

IndiaCast UK Limited

**Financial Statements
2022-23**

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Indiacast UK Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of M/s Indiacast UK Limited ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, Statement of changes in equity and Statement of cash flows 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 standalone financial statements give the information required by 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, 2023, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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.

Restrictions on Use and Distribution

This report is intended solely for the information and use of the Company, IndiaCast Media Distribution Private Limited and Deloitte Haskins & Sells in connection with the audit of the consolidated financial information of IndiaCast Media Distribution Private Limited and should not be used for any other purpose or by any other party without obtaining our prior consent in writing.

For and on behalf of
SANDIP SHAH & CO.
Chartered Accountants
Firm Reg. No.: 133680W

Sandip Shah
Proprietor
Membership No.: 103125
UDIN: 23103125BGWBTT7703

Place: Mumbai
Date: April 11, 2023

IndiaCast UK Limited
Standalone Balance Sheet as at 31st March, 2023

		(₹ in lakh)	
	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	2.58	3.89
Financials assets			
Other Financial Assets	4	7.11	6.96
Total Non-current assets		9.69	10.85
Current Assets			
Financial assets			
Trade receivables	5	3,052.37	2,780.33
Cash and Cash equivalents	6	651.44	806.82
Other financial assets	7	1,984.57	698.22
Other current assets	8	6.13	142.20
Total current assets		5,694.51	4,427.57
Total Assets		5,704.20	4,438.42
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	9	48.65	48.65
Other Equity	10	1,355.23	1,187.75
Total Equity		1,403.88	1,236.40
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities(Net)	11	0.22	0.71
Total Non-current liabilities		0.22	0.71
Current Liabilities			
Financial Liabilities			
Trade payables due to:			
Micro Enterprises and Small Enterprises	12	-	-
Other than Micro Enterprises and Small Enterprises	12	3,810.65	2,644.18
Other current liabilities	13	442.62	503.91
Provisions	14	46.83	53.23
Total Current Liabilities		4,300.10	3,201.32
Total Liabilities		4,300.32	3,202.03
Total Equity and Liabilities		5,704.20	4,438.43
Significant Accounting Policies	2		
See accompanying notes forming part of the financial statements	1 to 33		

IndiaCast UK Limited
Standalone Balance Sheet as at 31st March, 2023

In terms of our report attached

For and on behalf of

Sandip Shah & Co

Chartered Accountants

Firm Reg. No 133680W

For and on behalf of the Board of Directors

Sandip Shah

Proprietor

Membership No. 103125

Govind Shahi

Director

Place : Mumbai

Date : 11th April 2023

Place: London

Date : 11th April 2023

IndiaCast UK Limited
Standalone Statement of Profit and Loss for the year ended 31st March, 2023

		(₹ in lakh)	
	Notes	2022-23	2021-22
Income			
Revenue from operations	15	9,855.14	8,518.54
Other income	16	20.91	25.73
Total income		9,876.05	8,544.27
Expenses			
License fees		6,654.40	5,005.14
Employee benefits expense	17	568.20	704.85
Depreciation and amortisation expense	3	2.02	1.89
Other expenses	18	2,474.01	2,563.52
Total Expenses		9,698.63	8,275.40
Profit before tax		177.42	268.87
Tax expense			
Current tax expense	20	43.90	62.34
Deferred tax		(0.49)	0.41
Net tax expense		43.41	62.75
Profit after tax for the period		134.01	206.12
Other Comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		33.47	(17.41)
Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive income(Net of tax)		33.47	(17.41)
Total Comprehensive Income for the period		167.48	188.71
Earnings per Equity Share of Face Value of ₹ 1 each			
Basic	23 (₹)	223.35	343.53
Diluted	(₹)	223.35	343.53
Significant Accounting Policies	2		
See accompanying notes forming part of the financial statements	1 to 33		

IndiaCast UK Limited
Standalone Statement of Profit and Loss for the year ended 31st March, 2023

In terms of our report attached

For and on behalf of

Sandip Shah & Co

Chartered Accountants

Firm Reg. No 133680W

For and on behalf of the Board of Directors

Sandip Shah

Proprietor

Membership No. 103125

Govind Shahi

Director

Place : Mumbai

Date : 11th April 2023

Place: London

Date : 11th April 2023

IndiaCast UK Limited
Standalone Statement of changes in Equity for the year ended 31st March, 2023

