

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 7th Annual General Meeting of the Members of **BASILIC FLY STUDIO LIMITED** will be held on **Thursday 24th, August 2023**, at **05:00 P.M** at Tower A, KRC Commerzone, Mount Poonamallee Road, Porur, Chennai-600116, Tamilnadu, India, the Registered Office of the Company.

Ordinary Business

1. To consider and adopt:
 - (a) The audited standalone financial statement of the Company for the financial year ended March 31, 2023, the reports of the Board of Directors and Auditors thereon; and
 - (b) The audited consolidated financial statement of the Company for the financial year ended March 31, 2023.
2. To appoint a Director in place of Mr. Balakrishnan (DIN:06590484) Managing Director who retires by rotation and being eligible, offers himself for re-appointment and if re-appointed, the same shall not be deemed to constitute a break in his office of Whole-time Director.

By Order of the Board of Directors
For BASILIC FLY STUDIO LIMITED

**SD-/
Balakrishnan
Managing Director
(DIN: 06590484)**

**Place: Chennai
Date:14/06/2023**

Notes:

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and a proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the Commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.*
2. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

4. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Companies Act, 2013 and all documents referred to in the Notice inter alia will be available for inspection by the members at the registered office of the Company and all documents referred to in the notice are available for inspection by the members on all working days except Saturdays, Sundays and public holidays between 11.00 a.m. to 1.00 p.m. prior to the date of General Meeting and will also be available for inspection at the Meeting
5. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.SH-13. The form can be downloaded from the Company's website at www.basilicflystudio.com. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, Purva Share Registry (India) Private Limited, in case the shares are held in physical form.
6. A brief resume of the Directors seeking appointment or re-appointment at Annual General Meeting (AGM), as required under Secretarial Standard-2 on General Meeting, is annexed hereto and forms part of the Notice.
7. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Purva Share Registry (India) Private Limited in case the shares are held by them in physical form.
8. In accordance with the proviso to MCA Notification dated the 10thSeptember, 2018 amending Companies (Prospectus and Allotment of Securities) Rules, 2014 transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions. Members can contact the Company or M/s. Purva Share Registry (India) Private Limited for assistance in this regard.
9. Route map to the venue of the AGM is appended.

ANNEXURE TO THE NOTICE

Brief Resume of Directors seeking appointment/re-appointment at the Seventh Annual General Meeting

| | |
|--|------------------------------------|
| Name of Director | Mr. Balakrishnan |
| Director Identification Number (DIN) | 06590484 |
| Designation/category of the Director | Managing Director |
| Age | 38 years |
| Date of the first appointment | 28/01/2016 |
| Qualifications | Masters in electronic media |
| Profile, Experience and Expertise in specific functional areas | More than 13 years in VFX Industry |
| Directorships held in other companies | 0 |
| Memberships / Chairmanships of | Audit Committee: 1 |

| | |
|--|--|
| committees across all public companies as on date of this Notice | Corporate Social Responsibility Committee:1 Stakeholders' Relationship Committee: 1 Nomination and Remuneration Committee:1 of Basilic Fly Studio Limited. |
| Attendance in Board Meetings held during 2022-23 | No. of meetings held: 9 No. of meetings attended: 9 |
| Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company | Mrs.Yogalakshmi S,Director (Spouse of Balakrishnan), Mrs. Rajarathinam Thiripurasundari (Mother of Balakrishnan) |
| Shareholding in the Company | 10833250 Equity shares of Rs.10 each |

BASILIC FLY STUDIO LIMITED

CIN – U92100TN2016PLC103861

Registered Office: Tower A, KRC Commerzone, Mount Poonamallee Road, Porur Chennai Tamil Nadu 600116 India

Form No.MGT-11

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014 – Form No. MGT-11]

7thAnnual General Meeting

Tower A, KRC Commerzone, Mount Poonamallee Road, Porur Chennai Tamil Nadu 600116 India

| | |
|------------------------|--|
| Name of the Member(s): | |
| Registered Address: | |
| E-mail ID: | |
| *Folio No. | |

I / We, being the member(s) of _____ shares of the above-named company, hereby appoint.

| | | |
|---|------------|--------------------|
| 1 | Name: | |
| | E-mail ID: | |
| | Address: | |
| | Signature: | or failing him/her |

| | |
|---|--|
| 2 | Name: |
| | E-mail ID: |
| | Address: |
| | Signature: or failing him/her |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company, to be held on **Thursday 24th, August 2023**, at 05.00 P.M at Tower A, KRC Commerzone, Mount Poonamallee Road, Porur Chennai Tamil Nadu 600116 India and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

| Resolution No. | Resolutions | Vote (Optional see Note 2) (Please mention no. of shares) | | |
|--------------------------|---|--|---------|---------|
| | | For | Against | Abstain |
| Ordinary Business | | | | |
| 1 | To consider and adopt: a) the audited financial statement of the Company for the financial year ended March 31, 2023, the reports of the Board of Directors and Auditors thereon; and b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2023. | | | |
| 2 | To appoint a Director in place of Mr. Balakrishnan DIN:06590484 Managing Director who retires by rotation and being eligible, offers himself for re-appointment and if re-appointed, the same shall not be deemed to constitute a break in her office of Managing Director. | | | |

Signed this _____ day of _____ 2023

Signature of Member

Signature of Proxy holder(s)

| |
|---------------------------|
| Affix Revenue Stamp |
|---------------------------|

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Attendance Slip

BASILIC FLY STUDIO LIMITED

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**Registered Office: Tower A, KRC Commerzone, Mount Poonamallee Road, Porur Chennai Tamil Nadu
600116 India**

7th Annual General Meeting

Tower A, KRC Commerzone, Mount Poonamallee Road, Porur Chennai Tamil Nadu 600116 India

Registered Folio no.

| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

Number of shares held

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 7th Annual General Meeting of the Company, to be held on Thursday 24th, August 2023, at 05:00 P.M at Tower A, KRC Commerzone, Mount Poonamallee Road, Porur Chennai Tamil Nadu 600116 India.

