liabilities (Net)</b>		
Particular	As at	As at
	<u>31st March, 2022</u>	<u>31st March, 2021</u>
Unused tax losses#	<u>(93 36.73)</u>	<u>(96 44.99)</u>
<b>At the end of the year</b>	<u>(93 36.73)</u>	<u>(96 44.99)</u>

# Unused tax losses of ₹ 383 24 Lakhs (Previous Year ₹ 399 26 lakhs) having expiry from FY 2022-23 to FY 2030-31.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### 22 RELATED PARTY DISCLOSURES

As per Indian Accounting Standards 24, the disclosures of transactions with the related parties are given below :

#### (i) List of related parties with whom transactions have taken place and relationships:

Sr no.	Name of the related party	Relationship
1	RISE Worldwide Limited	Joint Venture Partner
2	Asianet Star Communications Private Limited	
3	Star India Private Limited	
4	Reliance Industries Limited	
5	Novi Digital Entertainment Private Limited	Fellow Subsidiary of Joint Venture Partner
6	Reliance Corporate IT Park Limited	Fellow Subsidiary of Joint Venture Partner
7	Reliance Jio Infocomm Limited	Fellow Subsidiary of Joint Venture Partner
8	Jio Platforms Limited	Fellow Subsidiary of Joint Venture Partner
9	Reliance Projects & Property Management Services	Fellow Subsidiary of Joint Venture Partner
10	Reliance Retail Limited	Fellow Subsidiary of Joint Venture Partner
11	Tresara Health Private Limited	Fellow Subsidiary of Joint Venture Partner
12	Bigtree Entertainment Private Limited	Associate of Joint Venture Partner
13	Marks and Spencer Reliance India Private Limited	JV of Joint Venture Partner
14	Siddharth A Shah (upto 14th July, 2021) (Company Secretary)	Key Managerial Personnel
15	Martin Bain (upto 14th October, 2021) (Chief Executive Officer)	
16	Jitendra Gaonkar (w.e.f 21st April, 2020) (Chief Financial Officer)	
17	Sushil Jain (upto 15th April, 2020)	

#### (ii) Transactions during the year with related parties:

(₹ in Lakh)

Sr no. (excluding reimbursements)	Nature of Transactions	Joint Venture Partner	Associate/ JV of Joint Venture Partner	Fellow Subsidiary of Joint Venture Partner	Key Managerial Personnel	Total
1	Purchase of Property, Plant & Equipment	-	-	6.95	-	6.95
		-	-	-	-	-
2	Event Management expenses	27 93.48	1.59	3.85	-	27 98.92
		24 09.03	2.10	4.39	-	24 15.52
3	Professional Fees Paid	0.84	33.24	0.68	-	34.76
		3.21	19.07	-	-	22.28
4	Travelling Expenses	-	-	3.82	-	3.82
		-	-	1 07.30	-	1 07.30
5	Other Expenses	-	-	3.42	-	3.42
		30.13	-	3.78	-	33.91
6	Operational Assistance Services	1 13.85	-	-	-	1 13.85
		2 65.20	-	-	-	2 65.20
7	Income from Services	132 01.00	-	110 00.00	-	242 01.00
		120 00.00	-	100 00.00	-	220 00.00
8	Payment to Key Managerial Personnel	-	-	-	4 90.43	4 90.43
		-	-	-	4 51.50	4 51.50

#### Balance as at 31st March, 2022

(₹ in Lakh)

Sr no.	Nature of Transactions	Joint Venture Partner	Associate/ JV of Joint Venture Partner	Fellow Subsidiary of Joint Venture Partner	Key Managerial Personnel	Total
1	Equity Share Capital	2 28.57	-	-	-	2 28.57
		2 28.57	-	-	-	2 28.57
2	Trade Receivables	23 36.40	10.02	9 73.50	-	33 19.92
		32 03.91	-	1 72.50	-	33 76.41
3	Trade Payables	17 04.88	11.03	-	-	17 15.91
		1 02.80	23.31	1.76	-	1 27.87

Figures in *italics* represents previous year's amount.