A. SHARE CAPITAL

(₹ in lakh)

	Balance as at beginning of 1st April, 2021	Change during the year 2021-22	Balance as at the end of 31st March, 2022	Change during the year 2022-23	Balance as at the end of 31st March, 2023
Equity Share Capital	48.65	-	48.65	-	48.65

B. OTHER EQUITY

(₹ in lakh)

	Reserves and Surplus			Exchange differences on translating the financial statements of foreign operations	Total
	Capital reserve	Securities premium reserve	Retained earnings		
Balance as at 1 April, 2021	-	-	905.05	93.99	999.04
Total Comprehensive income for the Year	-	-	206.12	(17.41)	188.71
Balance as at 31 March, 2022	-	-	1,111.17	76.58	1,187.75
Balance as at beginning 1st April, 2022			1,111.17	76.58	1,187.75
Total Comprehensive income for the Year	-	-	134.01	33.47	167.48
Balance as at 31st March, 2023	-	-	1,245.18	110.05	1,355.23

IndiaCast UK Limited
Standalone Statement of changes in Equity for the year ended 31st March, 2023

In terms of our report attached

For and on behalf of

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For and on behalf of the Board of Directors

Sandip Shah

Proprietor

Membership No. 103125

Govind Shahi

Director

Place : Mumbai

Date : 11th April 2023

Place: London

Date : 11th April 2023

IndiaCast UK Limited
Standalone Cash Flow Statement for the year ended 31st March, 2023

	2022-23	2021-22
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	177.42	268.87
Adjusted for :		
Depreciation and amortisation expense	2.02	1.89
Bad and Doubtful Receivables written off	26.69	71.51
(Reversal of) /Provisional for Allowance for Doubtful Receivables	(47.35)	6.11
Liabilities / provisions no longer required written back	(5.77)	-
Net unrealised exchange Loss/ (Gain)	5.14	(100.87)
Operating Profit before working capital changes	158.15	247.51
Adjusted for :		
Changes in Operating assets	(1,427.07)	1,050.83
Changes in Operating liabilities	1,131.07	(714.42)
Cash (used In)/ generated from operations	(137.85)	583.92
Taxes (paid) (Net)	(50.30)	(43.69)
Net cash (used in)/ generated from operating activities	(188.15)	540.23
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Property,Plant and Equipment and other Intangible Assets	(0.71)	(3.89)
Net cash used in investing activities	(0.71)	(3.89)
Net (decrease)/ Increase in cash and cash equivalents	(188.86)	536.34
Opening Balance of Cash and Cash Equivalents	806.82	274.14
Exchange differences on Cash and Cash Equivalents	33.47	(3.66)
Closing Balance of Cash and Cash Equivalents (Refer note 6)	651.43	806.82

IndiaCast UK Limited
Standalone Cash Flow Statement for the year ended 31st March, 2023

In terms of our report attached

For and on behalf of

Sandip Shah & Co

Chartered Accountants

Firm Reg. No 133680W

For and on behalf of the Board of Directors

Sandip Shah

Proprietor

Membership No. 103125

Govind Shahi

Director

Place : Mumbai

Date : 11th April 2023

Place: London

Date : 11th April 2023

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

1 Background

The Company was formed on January 22, 2013 in United Kingdom. It is a 100% subsidiary of Indiacast Media Distribution Private Limited (A Company registered under the laws of India). The Company is engaged in Advertisement Sales and Distribution of Channels of Viacom 18 and other broadcasters in UK & Europe.

2 Significant accounting policies

2.1 STATEMENT OF COMPLIANCE

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

2.2 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on accrual basis under the historical cost convention basis except for certain financial assets and liabilities which are measured at fair value or amortised cost.

The Company's financial statements are prepared in Indian Rupees (₹) and all the values are rounded to the nearest lakh (₹ 00,000) and two decimal places, except when otherwise indicated. GBP (\$) is the functional currency of the Company.

2.3 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) Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost (net of trade discount and rebates) less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, 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.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in schedule II to the Companies Act, 2013 and are as follows:

Asset	Useful Life
Office equipment excluding mobile phones	5 years
Computer hardware	3 years
Furniture & Fixtures	10 years

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

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

d) Intangible assets

Intangible Assets are stated at cost of acquisition (net of trade discount and rebates) less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price and any cost directly attributable for preparing the asset 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.