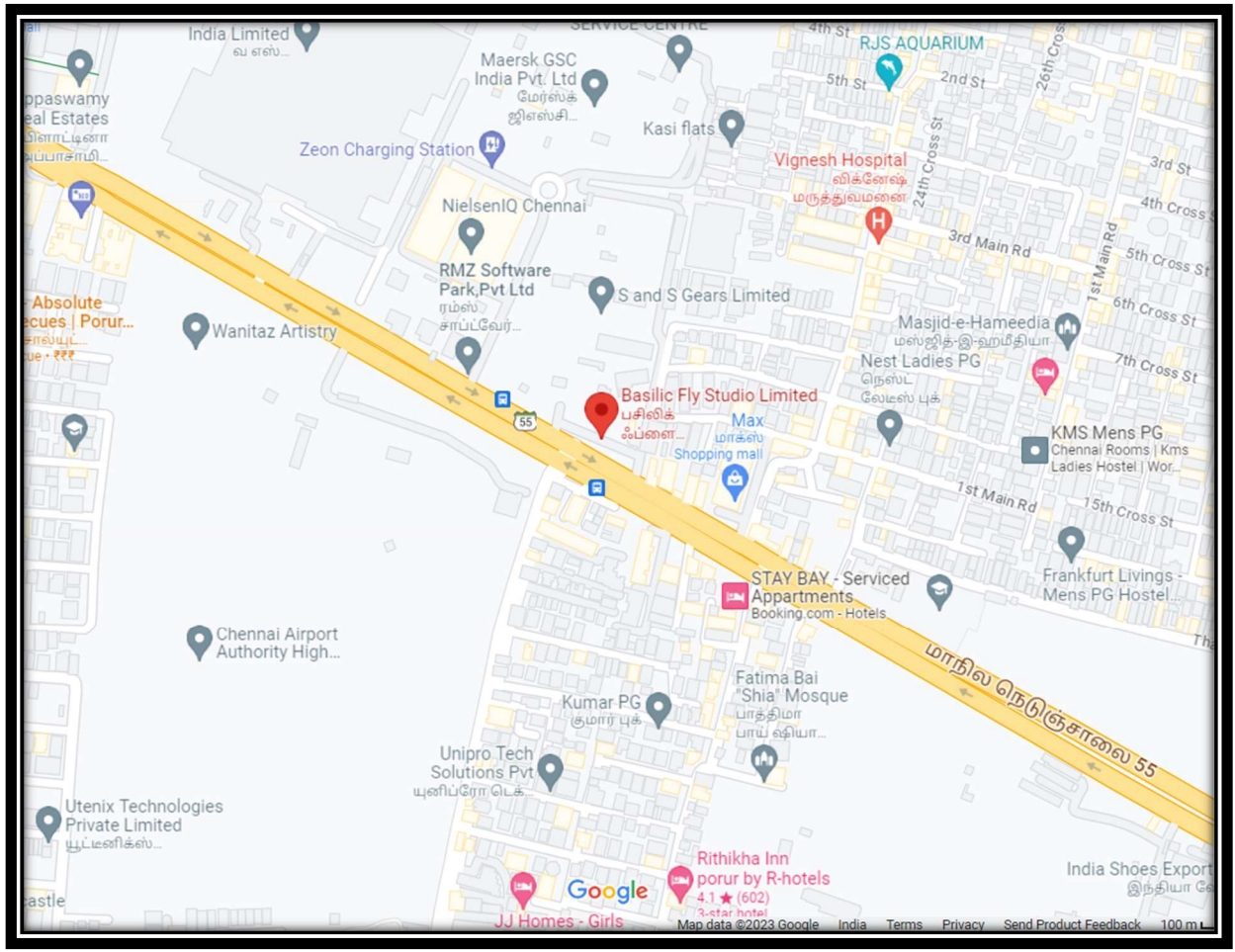
.....
Name of the member / proxy

.....
Signature of the member / proxy

(in BLOCK letters)

Note: Fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGMs

Route Map:



BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

BOARD'S REPORT

To
The Members of
BASILIC FLY STUDIO LIMITED
CIN: U92100TN2016PLC103861
TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD
PORUR CHENNAI TN 600116 INDIA

Your Directors have pleasure in presenting the 07th Board's Report of our Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS:

(Rs. In Lakhs)

| Particulars | STANDALONE | | CONSOLIDATED | |
|--|----------------|----------------|----------------|----------------|
| | 2022-23 | 2021-22 | 2022-23 | 2021-22 |
| Revenue from operations | 7022.73 | 2387.68 | 7866.74 | 2515.84 |
| Other Income | 28.40 | 12.94 | 28.41 | 12.94 |
| Total Revenue | 7051.13 | 2400.62 | 7895.15 | 2528.78 |
| Employee Benefit Expenses | 1748.88 | 1249.30 | 1752.28 | 1249.30 |
| Other Direct Expenses | 1533.78 | 970.70 | 2131.17 | 1077 |
| Finance Costs | 68.54 | 8.50 | 68.54 | 8.50 |
| Depreciation And Amortization Expenses | 56.03 | 28.30 | 56.03 | 28.30 |
| Other Expenses | 101.25 | 27.60 | 136.82 | 32.62 |
| Total Expenses | 3508.48 | 2284.40 | 4144.84 | 2395.72 |
| Profit/ (Loss) before Tax | 3542.65 | 116.22 | 3750.31 | 133.06 |

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| | | | | |
|---|----------------|--------------|----------------|--------------|
| Current Tax | 925.46 | 32.16 | 987.07 | 37.01 |
| Deferred Tax | -26.87 | 4.68 | -26.87 | 4.68 |
| Profit/ Loss After Tax | 2644.06 | 79.38 | 2790.11 | 91.37 |
| Profit / Loss for period before Minority Interest from continuing operations | 2644.06 | 79.38 | 2790.11 | 91.37 |
| Minority Interest | - | - | 16.09 | 1.27 |
| Profit / Loss for period from continuing operations | 2644.06 | 79.38 | 2774.02 | 90.10 |
| Earning per Share (In Rs.) (Basic & Diluted) | 15.55 | 0.47 | 16.32 | 0.53 |

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

The Company has reported total income of Rs.7051.13 lacs (on Standalone Basis) as against previous year of Rs.2400.62 lacs (on Standalone basis) which is 293% increase in total income and incurred total expenditure of Rs.3508.48 lacs (on Standalone basis) as against previous year of Rs.2284.40 lacs which is 153.5% increase in expenditure. The Net Profit/ for the year under review amounted to Rs.2644.06 lacs as compared to Rs.79.38 lacs in the previous year which is 3330.8% increase in Net Profit. The company could increase its revenue substantially due to increase in number of contracts and working of the company which was a result of starting of operations at Branch office at Pune and Vancouver (through its subsidiaries) coupled with its higher value. The optimum utilization of resources especially the employee cost helped in higher growth in profit margins as reflected in the net profit recorded by the company for the year under review. The measures undertaken by the government of India under The National Policy for growth of AVGC-XR Sector in India boosted the confidence and optimism of the VFX industry and expected to act as a catalyst for higher growth and profitability going forward. .

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On Consolidated basis, total Income of your Company for the Year ended 31.03.2023 was Rs.7895.74 lacs as against previous year of Rs.2525.78 Lacs which is 312.6% increase in total income and Profit / Loss after Tax for the period was Rs. 2774.02 lacs as compared to Rs.90.10 lacs in the previous year which is 3078.8% increase in Profit / Loss after Tax. The Company expects substantial increase in both revenue and profit from its overseas business through its subsidiaries located at Vancouver and London.

During the year under review, as part of its business strategy, the Company has relocated its registered office to a more equipped and more spacious office space located at Tower A, KRC Commerzone Mount Poonamallee Road Porur, Chennai from 8th Floor, West Wing No.136, Shyamala Towers, Arcot Road, Saligramam, Chennai. This measure is with an objective to increase the employee strength besides improving the work atmosphere, logistical convenience and facilities for the employees as part of the employee welfare and retention measures. The new office has the capacity to accommodate 350 employees as against 160 in the old office.

As part of business expansion, the Company has opened a branch office at S.NO 83, 16th Floor Smartworks North Main Road Near Hard Rock Cafe Pune, Maharashtra-401036 in October 2022 which as on date has accommodated 130 employees. This will help in tapping more opportunities from the Bollywood and open new avenues for increasing the growth and profitability. With the thriving film industry of Maharashtra, this strategic move aligns seamlessly with our mission to provide cutting-edge VFX solutions. The city's creative ecosystem which is capable enough to offer tremendous opportunities for collaboration and growth will turn out to be an advantage. This branch office has the capacity to accommodate 170 employees.

BUSINESS OUTLOOK; FISCAL 22-23

The accelerated growth witnessed by the VFX Industry coupled with the policy initiatives of the government of India augurs well for the Company and its business. The proposed Initial Public Offer (IPO) of the Company would help the company to raise adequate funds to fund its growth initiatives.

With the formalization of the industry along with increase in the overall demand in the entertainment industry with the enhanced growth of various digital and OTT platforms, we are well-poised to capitalize on emerging opportunities in the coming years

With a brave heart, our world fought a pandemic and is steadily emerging out of its clutches. It did take a lot of planning and preparedness to manage the adverse impact of COVID. The most resilient among companies emerged successfully and also have developed newer strengths.

For Basilic Fly Studio, we swiftly adapted to remote ways of working. Being nimble-footed as well as flexible helped meet expectations of our customers and employees. Customers appreciated

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the efforts we put in to meet their expectations of quality and timeliness. Employees' need for creative engagements we could meet this requirement with a steady stream of challenging VFX shows.

In past three consecutive financial years your company has seen tremendous growth of business, Basilic Fly Studio explored new opportunities in the Global markets. Your Company incorporated a subsidiary, Basilic Fly Studio Canada Limited and Basilic Fly Studio UK Private Limited in the last three fiscals.

The aim behind this move was to stay closer to the clients and customers. Opening the subsidiaries had several strategic significances. On the financial performance front, revenues of past three fiscals have seen an upward trend. The clubbing up of the revenue contribution of the subsidiaries was also accompanied with increase in total employees of the company to 341 as on 31st March 2023 from 187 as on 31.03.2021 clubbed with the improvement in the global entertainment industry helped in materializing many held up projects. The management attributes the growth of revenue to the global presence, increased head count and the opening up of the industry globally.

Another important aspect for the financial strengthening of your company financials is improved payout for the assignments as industry wide with the settling of covid impact the per man-day payouts too have decently increased.

The impact of growth was not very substantially evident from the financial disclosures filed by your company for the year 2021 and 2022 because your company hadn't done any kind of downsizing in the team size, all employee costs were continued and the expenses including rental expenses were continued despite of the decreased avenues of revenue generation but post Covid impact of improved per manday cost played a vital role in margin increase for the company and your company saw appreciation on account of foreign currency receipts.

It is evident to note that the industry in which your company operates has seen industry wide boom due to the tremendous increase in the number of young people interested in using 4G, 5G, and portable digital gadgets. This has led to an increase in demand for high-quality visual effects content in movies, TV shows, and video games.

