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: 23103125BGWBTU3258

Place: Mumbai
Date: April 11, 2023

IndiaCast US 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	28.94	80.78
Financials assets			
Other Financial Assets	4	13.42	12.38
Deferred tax assets (net)	5	3.61	3.61
Other Non-current assets	6	-	3.14
Total Non-current assets		**45.97**	**99.91**
Current Assets			
Financial assets			
Trade receivables	7	886.29	706.33
Cash and Cash equivalents	8	181.53	418.43
Other Financial Assets	9	936.21	1,360.30
Other current assets	10	20.00	30.39
Total current assets		**2,024.03**	**2,515.45**
Total Assets		**2,070.00**	**2,615.36**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	11	54.47	54.47
Other Equity	12	857.92	705.03
Total Equity		**912.39**	**759.50**
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
Lease Liabilities	13	-	24.39
Total Non-current Liabilities		**-**	**24.39**
Current Liabilities			
Financial Liabilities			
Lease Liabilities	14	24.78	48.31
Trade payables due to:			
Micro Enterprises and Small Enterprises	15	-	-
Other than Micro Enterprises and Small Enterprises	15	969.85	1,584.88
Other current liabilities	16	162.98	198.28
Total Current Liabilities		**1,157.61**	**1,831.47**
Total Liabilities		**1,157.61**	**1,855.86**
Total Equity and Liabilities		**2,070.00**	**2,615.36**
Significant Accounting Policies			
See accompanying notes to the Financial Statements	1 to 35		

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

In terms of our report attached

For and on behalf of	**For and on behalf of the Board of directors**	
Sandip Shah & Co.		
Chartered Accountants		
Firm Reg. No.: 133680W		
Sandip Shah	**Govind Shahi**	**Sachin Gokhale**
Proprietor	Director	Director
Membership No.: 103125		
Place: Mumbai	Place: London	Place: New Jersey
Date:11th April 2023	Date: 11th April 2023	Date:11th April 2023

IndiaCast US 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	17	5,606.75	5,830.53
Other Income	18	4.39	1.63
Total income		**5,611.14**	**5,832.16**
Expenses			
License fees		3,177.41	3,087.31
Employee benefits expense	19	870.78	712.30
Finance costs	20	1.91	1.49
Depreciation and amortisation expense	3	52.09	25.39
Other expenses	21	1,383.61	1,852.44
Total Expenses		**5,485.80**	**5,678.93**
Profit before tax		**125.34**	**153.23**
Tax expense			
Current tax expense	23	33.79	60.51
Deferred tax		-	-
Net tax expense		33.79	60.51
Profit after tax for the period		**91.55**	**92.72**
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 proflt or loss		61.34	25.00
Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive income(Net of tax)		**61.34**	**25.00**
Total Comprehensive Income for the period		**152.89**	**117.72**
Earnings per Equity Share of Face Value of $ 1 each)	25		
Basic	(₹)	91.55	92.72
Diluted	(₹)	91.55	92.72
Significant Accounting Policies			
See accompanying notes to the Financial Statements	1 to 35		

IndiaCast US 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

Sachin Gokhale
Director

Place: Mumbai
Date:11th April 2023

Place: London
Date: 11th April 2023

Place: New Jersey
Date:11th April 2023

IndiaCast US Limited

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

A. SHARE CAPITAL

(₹ in lakh)

	Balance as at beginning of 1 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	54.47	-	54.47	-	54.47

B. OTHER EQUITY

(₹ in lakh)

	Reserves and Surplus			**Other Comprehensive income**	**Total**
	Capital Reserve	**Securities Premium**	**Retained Earnings**	**Exchange differences on translating the financial statements of foreign operations**	
Balance as at beginning 1st April, 2021	-	-	533.76	53.55	587.31
Total Comprehensive income for the year	-	-	92.72	25.00	117.72
Balance as at 31st March, 2022	**-**	**-**	**626.48**	**78.55**	**705.03**
Balance as at beginning 1st April, 2021	-	-	626.48	78.55	705.03
Total Comprehensive income for the Year	-	-	91.55	61.34	152.89
Balance as at 31st March, 2023	**-**	**-**	**718.03**	**139.89**	**857.92**

IndiaCast US 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
Sandip Shah & Co.
Chartered Accountants
Firm Reg. No.: 133680W

Sandip Shah
Proprietor
Membership No.: 103125

Place: Mumbai
Date:11th April 2023

For and on behalf of the Board of directors

Govind Shahi
Director

Place: London
Date: 11th April 2023

Sachin Gokhale
Director

Place: New Jersey
Date:11th April 2023

IndiaCast US 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	125.34	153.23
	Adjusted for :		
	Depreciation and amortisation expense	52.09	25.39
	Net unrealised exchange Loss	-	0.05
	Allowance for Doubtful receivables	34.66	26.26
	Finance costs	1.91	1.49
	Operating profit before working capital changes	**214.00**	**206.42**
	Adjusted for :		
	Changes in Operating assets	218.81	(38.25)
	Changes in Operating liabilities	(653.05)	127.49
	Cash (used in)/ generated from operations	**(220.24)**	**295.66**
	Taxes (paid) (Net)	(27.91)	(55.59)
	Net cash (Used in)/ generated from operating activities	**(248.15)**	**240.07**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payment for Property,Plant and Equipment and other Intangible Assets	(0.26)	(4.61)
	Net cash Used In investing activities	**(0.26)**	**(4.61)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Payment of Lease Liabilities	(47.92)	(23.15)
	Finance Costs	(1.91)	(1.49)
	Net cash Used in financing activities	**(49.83)**	**(24.64)**
	Net (Decrease)/ Increase in cash and cash equivalents	**(298.24)**	**210.82**
	Opening Balance of Cash and Cash Equivalents	418.43	182.61
	Exchange differences on Cash and Cash Equivalents	61.34	25.00
	Closing Balance of Cash and Cash Equivalents (Refer note 8)	**181.53**	**418.43**

IndiaCast US 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

Sachin Gokhale
Director

Place: Mumbai
Date:11th April 2023

Place: London
Date: 11th April 2023

Place: New Jersey
Date:11th April 2023

IndiaCast US Limited

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

1 Background

The Company was formed on January 28, 2013 as a New Jersey corporation. 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 linear distribution of Channels of Viacom 18 and other broadcasters in North America.

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. USD ($) 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 atleast 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 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 US 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
Computer Software	5 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 bhand, 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.

IndiaCast US Limited

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

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.

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.

IndiaCast US Limited

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

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.

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.

IndiaCast US Limited

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

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.

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.

IndiaCast US Limited

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

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.

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.

IndiaCast US Limited

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

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.

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.