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

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

A summary of amortisation policies applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Computer software are being amortized over the estimate useful life of 5 years.

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

e) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, cheques in hand, 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) 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. The contract conveys the right to control the use of an identified asset, if it involves the use of 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 recognises the lease payments as an operating expense on a straight-line basis over the lease term.

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

g) Impairment of non-financial 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 asset, 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.

h) Provisions and Contingencies

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.

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.

i) Employee Benefits

Short term employee benefits

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

j) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income or in equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the Balance sheet date. The company's profit, as adjusted for tax purposes is subject to tax as per the USA tax laws.

Deferred Tax

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

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

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

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

k) Foreign currencies transactions and translation

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are translated at the functional currency's closing rates of exchange at the end of the accounting period. Exchange differences on translation/ settlement of all monetary items are recognised in the Statement of Profit and Loss.

l) Revenue recognition

Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer. Under Ind AS 115 the Company needs to evaluate if a format or licence represents a right to access the content (revenue recognised over time) or represents a right to use the content (revenue recognised at a point in time). The Company has determined that most of the formats and licence revenue are satisfied at a point in time due to their being limited ongoing involvement in the end use of the license following its transfer to the customer.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. Revenue is stated exclusive of other taxes. Generally, the credit period varies between 1-120 days from the shipment or delivery of goods or services as the case may be.

Contract Balances

Trade receivables represents the Company's right to an amount of consideration that is unconditional. Revenues in excess of invoicing are considered as contract assets and disclosed as accrued revenue.

Invoicing in excess of revenues are considered as contract liabilities and disclosed as unearned revenues. When a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised and disclosed as advances from customers.

Contract liabilities are recognised as revenue when the Company performs under the contract.

Following are the revenue recognition principles for major streams of business:

(i) Revenue from Operations

- Revenue from the sale of air time (net of trade discount, as applicable) is recognised on telecast of advertisements.
- Revenue from distribution of a satellite channel is recognised upon the right to receive the subscription as per the terms of the respective agreements.
- Revenue from licensing of content is recognised in accordance with the licensing agreement on dispatch of the content.

IndiaCast UK Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2023****m) Financial instruments**

A financial instrument is any contract that gives right to a financial asset of one entity and a financial liability or an equity instrument of another entity.

i. Financial Assets**A. Initial recognition and measurement**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not accounted 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 measured at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The effective interest rate amortisation is included in other income in the Statement of Profit and Loss.

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

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 represents solely payments of principal and interest on the principal amount outstanding.

c) Financial assets measured 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.

For financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets or liability.

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

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 and Loss (FVTPL).

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

- a) 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
- b) 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.

ii. Financial liabilities

A. Initial recognition and Measurement

All financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are subsequently 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.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects 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.

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

2.4 CRITICAL ACCOUNTING JUDGEMENTS 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 future periods.

a) **Depreciation/ amortisation and useful lives of property, plant and equipment and intangible assets**

Property, plant and equipment are depreciated over their estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives 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 lives 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) **Determining the lease term**

The Company determines the lease term as the non cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

c) **Recoverability of trade receivables**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables 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.

d) **Provisions**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability 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.

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

e) Impairment of non- financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

In assessing value in use, the estimated future cash flows covering generally a period of five years 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. Estimated future cash flows involve judgement and estimates relating to revenue growth rates, net profit margin and perpetual growth rates. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used. Based on the impairment assessment as aforesaid, there is no impairment.

f) Impairment of financial assets

The impairment provisions for financial assets depending on their classification are based on assumptions about risk of default, expected cash loss rates, discounting rates applied to these forecasted future cash flows, revenue multiples, EBITDA multiples, recent transactions, independent valuer's report and reorganisation of businesses. 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.

g) Recognition of Deferred Tax Assets

Deferred tax assets 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 assets that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

h) Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 27 of the financial statements.

i) Estimation uncertainty relating to the global health pandemic

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In assessing the recoverability of Company's Financial Assets and Non-Financial Assets, the Company has considered internal and external information. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements and the Company expects to recover the carrying amount of all its assets.