As the company makes firmer inroads into upstream VFX, the growth numbers are likely to continue in the coming years. The company has also chalked out other expansion plans viz., with offices in established VFX-mature geographies - especially, the European market.

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AWARDS & RECOGNITIONS

Basilic Fly Studio has been awarded Company of the year (Creative Media Solution 2022) at India Icons Awards, most prominent Company 2023, (Animation Category) at Nation Wide Awards and awarded for Excellence in VFX and Post Production at the Times Business Awards 2023, It is a testimony for our continuous and effective efforts put in for business growth and client satisfaction.

CONVERSION OF THE COMPANY FROM PRIVATE LIMITED TO PUBLIC LIMITED COMPANY

The Board of Director at their meeting held on 27.12.2022 recommended conversion of the Company from Private Limited Company into a Public Limited Company which was approved by the Shareholders at their Extra-ordinary General Meeting held on 29.12.2022. The Company has obtained Fresh Certificate of Incorporation issued by the Registrar of Companies, Chennai, Tamil Nadu on 19.05.2023 consequent to the conversion. Accordingly, the Corporate Identification Number of the Company is changed to U92100TN2016PLC103861.

ANNUAL RETURN:

Pursuant to Section 134(3)(a), the Annual Return of the Company prepared as per Section 92(3) of the Act for the financial year ended March 31, 2023, is hosted on the website of the Company and can be accessed at <http://www.basilicflystudio.com>.

DIVIDEND AND TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013:

Your Directors have not recommended Dividend for the year financial year ended 31st March, 2023.

During the year under review the company had capitalize a sum of Rs. 16,00,00,000/- out of Rs. 16,65,89,000 standing to the credit of Free reserves as on 30/09/2022 and the same was applied for allotment in full at par 1,60,00,00 (One Crore Sixty Lakhs only) Equity Shares of Rs. 10/- each in the capital of Company, to the equity share holders of the company in the Company, in the ratio of 16:1, i.e Sixteen (16) Equity share of Rs. 10/- for every One (01) existing equity share fully paid up of the Company, consequently had transferred a sum of Rs.16,00,00,000/- to General Reserve Account after due issue of bonus shares.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend unclaimed and lying with the Company.

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MEETINGS OF THE BOARD OF DIRECTORS:

The Board meets at regular intervals to discuss and decide on the Company/business policy and strategy apart from other Board business. In case of special and urgent business, if the need arises, the Board's or Committee's approval is taken by passing resolutions through circulation or by calling the Board / Committee meetings at a shorter notice, as permitted by law. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision.

During the Financial Year 2022-23, Ten (10) Board meetings were convened and held which is summarized below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

| S. No | Date of meeting | Name of Directors | | | | | | |
|-------|-----------------|---|--|--|--|--|---|---|
| | | Balakrishnan Managing Director DIN: 06590484 | Sundaram Yogalakshmi Whole Time Director DIN: 07323404 | Duraiswami Prabhakar Whole Time Director DIN:098 31080 | Rajarathinam Thirupurasundari Non-Executive Director DIN: 07323583 | Vengarai Seshadri Sowrirajan Independent Director DIN: 00434044 | Subramaniam Krishnan Independent Director DIN: 00583985 | Jitendra Pal Independent Director DIN: 08567622 |
| 1 | 31.05.2022 | ✓ | ✓ | NA | NA | NA | NA | NA |
| 2 | 29.08.2022 | ✓ | ✓ | NA | NA | NA | NA | NA |
| 3 | 05.09.2022 | ✓ | ✓ | NA | NA | NA | NA | NA |
| 4 | 10.09.2022 | ✓ | ✓ | NA | NA | NA | NA | NA |
| 5 | 01.10.2022 | ✓ | ✓ | NA | NA | NA | NA | NA |
| 6 | 09.12.2022 | ✓ | ✓ | NA | NA | NA | NA | NA |
| 7 | 27.12.2022 | ✓ | ✓ | NA | NA | NA | NA | NA |

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| | | | | | | | | |
|---|------------|---|---|---|---|---|---|---|
| 8 | 17.02.2023 | ✓ | ✓ | ✓ | ✓ | X | X | X |
| 9 | 31.03.2023 | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ |

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that for the financial year ended March 31, 2023:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and / or loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial control to be followed by the Company and that such internal financial control was adequate and operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS AND REPORT THEREON:

M/s. T.Jayachandran & Co, Chartered Accountants, (Firm Registration No: 007267S), having office at 7, North Usman Road, T.Nagar, Chennai, 600017, Tamilnadu, India, who were appointed as the statutory Auditor of the company, for a period of 5 years i.e from 01.04.2018 to 31.03.2023, had expressed their unwillingness to continue as the Statutory Auditors of the Company and have tendered their resignation letter dated 04.09.2023 after completion of the audit for the Financial Year 2021-22.

The Board of Directors at their meeting held on 05.09.2022 appointed M/s KEK & Associates LLP, Chartered Accountants, (Firm Registration No: 000082) as the Statutory Auditors of the

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Company to fill the casual vacancy caused due to the resignation of M/s.T.Jayachandran & Co., Chartered Accountants. Further M/s K E K and Associates LLP, (Firm Reg. No. S000082), Chartered Accountants, through its letter dated 09.09.2022 express its Inability to Continue as Statutory Auditor of the Company after completion of Audit of Half Yearly Financial Statements as the management had brought to their knowledge that the company requires the annual financial statements to be audited by a peer reviewed firm and M/s K E K and Associates LLP are not a peer reviewed firm thus they expressed unwillingness to continue as the Statutory Auditors of your company tendered their resignation with effect from 30.09.2022.

Consequent to the same, based on the recommendation of the Board of Directors, Members of the Company at the 6th Annual General Meeting held on 30th day of September, 2022, appointed M/s. L.U.KRISHNAN & Co, Chartered Accountants, bearing Firm Registration No.001527S, having office at Sam's Nathaneal Tower, 3-1, West Club Road, Shenoy Nagar, Chennai-600030, Tamil Nadu, India, who had expressed their willingness to be appointed as Statutory Auditors of the Company and also confirmed their eligibility for appointment as Auditor, pursuant to Section 141(3) (g) of the Companies Act, 2013, as a Statutory Auditors of the company for a term of five years to hold office for a period of 5 years from the conclusion of 06th Annual General meeting (for the financial year 31.03.2022) to till the conclusion of 11th Annual General Meeting (for the financial year 31.03.2027) of the Company.

The Statutory Auditors' Report for FY 2022-23 on the financial statement of the Company forms part of this Annual Report. Statutory Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks, or disclaimers.

Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, in the year under review.

SECRETARIAL AUDITORS AND AUDITORS' REPORT:

According to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is not required to appoint Company Secretary in Practice, to carry out the Secretarial Audit of the Company.

INTERNAL AUDITOR:

In terms of the provision of section 138 of the companies Act, 2013 with rule 13 of the Companies (Accounts) Rules, 2014, the Board of Directors of the Company at their Meeting held on 27.12.2022 appointed M/s KEK & Associates LLP, Chartered Accountants, (Firm Registration No: 000082) as Internal Auditor of the Company for the FY 2022-23.

COMPLIANCE OF SECRETARIAL STANDARDS:

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In accordance with the provisions of Section 118(10) of the Companies Act, 2013, every Company shall observe secretarial standards with respect to General and Board meetings specified by the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980 (56 of 1980), and approved as such by the Central Government.

During the year under review, the Company has complied with the applicable Secretarial Standards.

COST AUDIT / COMPLIANCE:

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, in respect of the activities carried on by the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There were no loans, guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review. The particulars of investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2022-23 are given in Note 10 of the Notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts, arrangements and transactions entered by the Company with related parties during FY 2022-23 (including any material modification thereof), were in the ordinary course of business and on an arm's length basis and were carried out with prior approval of the Board. Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is appended to the Board Report as **Annexure- II**

CORPORATE SOCIAL RESPONSIBILITY

The Company was exempted from the provisions of section 135 of the Companies Act, 2013, till March 31, 2023, in respect of Corporate Social Responsibility. The Company has recorded a Net Profit of Rs. 2774.02 lacs during the financial year 2022-23 and consequently comes under an obligation to comply with the provisions under Section 135 of the Companies Act, 2013 including spending towards CSR activities, for the financial year 2023-24. Based on the profit of FY2023, the provision of the CSR become applicable to the Company w.e.f. April 1, 2023.