**Football Sports Development Limited****Notes to the Financial Statements for the year ended 31st March, 2022****(iii) Disclosure in respect of Major Related Party Transactions during the year :**

(₹ in Lakh)

Sr no.	Particulars	Relationship	2021-22	2020-21
<b>1</b>	<b>Event Management expenses</b>			
	RISE Worldwide Limited	Joint Venture Partner	<b>27 93.48</b>	23 09.03
	Star India Private Limited	Joint Venture Partner	-	1 00.00
	Reliance Retail Limited	Fellow Subsidiary of Joint Venture	<b>0.31</b>	2.36
	Tresara Health Private Limited	Fellow Subsidiary of Joint Venture	<b>3.54</b>	2.03
	Marks and Spencer Reliance India Private Limited	JV of Joint Venture Partner	<b>1.59</b>	2.10
<b>2</b>	<b>Purchase of Property, Plant &amp; Equipment</b>			
	Reliance Retail Limited	Fellow Subsidiary of Joint Venture	<b>6.95</b>	-
<b>3</b>	<b>Operational Assistance Services</b>			
	RISE Worldwide Limited	Joint Venture Partner	<b>1 13.85</b>	2 65.20
<b>4</b>	<b>Income from Services</b>			
	Star India Private Limited	Joint Venture Partner	<b>132 01.00</b>	120 00.00
	Jio Platforms Limited	Fellow Subsidiary of Joint Venture	<b>33 00.00</b>	30 00.00
	Reliance Projects & Property Management Services	Fellow Subsidiary of Joint Venture	<b>22 00.00</b>	20 00.00
	Novi Digital Entertainment Private Limited	Fellow Subsidiary of Joint Venture	<b>55 00.00</b>	50 00.00
<b>5</b>	<b>Professional Fees Paid</b>			
	Reliance Industries Limited	Joint Venture Partner	<b>0.84</b>	3.21
	Reliance Corporate IT Park Limited	Fellow Subsidiary of Joint Venture	<b>0.68</b>	-
	Bigtree Entertainment Private Limited	Associate of Joint Venture Partner	<b>33.24</b>	19.07
<b>6</b>	<b>Other Expenses<sup>^</sup></b>			
	Reliance Jio Infocomm Limited	Fellow Subsidiary of Joint Venture	<b>3.42</b>	3.78
	Reliance Industries Limited	Joint Venture Partner	-	30.13
<b>7</b>	<b>Travelling Expenses</b>			
	Reliance Corporate IT Park Limited	Fellow Subsidiary of Joint Venture	-	7.98
	Reliance Projects & Property Management Services	Fellow Subsidiary of Joint Venture	<b>3.82</b>	99.32
<b>8</b>	<b>Payment to Key Managerial Personnel</b>			
	Siddharth A Shah*	Key Managerial Personnel	<b>13.56</b>	31.36
	Martin Bain (upto 14th October, 2021)	Key Managerial Personnel	<b>4 48.42</b>	3 93.81
	Jitendra Gaonkar (from 21st April, 2020)	Key Managerial Personnel	<b>28.45</b>	23.56
	Sushil Jain* (upto 15th April, 2020)	Key Managerial Personnel	-	2.77

<sup>^</sup> Does not include Sitting Fees of Non- Executive Director of ₹2.4 Lakhs

\* Reimbursement to Investing Company of Joint Venture Partner towards remuneration.

**23 CONTINGENT LIABILITIES AND COMMITMENTS**

(₹ in Lakh)

Contingent Liabilities	2021-22	2020-21
1) Claim against the Company /disputed liability not acknowledged as debt #	<b>117 96.64</b>	53 68.21

# The claims and exposures relate to: i. Assessable value of Sales and/or Purchase by Maharashtra Value Added Tax, 2002. ii. Inadmissible CENVAT credit on account of Exempt Income. The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

**24 CAPITAL MANAGEMENT**

The Company adheres to a Disciplined Capital Management framework, the pillars of which are as follows :

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimise liquidity risk.
- Proactively manage exposure in forex and interest to mitigate risk to earnings.
- The capital structure of the Company consists of equity share capital and accumulated reserves. The Company is not subject to any externally imposed capital requirements. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. As on reporting date, the Company does not have any external borrowings. This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions, and interest rates environment.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### 25 FINANCIAL INSTRUMENTS

Fair value measurement hierarchy:

Particulars	(₹ in Lakh)			
	As at 31st March, 2022		31st March, 2021	
	Carrying amount	Level of Input used in	Carrying amount	Level of Input used in
		Level 1		Level 1
<b>Financial Assets</b>				
<b>At Amortised Cost</b>				
Trade Receivables*	193 27.54	-	187 16.35	-
Cash and Cash Equivalents*	12 32.29	-	3 65.26	-
Loans and Advances*	-	-	10 00.00	-
Other Financial Asset*	-	-	1 60.38	-
<b>At FVTPL</b>				
Investments	125 81.37	125 81.37	125 84.68	125 84.68
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
Trade Payables*	249 77.69	-	213 19.57	-

\*The Fair value of these items is unlikely to be different from the carrying amount considering short-term nature of these items

The financial instruments are categorized into levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;

#### Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in Mutual Funds is measured at NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

#### B. Financial Risk Management:

The Company's activities expose it to Foreign currency risk, Liquidity risk and Credit risk.

##### Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposures in USD, EUR and GBP on financial instruments at the end of the reporting period.

	(₹ in Lakh)					
	As at 31st March, 2022			31st March, 2021		
	USD	Eur	GBP	USD	Eur	GBP
Trade Payables	-	-	-	(40.85)	-	-
Trade & other Receivables	5 33.68	87.42	-	72.78	-	-
Net Exposure	5 33.68	87.42	-	31.93	-	-

Sensitivity analysis of 1% change in exchange rate at the end of reporting period

	(₹ in Lakh)					
	As at 31st March, 2022			31st March, 2021		
	USD	Eur	GBP	USD	Eur	GBP
<b>1% Depreciation in INR</b>						
Impact on P&L	(5.34)	(0.87)	-	(0.32)	-	-
<b>1% Appreciation in INR</b>						
Impact on P&L	5.34	0.87	-	0.32	-	-

#### Liquidity Risk

Liquidity risk is the risk that arises from the Company's inability to meet its cash flow commitments on the due date. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Company effectively manages its cash and cash equivalents through a diversified investment portfolio which has an appropriate mix of steady accrual and tax efficient with lower reinvestment risk.

#### Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the Company. Credit risk arises from company's activities in investments, dealing in derivatives and receivables from customers.

The company ensures that sales of services are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit Risk is actively managed through Letter of Credit, Bank Guarantees, advance payments and factoring & forfaiting without recourse to the Company. The Company restricts its fixed income investments in liquid securities carrying high credit rating.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

#### 26 Ratio Analysis

Sr No	Particulars	Numerator	Denominator	FY21-22	FY20-21	% Change
1	Current Ratio	Current Assets	Current Liabilities	1.53	1.74	-12%
2	Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.83	2.18	-16%
3	Net profit ratio #	Net Profit	Revenue from operation including GST	-10%	-3%	-217%
4	Return on investment	Finance Income	Average Cash, Cash Equivalent & Other Marketable Securities	2.23%	2.46%	-9%
5	Return on Equity Ratio #	Net Profits after taxes	Average Shareholder's Equity	-24%	-6%	-291%
6	Trade Receivables turnover ratio	Revenue from operation including GST	Average Trade Receivable	2.05	2.19	-7%
7	Net capital turnover ratio	Revenue from operation including GST	Average Working capital = Current assets – Current liabilities	3.03	2.65	14%
8	Return on Capital employed #	Earning before interest and taxes	Average Capital Employed	-80%	-12%	-580%

# Return on Capital Employed, Return on Equity and Net Profit Ratio has decreased due to increased losses in FY 21-22.

Debt service coverage ratio and Debt-Equity Ratio are not applicable as there is no debt.

Inventory turnover ratio is not applicable as there is no inventory.

27 The Company is mainly engaged in the business of 'Sports and Entertainment'. Accordingly, the Company has single reportable segment under Indian Accounting Standards 108 "Operating Segments".CODM reviews the performance of the company as a whole.

#### 28 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013

Details of Loans given during the Financial Year 2021-22 (also Refer Note no. 2)

Sr. No	Name of Entity	Opening Balance as at April 1, 2021	Closing balance as at March 31, 2022	Purpose for which the loan is proposed to be utilised by the recipient
		(₹ in Lakh)	(₹ in Lakh)	
1	Mohun Bagan Football Club Private Limited	10 00.00	**	Business

Loans and advances does not include interest receivable of ₹1 91.20 lakhs(previous year ₹1 60.38 lakhs) \*\*

\*\* Waived off before the due date of repayment.

Further, there are no Investments made or Corporate Guarantees given by the Company as at 31st March, 2022 covered u/s 186(4) of the Companies Act, 2013.

29 The Income Tax Assessments of the Company have been completed up to Assessment Year 2018-19. There is no outstanding demand as on date.

30 The figures for the corresponding previous year have been regrouped/ reclassified wherever necessary, to make them comparable.

## Football Sports Development Limited

### Notes to the Financial Statements for the year ended 31st March, 2022

**31** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any

#### **32 Other Statutory Information**

(i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off Companies.

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

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

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

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

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

(iv ) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961

#### **33 APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved for issue by the board of directors on 18th April, 2022.

As per our Report of even date  
**For SRBC & Co LLP**  
 Chartered Accountants  
 (Registration No. 324982E / E300003)

For and on behalf of the board  
**Nita M. Ambani** Chairperson

**B Srinivasan**  
**Madhavan Kunniyur** } Directors  
**Sanjog Gupta**

**Vishal Bansal**  
 Partner  
 Membership No. 097546  
 Date: 18th April, 2022

**Jitendra Gaonkar** Chief Financial Officer