2.5 STANDARDS ISSUED BUT NOT EFFECTIVE

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

- i** Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii** Ind AS 102 – Share-based Payment
- iii** Ind AS 103 – Business Combinations
- iv** Ind AS 107 – Financial Instruments Disclosures
- v** Ind AS 109 – Financial Instruments
- vi** Ind AS 115 – Revenue from Contracts with Customers
- vii** Ind AS 1 – Presentation of Financial Statements
- viii** Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix** Ind AS 12 – Income Taxes
- x** Ind AS 34 - Interim Financial Reporting

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

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

3. Property, Plant and Equipment

(₹ in lakh)

Description	Gross Block			Depreciation/ Amortisation				Net Block		
	As at 1st April, 2022	Additions	Deductions/ Adjustments	As at 31st March, 2023	As at 1st April, 2022	For the Period	Deductions/ Adjustments	As at 31st March, 2023	As at 31st March, 2023	As at 31st March 2022
PROPERTY, PLANT AND EQUIPMENT										
Own Assets:										
Office Equipment	1.41	-	-	1.41	1.30	0.10	-	1.40	0.01	0.11
Computer	16.17	0.71	5.15	11.73	12.46	1.87	5.15	9.18	2.55	3.71
Furniture and Fixtures	0.56	-	-	0.56	0.49	0.05	-	0.54	0.02	0.07
Total	18.14	0.71	5.15	13.70	14.25	2.02	5.15	11.12	2.58	3.89
Previous year	14.25	3.89	-	18.14	12.36	1.89	-	14.25	3.89	

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

	(₹ in lakh)	
	As at 31st March, 2023	As at 31st March 2022
4 Other Financial Assets- Non Current		
Unsecured and Considered Good		
Security Deposits	7.11	6.96
Total	7.11	6.96

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

	(₹ in lakh)	
	As at 31st March, 2023	As at 31st March 2022
5 Trade receivables		
(Unsecured)		
Considered Good *	2,435.35	2,132.35
Considered having significant increase in credit risk	808.11	883.45
	3,243.46	3,015.80
Less :Allowance for receivables having significant increase in credit risk	191.09	235.46
Total	3,052.37	2,780.33

* Includes Trade receivables from Related Parties (Refer Note 19)

	(₹ in lakh)	
	As at 31st March, 2023	As at 31st March 2022
5.1 Movement in allowance for receivables having significant increase in credit risk		
At the Beginning of the year	235.46	232.45
Movement during the year*	(44.37)	3.01
At the end of the year	191.09	235.46

* Includes Impact of foreign Currency Transaction

5.2 Trade receivables Aging:

Particulars	Outstanding for following periods from due date of payment *						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed Trade receivables – considered good	1,183.13	1,240.19	12.03	-	-	-	2,435.35
Undisputed Trade Receivables – which have significant increase in credit risk	-	1.94	9.09	0.28	137.18	468.54	617.03
Total	1,183.13	1,242.13	21.12	0.28	137.18	468.54	3,052.38

* Represents Trade Receivables net of allowances

Particulars	Outstanding for following periods from due date of payment *						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed Trade receivables – considered good	197.65	1,929.47	5.24	-	-	-	2,132.35
Undisputed Trade Receivables – which have significant increase in credit risk		13.14	4.85	43.62	586.37	-	647.98
Total	197.65	1,942.61	10.08	43.62	586.37	-	2,780.33

* Represents Trade Receivables net of allowances

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

		(₹ in lakh)	
		As at	As at
		31st March, 2023	31st March 2022
6	Cash and cash equivalents		
	Balances with banks		
	Current Accounts	651.44	806.82
	Total	651.44	806.82

		(₹ in lakh)	
		As at	As at
		31st March, 2023	31st March 2022
7	Other Financial Assets		
	Unsecured and Considered Good		
	Accrued Revenue	1,895.88	698.22
	Recoverable Exp.	88.69	-
	Total	1,984.57	698.22

		(₹ in lakh)	
		As at	As at
		31st March, 2023	31st March 2022
8	Other current assets		
	Unsecured and Considered Good		
	Advances to vendors	-	40.96
	Prepaid expenses	6.13	101.24
	Total	6.13	142.20

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

	As at 31st March, 2023		As at 31st March 2022	
	Number of shares	(₹ in lakh)	Number of shares	(₹ in lakh)
9 Share capital				
Authorised Share Capital				
Equity Shares of £ 1 each	60,000	48.65	60,000	48.65
Issued, Subscribed and Fully paid up:				
Equity Shares of £ 1 each	60,000	48.65	60,000	48.65

9.1 Rights, preferences and restrictions attached to shares:

(i) The Company has only one class of equity shares having a par value of £ 1 per share. Each holder of equity shares is entitled to one vote per shares held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential liabilities, in proportion to their shareholding.