In view of this, the Board of Directors at their meeting held on 31/03//2023 constituted a CSR Committee which consists of Mr. Jitendra Pal (DIN:08567622), Independent Director (Chairman),

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

2. Mr. Balakrishnan (DIN:06590484), Managing Director (Member), Mrs. Sundaram Yogalakshmi (DIN:07323404) ,Whole-Time Director (Member) and Mr. D Prabhakaran (DIN:09831080) ,Whole-Time Director (Member)

The CSR Committee has formulated CSR Policy in accordance with Schedule VII of the Act and Companies (Corporate Social Responsibility) Rules, 2014, which was approved by the Board of Directors at their meeting held on 31/03/2023

As the obligation to spent towards CSR under Section 135 of the Companies Act, 2013 was not applicable to the Company during the financial year 2022-23, separate disclosure in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Rule 9 of the Companies (Accounts) Rules, 2014 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has not been provided in the annual report on Corporate Social Responsibility activities of the Company.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There have been no material changes or commitments that have affected the financial position of the Company between the close of FY 2022-23 and the date of this report except following.

The shareholders of the company at their Extra Ordinary General Meeting held on 14.06.2023 approved the IPO and consequently made necessary amendment in compliance with listing requirements.

Subsequently the Draft Red Herring Prospectus was adopted by the Board at their Meeting held on 17.07.2023. The company is in the process of listing of its securities as a SME IPO on the Emerge Platform of NSE by way of public offer of 68,40,000 equity shares of face value of ₹ 10 each (“equity shares”) for cash at a price of ₹ 97 per equity (the “offer price”) aggregating to ₹ 6634.8 lakh* (“the offer”) comprising of a fresh offer of up to 62,40,000 equity shares aggregating to ₹ 6052.80 lakh* (the “fresh offer”) and an offer for sale of 6,00,000 equity shares by the selling shareholders (“offer for sale”) aggregating to ₹ 582.00lakh* of which 10,26,000 equity shares aggregating to ₹995.22 lakh* will be reserved for subscription by market maker to the offer (the “market maker reservation portion”). The offer less the market maker reservation portion i.e. net offer of 58,14,000 equity shares aggregating to ₹ 5639.58 lakh* (the “net offer”). the offer and the net offer will constitute 29.43% and 25.02 % respectively of the post offer paid up equity share capital of our company *subject to finalization of basis of allotment.

Consequent to the resignation of the Mr. Vijay Pichaimuthu (having PAN: ABOPV9998B) from the office of Chief Financial Officer (CFO)/KMP, the Board on the recommendation of the Audit committee in its meeting held on 23.05.2023 appointed Mr.M. Ramesh (PAN:AHWPR6977N) as Chief Financial Officer of the company with effect from 23.05.2023.

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

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In the FY 2023-24, the Company has planned to inaugurate new branches at Hyderabad (Andhra Pradesh) & Salem (Tamil Nadu) for better future business & growth prospects.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:-

| | | |
|-------|---|---|
| (i) | the steps taken or impact on conservation of energy; | The Company per se does not have any activity relating to conservation of energy and technology absorption and does not own any manufacturing facility. |
| (ii) | the steps taken by the company for utilising alternate sources of energy; | NA |
| (iii) | the capital investment on energy conservation equipments; | Nil |

TECHNOLOGY ABSORPTION

| | | |
|-------|--|---|
| (i) | the efforts made towards technology absorption; | Technology upgradation is constantly being undertaken to improve service quality and reduce costs. Training is also imparted to the company's personnel on the latest development of technology related to the business of the company. |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution; | |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- | |
| | (a) the details of technology imported; | |
| | (b) the year of import; | |
| | (c) whether the technology been fully absorbed; | |

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

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| | | |
|------|---|---|
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | |
| (iv) | the expenditure incurred on Research and Development. | Your company does not have any research and development facility and has not incurred any expenditure towards research and development. |

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

| Particulars | 2022-23 | 2021-22 |
|---|-----------------|-----------------|
| 1) Earnings in foreign currency | | |
| Income from consulting Service Overseas | 78,66,74,466.00 | 23,87,68,063.00 |
| 2) Expenditure in foreign currency | 4,05,41,440.96 | 1,10,34,131.00 |

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

INFORMATION ABOUT HOLDING / SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

As defined under the Act, the company as on 31st March 2023, has two Subsidiary i.e, Basilic Fly Studio Canada Ltd bearing Registration No.1313688, incorporated on (02/07/2021), & Basilic Fly Studio UK Private Limited bearing Registration No.14029594 incorporated on (06/04/2022). There has been no material change in the nature of the business of the subsidiary. The consolidated financial statement has been prepared in accordance with the relevant accounting standards and a separate statement containing the salient features of the financial statement of its subsidiary pursuant to provision of Section 129(3) of the Companies Act, 2013 read with rule 5 of

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

the Companies (Accounts) Rules 2014, in form AOC-1 is attached along with the financial statement of the company as Annexure-I.

The Company does not have any Holding, Joint venture or Associate Company

Basilic Fly Studio Canada Ltd is engaged in the business of VFX Activity in the same line as its Parent Entity. For the year ended 31st March, 2023, the Company has earned a total income of Rs. **155,172,359.00** /- and has made Profit/ (Loss) after Tax of the Rs. **16,657,178.00** /-. The financial and other details of the said Subsidiary for the Year ended 31-03-2023 are as under:

(Amount in YTD.)

| Particulars | 31.03.2023 | % of Contribution to the Overall Performance |
|---------------------------------|-----------------------|--|
| Revenue From operation(gross) | 153,747,389.00 | 19.54 |
| Other Income | 1,424,970.00 | 50.16 |
| Total Revenue | 155,172,359.00 | 19.65 |
| Total Expenditure | 132,354,284.00 | 32.37 |
| Depreciation and amortizations | - | 0.00 |
| Profit/(Loss) before Tax | 22,818,075.00 | 6.08 |
| Current Tax | 6,160,897.00 | 6.24 |
| Deferred Tax | - | 0.00 |
| Profit/(Loss) after Tax | 16,657,178.00 | 5.97 |

Further Basilic Fly Studio UK Private Ltd is engaged in the business of VFX Activity in the same line as its Parent Entity. For the year ended 31st March, 2023, the Company has earned a total income of Rs.0/- and has made Profit/ (Loss) after Tax of the Rs.0/-. The financial and other details of the said Subsidiary for the Year ended 31-03-2023 are as under:

(Amount in YTD.)

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

| Particulars | 31.03.2023 | % of Contribution to the Overall Performance |
|---------------------------------|------------|--|
| Revenue From operation(gross) | 0 | 0 |
| Other Income | 0 | 0 |
| Total Revenue | 0 | 0 |
| Total Expenditure | 0 | 0 |
| Depreciation and amortizations | 0 | 0 |
| Profit/(Loss) before Tax | 0 | 0 |
| Current Tax | 0 | 0 |
| Deferred Tax | 0 | 0 |
| Profit/(Loss) after Tax | 0 | 0 |

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company as on the end of Financial Year, but as the company had a vision to go ahead for the SME IPO on the Emerge Platform of NSE thus the Company had in its Board Meeting held on 31st March 2023 formulated the Nomination and Remuneration Committee of the Board and the Company has also devised the policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section. 178(3) of the Companies Act, 2013.

RECEIPT OF REMUNERATION OR COMMISSION BY THE MANAGING / WHOLE TIME DIRECTOR FROM ITS HOLDING OR SUBSIDIARY COMPANY.

The managing director and whole-time directors does not receive any remuneration or commission from the Subsidiary Companies.

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

APPOINTMENT AND RESIGNATION OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

A. COMPOSITION OF THE BOARD OF DIRECTORS:

The Board of the Company is comprised of experienced persons with proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness, and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.