(ii) Details of shares held by holding company and their subsidiaries:

Particulars	As at 31st March, 2023		As at 31st March 2022	
	Number of Shares	(₹ in lakh)	Number of Shares	(₹ in lakh)
Indiacast Media Distribution Pvt Ltd (100%)	60,000	48.65	60,000	48.65

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2023		As at 31st March 2022	
	Number of Shares	(₹ in lakh)	Number of Shares	(₹ in lakh)
a. Equity Shares at the beginning of the period	60,000	48.65	60,000	48.65
b. Shares issued during the period	-	-	-	-
c. Equity Shares at the end of the period	60,000	48.65	60,000	48.65

(iv) Details of shares held by each shareholder holding more than 5% shares :

Particulars	As at 31st March, 2023		As at 31st March 2022	
	Number of Shares	% Holding	Number of Shares	% Holding
Indiacast Media Distribution Pvt Ltd	60,000	100%	60,000	100%

(v) Details of shares held by promoters are as follows :

Promoter Name	As at 31st March, 2023		
	Number of Shares	% of total shares	% change during the year
Indiacast Media Distribution Private Limited	60,000	100%	-
Total	60,000	100%	

Promoter Name	As at 31st March 2022		
	Number of Shares	% of total shares	% change during the year
Indiacast Media Distribution Private Limited	60,000	100%	-
Total	60,000	100%	

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

		(₹ in lakh)	
		As at 31st March, 2023	As at 31st March 2022
10	Other Equity		
	A. Reserves and Surplus		
	i. Retained Earnings		
	As per Last Balance Sheet	1,111.17	905.05
	Add: Profit for the period	134.01	206.12
		1,245.18	1,111.17
	B. Other Comprehensive Income		
	i. Foreign Currency Translation Reserve		
	As per Last Balance Sheet	76.58	93.99
	Add: Movement during the period	33.47	(17.41)
		110.05	76.58
	Total	1,355.23	1,187.75

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

		(₹ in lakh)			
		As at	As at		
		31st March, 2023	31st March 2022		
11	Deferred Tax Liabilities				
	Components of Deferred Tax				
	Deferred Tax Liabilities	0.22		0.71	
	Net Deferred Tax Liabilities	0.22		0.71	
		As at	Charge/ (Credit) to		As at
		31st March 2022	Statement of	Other	31st March, 2023
			Profit and Loss	Comprehensive	
				Income	
11.1	Movement in components of Deferred Tax Assets/ (Liabilities) is as follows:				
	Deferred Tax Liabilities in relation to: *				
	Property, Plant and Equipment & Intangible assets	0.71	(0.49)	-	0.22
	Net Deferred Tax Liability	0.71	(0.49)	-	0.22

* Refer Note 20

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

(₹ in lakh)

	As at	As at
	31st March, 2023	31st March 2022
12 Trade payables due to:		
Micro Enterprises and Small Enterprises	-	-
Other than Micro Enterprises and Small Enterprises *	3,810.65	2,644.18
	3,810.65	2,644.18

* Includes Trade payables to Related Parties (Refer Note 19)

12.1 There are no overdues to Micro Enterprises, Small Enterprises and Medium Enterprises as at 31st March, 2023 and 31st March, 2022.

(₹ in lakh)

12.2 Trade payables Aging: As at
31st March, 2023

Particulars	Outstanding for following periods from the due date of payment					Total
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Micro Enterprises, Small Enterprises and Medium Enterprises	-	-	-	-	-	-
Other than Micro Enterprises, Small Enterprises and Medium Enterprises	2,775.12	958.69	-	7.45	69.39	3,810.65
Total	2,775.12	958.69	-	7.45	69.39	3,810.65

(₹ in lakh)

As at
31st March 2022

Particulars	Outstanding from due date of payment					Total
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Micro Enterprises, Small Enterprises and Medium Enterprises	-	-	-	-	-	-
Other than Micro Enterprises, Small Enterprises and Medium Enterprises	1,732.60	837.33	13.64	60.61	-	2,644.18
Total	1,732.60	837.33	13.64	60.61	-	2,644.18

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

		(₹ in lakh)	
		As at	As at
		31st March, 2023	31st March 2022
13	Other current liabilities		
	Advances from customers	37.76	272.67
	Unearned Revenue	86.50	-
	Statutory dues	193.57	104.30
	Others *	124.79	126.94
	Total	442.62	503.91

* includes Employee related payables

		(₹ in lakh)	
		As at	As at
		31st March, 2023	31st March 2022
14	Provisions -Current		
	Other Provisions		
	Provision for Tax (Refer Note 20)	46.83	53.23
	Total	46.83	53.23

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

	(₹ in lakh)	
	2022-23	2021-22
15 Revenue from operations		
Subscription income	5,265.61	4,797.51
Advertisement revenue	2,611.46	3,048.11
Syndication income	591.42	672.92
Other media income	1,386.65	-
Total	9,855.14	8,518.54
		(₹ in lakh)
	2022-23	2021-22
16 Other income		
Liabilities/provisions no longer required written back (PY ₹ 262)	5.77	0.00
Miscellaneous income	15.14	25.73
Total	20.91	25.73
		(₹ in lakh)
	2022-23	2021-22
17 Employee benefits expense		
Salaries and wages	555.79	691.68
Staff welfare expenses	12.41	13.17
Total	568.20	704.85
		(₹ in lakh)
	2022-23	2021-22
18 Other expenses		
Airtime purchased	2,075.65	2,174.57
Dealer commission	2.29	-
Rent	60.63	63.31
Repairs and maintenance-others	1.38	0.79
Insurance	0.17	0.25
Legal and professional (Refer Note 18.1)	47.77	47.85
Travelling and conveyance	37.74	19.02
Advertisement, publicity and business promotion	3.17	3.04
Communication expenses	3.28	2.45
Rates and taxes	54.34	56.55
Printing and stationery	0.30	0.46
Bad and Doubtful Receivables written off	26.69	71.51
(Reversal of)/ Provision for Allowance for Doubtful Receivables	(47.35)	6.11
Net Foreign Exchange Loss/ (Gain)	37.50	(62.18)
Payment to Auditors	16.26	17.08
Others Establishment expenses	154.19	162.71
Total	2,474.01	2,563.52
18.1 Payment to Auditors (excluding taxes)		
Statutory Audit Fees	7.05	7.37
Certification Fees	9.21	9.62
Reimbursement of expenses	-	0.09
Total	16.26	17.08

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

19 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with related parties are given below:

Details of related parties:

Names of the related party	Relationship
TV18 Broadcast Limited	Enterprise Exercising Control
Indiacast Media Distribution Private Limited	Holding Company
Viacom18 Media Private Limited	Joint Venturer of Holding Company
Eenadu Television Private Limited	Associate of Enterprise Exercising Control
Indiacast US Ltd	Fellow Subsidiary
IBN Lokmat News Private Limited	Joint Venture of Enterprises Exercising Control

(₹ in lakh)

2022-23

2021-22

19.1 Details of transactions and balances with Related

(A) Transactions during the period (excluding Reimbursements)

License Fee Expense *

Joint Venturer of Holding Company

Viacom18 Media Private Limited	6,551.20	5,221.81
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Enterprise Exercising Control

TV18 Broadcast Limited	103.19	(216.67)
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Associate of Enterprise Exercising Control

Total	6,654.39	5,005.14
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Expenditure of Services Paid

Holding Company

Indiacast Media Distribution Private Limited	151.51	158.34
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Total	151.51	158.34
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License Fee Income

Fellow Subsidiary

Indiacast US Ltd	3,187.67	3,083.07
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Total	3,187.67	3,083.07
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Airtime Purchased

Enterprise Exercising Control

TV18 Broadcast Limited	0.31	-
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Joint Venturer of Holding Company

Viacom18 Media Private Limited	2,075.34	2,174.57
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Total	2,075.65	2,174.57
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IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