During the year under review, the composition of the Board has been expanded from 2 Directors to 7 Directors by the induction of 1 Executive Director, 1 Non-Executive Director and 3 Independent Directors. As on the date of the report, the Board comprises, 3 Independent, 1 Non-Executive and 3 Executive Directors,

The Board of Directors of the Company consists of Mr. Balakrishnan (DIN:06590484), Managing Director, Mrs. Sundaram Yogalakshmi (DIN:07323404), and Mr. Duraiswami Prabhakar (DIN:09831080), Whole-time Directors, Mrs. Rajarathinam Thiripurasundari (DIN:07323583), Non-Executive Director, Mr. Vengarai Seshadri Sowrirajan (DIN:00434044), Mr. Subramaniam Krishnan (DIN:00583985), and Mr. Jitendra Pal (DIN:08567622), are Independent Directors. The composition of the Board of Directors is in compliance with Section 149 of the Companies Act, 2013. During the year under review the company has appointed following new Directors & KMP as tabled below:

| S.No | DIN/ PAN | Name of Director/KMP | Designation | Date of Appointment |
|------|----------|-------------------------------|------------------------|---------------------|
| 1 | 09831080 | Duraiswami Prabhakar | Whole-Time Director | 01.01.2023 |
| 2 | 07323583 | Rajarathinam Thiripurasundari | Non-Executive Director | 01.01.2023 |
| 3 | 00434044 | Vengarai Seshadri Sowrirajan | Independent Director | 01.01.2023 |
| 4 | 00583985 | Subramaniam Krishnan | Independent Director | 01.01.2023 |
| 5 | 08567622 | Jitendra Pal | Independent Director | 01.01.2023 |

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

| | | | | |
|---|----------------|--------------------|----------------------------|------------|
| 6 | AWWPM9194 K | Nikhil Midha | Company Secretary | 17.02.2023 |
| 7 | ABOPV9998B | Vijay Pichaimuthu* | Chief Financial Officer | 17.02.2023 |

KEY MANAGERIAL PERSONNEL

As on the date of this report, the following are Key Managerial Personnel (“KMPs”) of the Company as per Sections 2(51) and 203 of the Act:

1. Mr. Balakrishnan (DIN:06590484), Managing Director,
2. Mrs. Sundaram Yogalakshmi (DIN:07323404), Whole-time Directors
3. Mr. Duraiswami Prabhakar (DIN: 09831080), Whole-time Directors
4. Nikhil Midha, Company Secretary
5. Vijay Pichaimuthu, Chief Financial Officer*

* Resigned from the office of Chief Financial Officer with effect 23.05.2023.

CHANGES IN DIRECTOR AND KEY MANAGERIAL PERSONNEL:

As recommended by the Board of Director the shareholders of the Company at their Extra-ordinary General meeting held on December 29, 2022 varied the term of appointment of Mr. Balakrishnan (DIN:06590484), Managing Director and Mrs. Sundaram Yogalakshmi (DIN:07323404), Whole-time Director with effect from January 01, 2023 for remainder of their respective terms.

There was no appointment of Additional, alternate and Director and KMP to fill casual vacancy during the year and no Directors have resigned during the year under review.

DECLARATION OF INDEPENDENT DIRECTORS A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

Mr. Vengarai Seshadri Sowrirajan (DIN: 00434044), Mr. Subramaniam Krishnan (DIN: 00583985) and Mr. Jitendra Pal (DIN: 08567622) are Independent Directors on the Board.

All the Independent Directors of the Company have submitted declarations pursuant to Section 149(7) of the Act, that each of them meets the criteria of independence as provided in Section

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

149(6) of the Act and they continue to comply with the Code of Conduct laid down under Schedule IV of the Act.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors.

COMMITTEE OF THE BOARD

The Company is contemplating an initial public offer (IPO) of its equity shares with listing in the Emerge Platform of the National Stock Exchange of India Limited (NSE EMERGE) as part of funding its next phase of growth. The IPO and consequent listing of shares will result in increase in the paid-up capital of the company besides applicability of additional compliance requirements both under the Companies Act, 2013 and SEBI Listing Regulations. The constitution of certain statutory committees of the Board is one of the prominent compliance requirements in this regard. Accordingly, the Board of directors of the Company has constituted the following committees of the Board at its meeting held on 31st March 2023.

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee

The composition and terms of reference of each of the above committee is provided below:-

AUDIT COMMITTEE

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of Section 177 of the Act. As on March 31, 2023

As on March 31, 2023, the Committee comprises of three (3) Independent Directors and one(1) executive Director is as follows:-

1. Mr. Subramaniam Krishnan (DIN: 00583985), Independent Director (Chairman)
2. Mr. Vengarai Seshadri Sowrirajan (DIN:00434044), Independent Director (Member)
3. Mr. Jitendra Pal (DIN:08567622), Independent Director (Member)
4. Mr. Balakrishnan (DIN:06590484), Managing Director (Member)

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

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Company Secretary acts as the Secretary of the committee.

The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity, and quality of financial reporting. The powers, role and terms of reference of the Committee are in consonance with the requirements mandated under Section 177 of the Companies Act, 2013 and applicable Regulations.

No meeting of the Audit Committee was held during the year under review as committee was formed in the meeting of Board of Directors of the Company held in the last quarter of the financial year.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee ("NRC") of the Board is entrusted with the responsibility for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, financial condition, and compliance requirements.

Pursuant to the provisions of Section 178 of the Act has formulated, and the Board has adopted a Policy on the appointment and removal of Directors including the Board Diversity Policy ("NRC Policy"). NRC has also formulated the criteria for determining qualifications, positive attributes, and independence of Directors, which has been embedded in NRC Policy.

As on March 31, 2023, the Committee comprises of three (3) Independent Directors and one(1) executive Director is as follows:-

1. Mr. Subramaniam Krishnan (DIN: 00583985), Independent Director (Chairman)
2. Mr. Vengarai Seshadri Sowrirajan (DIN:00434044), Independent Director (Member)
3. Mr. Jitendra Pal (DIN:08567622), Independent Director (Member)
4. Mr. Balakrishnan (DIN:06590484), Managing Director (Member)

Company Secretary acts as the Secretary of the committee

The Nomination and Remuneration Committee of the Board of Directors recommends the nomination of Directors, carries out evaluation of performance of individual Directors, recommends remuneration policy for Directors, Key Managerial Personnel and other employees and also deals with the governance related matters of the Company.

It oversees the implementation of the nomination, remuneration and governance policies of the Company, reviews the effectiveness of such policies from time to time and recommends revisions as and when deemed necessary or expedient.

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

No meeting of the Nomination and Remuneration Committee was held during the year under review as committee was formed in the meeting of Board of Directors of the Company held in the last quarter of the financial year.

STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on March 31, 2023. As on 31.03.2023 the Stakeholders' Relationship Committee comprises of three (2) Independent Directors and one(1) executive Director is as follows:-

1. Mr. Subramaniam Krishnan (DIN: 00583985), Independent Director (Chairman)
3. Mr. Jitendra Pal (DIN:08567622), Independent Director (Member)
4. Mr. Balakrishnan (DIN:06590484), Managing Director (Member)

Company Secretary acts as the Secretary of the committee

The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and applicable Regulation.

No meeting of the Stakeholders Relationship Committee was held during the year under review as committee was formed in the meeting of Board of Directors of the Company held in the last quarter of the financial year.

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company is a strong believer of giving back to the community and acknowledging the role played by communities in the growth of our business. The Company stand 'For Better Living' which embeds actions towards For Better Communities, For Better Nutrition, For Better Sourcing, and For Better Planet.

The composition of the CSR Committee is as follows:-

1. Mr. Jitendra Pal (DIN:08567622), Independent Director (Chairman)
 2. Mr. Balakrishnan (DIN:06590484), Managing Director (Member)
 3. Mrs. Sundaram Yogalakshmi (DIN:07323404) ,Whole-Time Director (Member)
 4. Mr. D Prabhakaran (DIN:09831080) ,Whole-Time Director (Member)
- Company Secretary acts as the Secretary of the committee

No meeting of the Corporate Social Responsibility Committee was held during the year under review as committee was formed in the meeting of Board of Directors of the Company held in the last quarter of the financial year.

RISK MANAGEMENT COMMITTEE (RMC)

The Board of Directors of the Company at its meeting held on 31.03.2023 has formed a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The Committee is responsible for identifying elements of risk reviewing the risk management plan and ensuring its effectiveness. The Committee shall responsible to considers the risks that impact the mid-term to the long-term objectives of the business, including those reputational in nature.

The composition of the Risk Management Committee is as follows:-

2. Mr. Vengarai Seshadri Sowrirajan (DIN:00434044), Independent Director (Chairman)
2. Mr. Balakrishnan (DIN:06590484), Managing Director (Member)
3. Mrs. Sundaram Yogalakshmi (DIN:07323404) ,Whole-Time Director (Member)

No meeting of the Risk Management Committee was held during the year under review as committee was formed in the meeting of Board of Directors of the Company held in the last quarter of the financial year.

CODE OF CONDUCT

In compliance with Companies Act,2013 the Board of Directors of the Company has laid down a Code of Conduct (Code) for the Directors and Senior management employees. The Code is also posted on the Website of the Company at <https://www.basilicflystudio.com/>

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

PARTICULARS OF EMPLOYEES:

The statement containing details of employees as required under Section 197(12) read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Rules'), as amended, drawing remuneration exceeding the limit as specified in Rule 5(2) and the statement as required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure III** attached to this report.