	As at 31st March, 2023	As at 31st March 2022
(₹ in lakh)		
(B) Balances at the period end		
<u>Trade receivables</u>		
Fellow Subsidiary		
Indiacast US Ltd	827.56	1,191.67
Total	827.56	1,191.67
<u>Prepaid Exp.</u>		
Enterprise Exercising Control		
TV18 Broadcast Limited	-	101.11
<u>Trade Payables</u> *		
Joint Venturer of Holding Company		
Viacom18 Media Private Limited	3,705.21	2,672.87
Enterprise Exercising Control		
TV18 Broadcast Limited	1.61	(153.39)
Associate of Enterprise Exercising Control		
Eenadu Television Private Limited	80.50	74.25
Total	3,787.32	2,593.73

* Includes Credit Notes received.

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

23 Earnings per share

	Units	2022-23	2021-22
<u>Basic earnings per equity share</u>			
Profit for the year	(₹ in lakh)	134.01	206.12
Weighted average of number of equity shares used in computing basic earnings per share	Nos.	60,000	60,000
Nominal value of equity shares	£	1	1
Basic earnings per share	₹	223.35	343.53
<u>Diluted earnings per equity share</u>			
Profit for the year	(₹ in lakh)	134.01	206.12
Weighted average of number of equity shares used in computing basic earnings per share	Nos.	60,000	60,000
Nominal value of equity shares	£	1	1
Basic earnings per share	₹	223.35	343.53

24 Operating Segments Information

As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosures under Ind AS 108 Operating Segments Reporting, have not been provided in these financial statements.

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

25 Capital risk management

The Company's objectives when managing capital is to safeguard continuity as a going concern and provide adequate return to shareholders through continuing growth and maintain an optimal capital structure to reduce the cost of Capital.

The Company sets the amount of capital required on the basis of annual business plan and long-term operating plans which include capital investments.

The funding requirements are primarily met through internal accruals.

The Company monitors capital on basis of total debt to total equity on a periodic basis.

The following table summarizes the capital of the Company:

	(₹ in lakh)	
	As at 31st March, 2023	As at 31st March 2022
Total Debt	-	-
Equity Share Capital	48.65	48.65
Other Equity	1,355.23	1,187.75
Total Equity	1,403.88	1,236.40
Debt Equity Ratio	Nil	Nil

26 Financial Risk Management

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

(a) Market risk

The Company is primarily exposed to the following market risks.

(i) Foreign exchange exposure/ currency risk

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

The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at the year end is as follows:

Particulars	Foreign Currency Denomination	As at 31st March, 2023		As at 31st March 2022	
		Foreign Currency	(₹ in lakh)	Foreign Currency	(₹ in lakh)
Trade Receivables	CAD	27,171	16.48	2,45,040	148.22
	EURO	1,767	1.58	1,701	1.43
	INR	2,32,131	2.31	1,03,860	1.04
	USD	19,40,209	1,594.34	28,67,100	2,173.22
Trade Payables	CAD	3,23,220	196.08	2,30,248	139.28
	EURO	971	0.87	6,810	5.74
	INR	-	-	1,20,000	1.21
	USD	16,79,022	1,379.72	16,13,359	1,222.90
Other Current Assets	CAD	5,81,778	352.93	2,32,501	140.64
	USD	13,83,897	1,137.20	3,51,889	266.70
	EURO	2,485	2.22	2,310	1.95
Cash and Cash equivalents	CAD	1,33,030	80.70	18,208	11.01
	USD	1,68,244	138.25	1,88,963	143.23

IndiaCast UK Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2023

Sensitivity Analysis:

1% appreciation/ depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in an increase/ decrease in Companies profit before tax by ₹ 17 Lakh for the year ended 31st March 2023 and by ₹ 17 Lakh for the year ended 31st March 2022. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

(b) Credit Risk

Credit Risk is the risk that customers or counter party will not meet its obligations under a Financial instrument or customer contract, leading to Financial loss. The Group is Exposed to credit risk from its operating activities (Primarily trade receivables).

Customers credit risk is managed by each business team subject to the Group's established policy, procedures and control relating to customers credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customers receivables are regularly monitored.

An impairment analysis is performed at each reporting date for major customers. Receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group evaluates the concentration of risks with respect to receivables as low.

(c) Liquidity risk

The Company closely monitors its risks of shortage of funds. The Group assessed the concentration of risk with respect to its debt as low. As at reporting date, the company does not have any loan.

27 Fair Value Measurement Hierarchy:

	As at 31st March, 2023				As at 31st March 2022			
	Carrying Amount	Level of input used			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost								
Trade Receivables	3,052.37	-	-	-	2,780.33	-	-	-
Cash and Bank Balances	651.44	-	-	-	806.82	-	-	-
Other Financial Assets	1,991.68	-	-	-	705.18	-	-	-
Financial Liabilities								
At Amortised Cost								
Trade Payables	3,810.65	-	-	-	2,644.18	-	-	-

28 Details of Loan given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013:

- a) No Loan given by the company to body corporate as at 31 March 2023
- b) No Investment made by the Company as at 31 March 2023
- c) No Guarantee has been given by the Company as at 31 March 2023

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

29 Ratio Analysis

Sr. No.	Ratio	2022-23	2021-22	Variation
1	Current Ratio	1.32	1.38	(0.06)
2	Debt Equity Ratio	NA	NA	NA
3	Debt service Coverage Ratio	NA	NA	NA
4	Return on Equity Ratio	10.15%	18%	-7.90%
5	Inventory Turnover Ratio	NA	NA	NA
6	Debt Receivables Turnover Ratio #	338%	241%	96.74%
7	Trade Payables Turnover Ratio ##	300%	271%	29.57%
8	Net Capital Turnover Ratio	7.52	7.52	0.00
9	Net Profit Ratio	1.36%	2.41%	-1.05%
10	Return on Capital employed	15.45%	30.03%	-14.58%
11	Return on Investment	NA	NA	NA

Reasons for variation of more than 25%

There is Increase in sales, still Debtors have not increase by that level, due to which the ratio has Increased.

There is Increase in expenses, however payable have Increase more than that, as a result the ratio has increased.

29.1 Formulae for Computation of Ratios is as follows

Sr. No.	Ratio	Formulae
1	Current Ratio	Current Assets/ Current Liabilities
2	Debt Equity Ratio	Non-Current Borrowings + Current Borrowings/ Equity Share Capital + Other Equity
3	Debt service Coverage Ratio	Earnings before interest & tax/ Interest on Borrowings + Principal repayment of long term borrowings
4	Return on Equity Ratio	Net Profit/ (Loss) after tax/ Average Net worth
5	Inventory Turnover Ratio	Cost of Materials Consumed/ Average Inventories of Goods
6	Debt Receivables Turnover Ratio	Value of Sales and Services / Average Trade Receivables
7	Trade Payables Turnover Ratio	Purchase (Operational Costs + Marketing, Distribution and Promotional Expense + Other Expenses)/ Average Trade Payables
8	Net Capital Turnover Ratio	Value of Sales and Services / Average Working Capital (Current Assets - Current Liabilities)
9	Net Profit Ratio	Net Profit/(Loss) after tax/ Value of Sales and Services
10	Return on Capital employed	Profit/ (Loss) After Tax + Deferred Tax Expenses/ (Income) + Finance Cost (-) Other Income/ Average Capital Employed [^]
11	Return on Investment	Other Income (excluding Dividend and other non investment related items)/ Average Cash, Cash Equivalent and other marketable securities

Note

Capital employed includes Equity, Borrowings, Deferred Tax Liabilities, Creditor for Capital Expenditure and reduced by Investments, Cash and Cash Equivalents, Deferred Tax Assets, Capital Work-in-Progress and Intangible Assets under Development.

30 There are no balances outstanding as on 31st March 2023 on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

IndiaCast UK Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2023

31 OTHER STATUTORY INFORMATION

- (a) The Company does not have any Capital Work-In-Progress, whose completion is overdue or has exceeded its cost compared to its original plan.
- (b) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) 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
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (c) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) 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
- (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (d) There are no immovable properties owned by the Company, in respect of which the title deeds are not held in its name.
- (e) The Company does not have 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.

32 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

33 The financial statements were approved by Board of Directors on April 11th, 2023.

In terms of our report attached

For and behalf of

Sandip Shah & Co.

Chartered Accountants

Firm Reg. No.: 133680W

For and on behalf of the Board of directors

Sandip Shah

Proprietor

Membership No. 103125

Govind Shahi

Director

Place : Mumbai

Date : 11th April 2023

Place: London

Date : 11th April 2023