According to Section 197(14) of the Act, the no remuneration has received by any of the Executive Directors from the Company's subsidiary companies during FY 2022-23.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 [14 OF 2013]:

The Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

As a part of the policy for Prevention of Sexual Harassment in the organization, the Company has in place an Internal Complaints Committee (**ICC**) for prevention and redressal of complaints of sexual harassment of women at work place in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and relevant rules there under. No complaints were received by the Committee during the period under review.

DEPOSITS:

During the year under review ,the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The Company has received unsecured loans from Directors in the earlier years, and the outstanding balance stands as on March 31,2023 is Rs.10,50,000/-. The details of the same have been disclosed in Note No.3 (Long term Borrowings) of the Financial Statement. The relative of director from whom money is received have furnished to the company at the time of giving the money, a declaration in writing to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others.

CHANGE IN THE NATURE OF BUSINESS:

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

During the year under review, there has been no change in the nature of the business of the Company and the company continues to engage in the same line of business activities.

VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD REPORT.

No revision of financial statement or board's report made which need to be disclosed in the board's report pursuant to third proviso to Sub-section (1) of Section 131 of the Companies Act,2013.

SHARES:

a. AUTHORIZED & PAID-UP SHARE CAPITAL:

During the year under review, the Company has increased its authorized share capital from ₹1,00,00,000 divided into 10,00,000 Equity Shares of ₹10/- each to ₹25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution passed at the Extra Ordinary General Meeting held on December 29, 2022.

The shareholders of the company at the EGM held on December 29, 2022, approved to capitalize a sum of Rs. 16,00,00,000/- out of Rs. 16,65,89,000/-standing to the credit of Free reserves as on 30/09/2022 and to apply this sum for paying in full at par 1,60,00,00 (One Crore Sixty Lakhs only) Equity Shares of Rs. 10/- each in the capital of Company as fully paid bonus shares to the holders of equity shares, in the ratio of 16:1, i.e Sixteen (16) Equity share of Rs. 10/- for every One (01) existing equity share fully paid up of the Company.

Pursuant to the approval of the Shareholders at their Extra Ordinary General Meeting dated December 29, 2022, the Company at the Board Meeting held on 04.03.2023 had issued and allotted 1,60,00,000 Equity Shares of ₹10/- each as fully paid up Bonus equity shares. As a result of such allotment, the issued, subscribed and paid-up share capital increased from Rs.1,00,00,000 divided into 10,00,000 Equity Shares of Rs.10/- each to Rs.17,00,00,000 divided into 1,70,00,000 Equity Shares of Rs.10/- each. The equity shares so allotted rank *pari-passu* with the existing equity shares of the Company.

Except as mentioned above, the Company had not issued any other shares or instruments convertible into equity shares of the Company or with differential voting rights nor has granted any sweat equity.

b. BUY BACK OF SECURITIES:

The Company has not bought back any of its securities during the year under review.

c. SWEAT EQUITY:

The Company has not issued any Sweat Equity Shares during the year under review.

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

d. BONUS SHARES:

During the year under review Board of Directors recommends at its meeting held on December 27, 2022 to issue **1,60,00,000** equity shares of Rs.10/- each to its existing shareholders in the ratio of Sixteen (16) Equity Share for every One (01) fully paid-up Equity Share of the Company by way of capitalization of its reserves & same was approved by the Shareholders on Extraordinary General Meeting dated December 29,2022. Further the Board allot these shares at its meeting held on March 04, 2023.

d. EMPLOYEES STOCK OPTION PLAN:

The Company has not provided any Stock Option Scheme to the employees.

DEMATERIALISATION OF SHARES

The Company has entered into an agreement with Depositories viz., by Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for admission of its shares into the depository system. The Company has been allotted ISIN Number is INE0OCC01013.

The Company has also appointed Purva Share Registry (India) Private Limited as its Registrar and Share Transfer Agent (RTA) and as common agency for share registry work. The contact details of the RTA is provide below:

REGISTRARS AND SHARE TRANSFER AGENTS

Purva Share Registry (India) Private Limited

CIN: U67120MH1993PTC074079

Address:- 9, Shiv Shakti Industrial Estate,

J.R.Boricha Marg Lower Parel (East), Mumbai, 400011, Maharashtra, India,

Telephone No.022-23018261, Email Id: support@purvashare.com

All matters connected with Share Transfer, Transmission, Change of address, duplicate share certificates and other related matters are handled by the RTA. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions. Members can contact the Company or M/s.Purva Shareregistry (India) Private Limited for assistance in this regard

COMPLIANCE OFFICER DETAILS AND ADDRESS FOR CORRESPONDENCE

Mr. Nikhil Midha

Company Secretary & Compliance Officer

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

Registered Office: TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD
PORUR CHENNAI TN 600116 IN
Phone No. +91 - 94164 22201

SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS / COURTS:

During the year under review, there were no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, no application or proceeding made by or against the company is pending before any Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUBSECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, in the year under review.

ACKNOWLEDGEMENT:

The Directors wish to convey their deep appreciation to all the employees, customers, vendors, investors and consultants/advisors of the Company for their sincere and dedicated services as well as their collective contribution to the Company's performance.

The Directors thank the Government of India, Governments of various States in India, Governments of various Countries, and concerned Government departments/Regulatory

BASILIC FLY STUDIO LIMITED

CIN:U92100TN2016PLC103861

Regd Off:-TOWER A, KRC COMMERZONE MOUNT POONAMALLEE ROAD PORUR CHENNAI TN 600116 INDIA

E-Mail ID: cs@basilicfly.com; Ph.No:044-61727700

Authorities for their co-operation. The Directors appreciate and value the contribution made by every member, employee, and their family of the Company.

For and on behalf of the Board of Directors of

BASILIC FLY STUDIO LIMITED

**SD-/
BALAKRISHNAN
Managing Director
DIN:06590484**

**SD-/
SUNDARAM YOGALAKSHMI
Whole-time Director
DIN:07323404**

**Place: Chennai
Date:14.06.2023**



INDEPENDENT AUDITOR'S REPORT

To the Members of
Basilic Fly Studio Limited.,
(Formerly known as Basilic Fly Studio Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Basilic Fly Studio Limited** (Hereinafter referred to the "**Holding Company**") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated statement of Profit and Loss, the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit/loss and its consolidated cash flows for the year then ended.

Basis for Opinion

3. 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter | How the matter was addressed in our audit |
|--|---|
| The company derives its revenues primarily from Sale of Visual effects (VFX) Service contracts. Product revenues are recognised when the soft copy of the file is made or given to the client. Revenue from VFX and service contracts received in advance are recognized in the month of raising the invoice and the remaining part recognized over a period of months thereafter. Sales are shown net of sales returns, if any. | In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: <ol style="list-style-type: none">1. Assessed the appropriateness of the revenue recognition, accounting policies, with the applicable accounting standards.2. We have verified the contract with customers made in this regard and revenues accounted under proportionate Completion method. |

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

5. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Board's Report along with Annexures but does not include the consolidated financial statements and our auditor's report thereon.
6. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. The above information is not available to us as on the date of our report.



Responsibilities of the Management and Those charged with Governance for the consolidated Financial Statements:

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.



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

- i. Identify and assess the risks of material misstatement of the consolidated 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.
- ii. 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.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent



auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.
14. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

17. We did not audit the financial statements of Basilic Fly Studio Canada Limited, whose financial statements reflect total assets of Rs 1,347.44 lakhs as at March 31, 2023, total revenues of Rs 1,537.47 lakhs and net cash flows amounting to Rs 476.94 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report



in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

18. We did not audit the financial statements of Basilic Fly Studio UK Private Limited, whose financial statements reflect total assets of Rs 6.35 lakhs as at March 31, 2023, total revenues of Rs Nil and net cash flows amounting to Rs1.12 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the group and the local regulation of the UK does not mandate the audit.

Our opinion is on the consolidated financial statements, and our report on Other Legal and regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

19. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
20. As required by Section 143(3) of the Act, we report that:
- i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the



relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- v. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- vi. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Group does not have any pending litigations which would impact its consolidated financial position of the Group.
 - b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
- viii. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; .

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

ix. The Company did not declare or paid any dividend during the year.

For L U Krishnan & Co.

Chartered Accountants

Firm's Registration No: 0015275



P K Manoj
Partner

Membership No.207550

UDIN:23207550BGWMHA6836

Place: Chennai

Date: June 14, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 20 under 'Report on Other Legal and Regulatory Requirements' section of our report)

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

We have audited the internal financial controls over financial reporting of **Basilic Fly Studio Limited** (the "the Holding Company") as of **March 31, 2023** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the



assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For L U Krishnan & Co.
Chartered Accountants
Firm's Registration No: 001527S



P K Manoj
Partner

Membership No:207550

UDIN: UDIN:23207550BGWMHA6836

Place: Chennai

Date: June 14, 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 19 under 'Report on Other Legal and Regulatory Requirements' section of our report)

- a) There are no qualifications or adverse remarks made by the auditors of subsidiary company in their auditor's report, included in the consolidated financial statements of the Company.

**For L U Krishnan & Co.
Chartered Accountants
Firm's Registration No: 0015275**



**P K Manoj
Partner**

**Membership No:207550
UDIN: 23207550BGWMHA6836**

**Place: Chennai
Date: June 14, 2023**

BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)
Consolidated Balance Sheet as at March 31, 2023

(Amount in ₹ Lakhs)

| Particulars | Note No. | As at March 31, | |
|--|----------|-----------------|-----------------|
| | | 2023 | 2022 |
| I. EQUITY AND LIABILITIES | | | |
| 1 SHAREHOLDERS FUNDS | | | |
| (a) Share Capital | 1 | 1,700.00 | 100.00 |
| (b) Reserves and Surplus | 2 | 1,466.98 | 294.16 |
| (c) Money received against share warrants | | | |
| 2 MINORITY INTEREST | 3 | 39.39 | 23.30 |
| 3 SHARE APPLICATION MONEY PENDING ALLOTMENT | | | |
| 4 NON-CURRENT LIABILITIES | | | |
| (a) Long-Term Borrowings | 4 | 252.58 | 309.05 |
| (b) Deferred Tax Liabilities (Net) | | - | - |
| (c) Other Long-Term Liabilities | 5 | 196.38 | 63.74 |
| (d) Long-Term Provisions | | | |
| 5 CURRENT LIABILITIES | | | |
| (a) Short-Term Borrowings | 6 | 174.50 | 104.18 |
| (b) Trade Payables | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises and | 7 | - | - |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 354.50 | 199.82 |
| (c) Other Current Liabilities | 8 | 454.73 | 473.17 |
| (d) Short-Term Provisions | 9 | 676.27 | 3.66 |
| TOTAL EQUITY AND LIABILITIES | | 5,315.33 | 1,571.08 |
| II. ASSETS | | | |
| 1 NON-CURRENT ASSETS | | | |
| (a) Property, Plant & Equipment and Intangible Assets | | | |
| (i) Property, Plant & Equipment | 10 | 231.59 | 111.97 |
| (ii) Intangible Assets | | - | - |
| (b) Non-Current Investments | | - | - |
| (c) Deferred Tax Assets (Net) | 11 | 31.40 | 4.53 |
| (d) Long-Term Loans & Advances | 12 | 1.44 | 64.94 |
| (e) Other Non-Current Assets | 13 | 989.32 | 570.37 |
| 2 CURRENT ASSETS | | | |
| (a) Current Investments | | - | - |
| (b) Inventories | | - | - |
| (c) Trade Receivables | 14 | 1,516.80 | 260.56 |
| (d) Cash & Bank Balances | 15 | 1,017.55 | 450.67 |
| (e) Short-Term Loans and Advances | | - | - |
| (f) Other Current Assets | 16 | 1,527.23 | 108.04 |
| TOTAL ASSETS | | 5,315.33 | 1,571.08 |
| Company overview & Significant Accounting Policies | 23 | | |
| Other notes to accounts | 24 | | |

The accompanying notes 1 to 24 form an integral part of the financial statements.

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)


Balakrishnan
Managing Director
DIN: 06590484


Sundaram Yogalakshmi
Director
DIN: 07323404


Nikhil Midha
Company Secretary
Membership Number: 10213


Ramesh M
Chief Financial Officer

As per our report of even date attached
For **L.U. KRISHNAN & CO**
Chartered Accountants
Firm's Registration No: 0015275




P K Manoj
Partner

Membership Number: 207550
UDIN: 23207550BGWMHA6836

Place: Chennai
Date: 14-06-2023

Place: Chennai
Date: 14-06-2023



BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)
Statement of Consolidated Profit and Loss for the year ended March 31, 2023

(Amount in ₹ Lakhs)

| Particulars | Note No. | For the year ended March 31, | |
|---|----------|------------------------------|-----------------|
| | | 2023 | 2022 |
| I Revenue From Operations | 17 | 7,866.74 | 2,515.84 |
| II Other Income | 18 | 28.41 | 12.94 |
| III Total Income (I+II) | | 7,895.15 | 2,528.78 |
| IV Expenses | 19 | 1,752.28 | 1,249.30 |
| Employee Benefits Expense | 20 | 2,131.17 | 1,077.00 |
| Other Direct Expenses | 21 | 68.54 | 8.50 |
| Finance Costs | 10 | 56.03 | 28.30 |
| Depreciation & Amortisation Expenses | 22 | 136.82 | 32.62 |
| Other Expenses | | 4,144.84 | 2,395.72 |
| Total Expenses (IV) | | 3,750.31 | 133.06 |
| V Profit Before Exceptional and Extraordinary Items and Tax (III-IV) | | 3,750.31 | 133.06 |
| VI Exceptional Items | | - | - |
| VII Profit before extraordinary items and tax (V-VI) | | 3,750.31 | 133.06 |
| VIII Extraordinary items | | - | - |
| IX Profit before tax (VII-VIII) | | 3,750.31 | 133.06 |
| X Tax Expense: | | | |
| (1) Current Tax | | 987.07 | 37.01 |
| (2) Deferred Tax | | (26.87) | 4.68 |
| (3) Tax Adjustment for earlier years | | | |
| XI Profit (Loss) for the period from continuing operations (IX-X) | | 2,790.11 | 91.37 |
| XII Minority Interest | | 16.09 | 1.27 |
| XIII Profit (Loss) for the period from continuing operations (XI-XII) | | 2,774.02 | 90.10 |
| XIV Profit (Loss) for the period from discontinuing operations | | - | - |
| XV Tax expenses of discontinuing operations | | - | - |
| XVI Profit (Loss) for the period from discontinuing operations (after tax) (XIV-XV) | | - | - |
| XVII Profit/(Loss) For The Period (XIII+XVI) | | 2,774.02 | 90.10 |
| XVIII Earnings per equity share: (In Rs.) (Refer Other Notes No : 34) | | | |
| (1) Basic | | 16.32 | 0.53 |
| (2) Diluted | | 16.32 | 0.53 |

23 & 24

Company overview, Significant Accounting Policies & Other notes on
The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Registration No: 0015275


Balakrishnan
Managing Director
DIN: 06590484


Sundaram Yogalakshmi
Director
DIN: 07323404


Nikhil Midha
Company Secretary
Membership Number: 10213


Ramesh M
Chief Financial Officer


P K Manoj
Partner
Membership Number: 207550
UDIN: 23207550BGWMHA6836



Place: Chennai
Date: 14-06-2023

Place: Chennai
Date: 14-06-2023



BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

Statement of Consolidated Cash Flow for the year ended March 31, 2023

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|--|------------------------------|----------------|
| | 2023 | 2022 |
| A CASH FLOWS FROM OPERATING ACTIVITIES: | 3,750.31 | 133.06 |
| Net Profit Before Tax | | |
| Adjustments for: | 56.03 | 28.30 |
| Depreciation | 6.60 | - |
| Assets written off | 68.54 | 8.50 |
| Interest Expenses | (28.41) | (12.94) |
| Interest Income | | |
| | 3,853.07 | 156.92 |
| Operating Profit before working capital changes: | | |
| Adjustments for changes in working capital: | (1,256.24) | (196.43) |
| (Increase)/Decrease in Trade Receivables | 132.64 | 19.94 |
| Increase/(Decrease)in Long term Provisions | (1,421.45) | (80.43) |
| (Increase)/Decrease in Other Current assets | (418.95) | 0.80 |
| (Increase)/Decrease in Other Non-Current Assets | 70.32 | 84.90 |
| Increase/(Decrease) in Short Term Borrowings | 154.68 | (51.96) |
| Increase/(Decrease) in Trade and Other payables | (18.44) | 166.38 |
| Increase/(Decrease)in Other Current Liabilities | 8.73 | 2.15 |
| Increase/(Decrease)in Short term Provisions | | |
| | 1,104.36 | 102.27 |
| Cash generated from operations | (320.93) | (23.51) |
| Income Taxes paid | | |
| | 783.43 | 78.75 |
| Cash flow before extraordinary item | | |
| Extraordinary Items | | |
| | 783.43 | 78.75 |
| NET CASH FROM OPERATING ACTIVITIES (A) | 783.43 | 78.75 |
| B CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest Received | 28.41 | 12.94 |
| Fixed assets purchased including Intangible Assets | (182.25) | (71.51) |
| (Increase)/Decrease in Long Term Loans & Advances | 63.50 | 6.90 |
| | (90.34) | (51.67) |
| NET CASH USED IN INVESTING ACTIVITIES (B) | (90.34) | (51.67) |
| C CASH FLOWS FORM FINANCING ACTIVITES | | |
| Interest paid | (68.54) | (8.50) |
| Increase/(Decrease) in Long-Term Borrowings | (56.47) | 293.27 |
| Minority Interest | - | 22.03 |
| | (125.01) | 306.80 |
| NET CASH USED IN FINANCING ACTIVITIES (C) | (125.01) | 306.80 |
| Exchange difference on translation of foreign operations | (1.20) | 6.53 |
| | 566.88 | 340.41 |
| D NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | 450.67 | 110.26 |
| Opening Cash and Cash Equivalents | | |
| | 1,017.55 | 450.67 |
| CLOSING CASH AND CASH EQUIVALENT (Refer Other Notes No : 28) | | |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash & cash equivalent as per Balance sheet | 1,017.55 | 450.67 |
| Cash & cash equivalent at the end of the period | 1,017.55 | 450.67 |

Significant Accounting Policies & Other Notes on accounts - Note no: 23 & 24

The accompanying notes 1 to 24 form an integral part of the financial statements.

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)


Balakrishnan
Managing Director
DIN: 06590484


Sundaram Yogalakshmi
Director
DIN: 07323404


Nikhil Midha
Company Secretary
Membership Number: 10213


Ramesh M
Chief Financial Officer

As per our report of even date attached
For **L.U.KRISHNAN & CO**
Chartered Accountants


P K Manoj
Partner
Membership Number: 207550
UDIN: 23207550BGWMMHA6836

Place: Chennai
Date: 14-06-2023

Place: Chennai
Date: 14-06-2023



BASILIC FLY STUDIO LIMITED

(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

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

Note: 1 Share Capital

| Particulars | (Amount in ₹ Lakhs) | | | |
|---|----------------------|-----------------|----------------------|---------------|
| | As at March 31, 2023 | | As at March 31, 2022 | |
| | Number | Amount | Number | Amount |
| a) Number and amount of equity shares authorised [Ⓐ] | 2,50,00,000 | 2,500.00 | 10,00,000 | 100.00 |
| b) (i) Number and amount of equity shares issued, Subscribed and Paid-up* | 1,70,00,000 | 1,700.00 | 10,00,000 | 100.00 |
| (ii) Number and amount of equity shares Subscribed but not fully Paid-Up | - | - | - | - |
| Total b(i) + b(ii) | | 1,700.00 | | 100.00 |
| c) Par value per Equity share (in ₹ each) | 10 | | 10 | |

Note: [Ⓐ] Authorised capital increased from 10,00,000 equity shares to 2,50,00,000 Equity shares with effect from 29/12/2022 vide members resolution.

* The Company has declared bonus Shares at the Members Meeting held on 29/12/2022, at the ratio of 16 Equity shares of Rs 10/- Each for every 1 Equity shares of Rs 10/- each held.

| Particulars | As at March 31, | |
|--|--------------------|------------------|
| | 2023 | 2022 |
| Shares outstanding at the beginning of the year | 10,00,000 | 10,00,000 |
| Shares issued during the year | 1,60,00,000 | - |
| Shares bought back during the year | - | - |
| Shares outstanding at the end of the year | 1,70,00,000 | 10,00,000 |

e) The rights, preferences and restrictions attaching to each class of shares:

The Company has only one class of shares and all shareholder have equal rights and there are no restriction and preferences attached to any shareholders including the right to receive dividend and repayment of Capital.

f) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

g) Details of shareholders holding more than 5% of shares:

| Name of the Shareholder | As at March 31, 2023 | | As at March 31, 2022 | |
|---------------------------|-----------------------|---------------|-----------------------|----------------|
| | Number of Shares held | % of Holding | Number of Shares held | % of Holding |
| Balakrishnan | 1,08,29,000 | 63.70% | 7,50,000 | 75% |
| Sundaram Yogalakshmi | 36,83,900 | 21.67% | 2,50,000 | 25% |
| Umesh Purushottam Chamdia | 11,30,500 | 6.65% | - | - |
| Aparna Samir Thakker | 11,30,500 | 6.65% | - | - |
| TOTAL | 1,67,73,900 | 98.67% | 10,00,000 | 100.00% |

h) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts: Nil

i) Shares information related to immediately preceding five years from reporting date:

Number & class of Share allotted as fully paid up pursuant to contract(s) without payment being received in cash : NIL

Aggregate number and class of shares allotted as fully paid up bonus shares : During the year the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10/- each in the ratio of 16 shares for every 1 share held.

Aggregate number and class of shares brought back : NIL

j) During the year ended 31.03.2023, no securities are convertible into Equity shares.

k) There are no calls unpaid including calls unpaid by directors and officers as on balance sheet date.

l) The Company has not forfeited any shares during the reporting period

m) Shareholding of Promoters

| Promoter Name | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-----------|----------------------|-----------|
| | No. of shares Held | % Holding | No. of shares Held | % Holding |
| 1. Sundaram Yogalakshmi | 1,08,29,000 | 63.70% | 7,50,000 | 75.00% |
| 2. Umesh Purushottam Chamdia | 36,83,900 | 21.67% | 2,50,000 | 25.00% |
| % Change during the year/ Period | | | | |
| 1. Balakrishnan | | (11.30%) | | (23.75%) |
| 2. Sundaram Yogalakshmi | | (3.33%) | | 23.75% |

Note: 2 Reserves and Surplus

| Particulars | (Amount in ₹ Lakhs) | |
|--|----------------------|---------------|
| | As at March 31, 2023 | 2022 |
| (a) General Reserves | | |
| Opening Balance | - | - |
| Add: Additions during the year | 2,000.00 | - |
| Less: Transferred to Other Reserves (Dividend, Bonus, to reserves) | (1,600.00) | - |
| Closing Balance | 400.00 | - |
| (b) Surplus | | |
| Opening Balance | 287.63 | 197.52 |
| Add: Additions during the year | 2,774.02 | 90.10 |
| Less: Transferred to General Reserves | (2,000.00) | - |
| Closing Balance | 1,061.65 | 287.63 |
| (c) Foreign Currency Translation Reserve | | |
| Opening Balance | 6.53 | - |
| Add: Additions during the year | - | 6.53 |
| Less: Deduction during the year | (1.20) | - |
| Closing Balance | 5.33 | 6.53 |
| Total | 1,466.98 | 294.16 |



Note: 3 Minority Interest

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|---|-----------------|--------------|
| | 2023 | 2022 |
| (a) Minority Interest | 22.03 | 22.03 |
| Paid up Value (At Original Cost) | 17.36 | 1.27 |
| Add: Minority Share of Movement in Equity | - | - |
| Less: Transfer | - | - |
| Total | 39.39 | 23.30 |

Note: 4 Long-Term Borrowings

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2023 | 2022 |
| Secured | | |
| a) Term Loans: | 40.25 | 54.32 |
| i. From banks | - | - |
| (From Axis Bank - Hypothecation of Car) | - | - |
| (From Canara bank - Hypothecation of Car) | - | - |
| Unsecured | | |
| a) Term Loans: | 181.32 | 217.86 |
| i. From banks | - | - |
| (From Deutsche Bank, HDFC Bank, IDFC First Bank, Standard Chartered Bank, Axis Bank, Indusind Bank, Kotak Mahindra Bank, Yes Bank, repayable in 36 installments with interest rate between at 13.5% - 15%) | - | - |
| ii. From other parties | 20.50 | 36.87 |
| (From Aditya Birla Finance, repayable in 36 installments with interest rate between at 14%) | - | - |
| b) Loans and advances from related parties | 10.51 | - |
| Total | 252.58 | 309.05 |

Note:

1. Disclosure about the nature of security and type of asset given as security

| Particulars | Terms of Repayment | Rate of Interest | No of O/S Instalments | Instalment Amount (Rs. In Lakhs) | Starting Date | Outstanding (Rs. in lakhs) | Nature of Security /Pledge |
|------------------------|--------------------|------------------|-----------------------|----------------------------------|---------------|----------------------------|----------------------------|
| Axis bank - Car Loan | 48 Months | 8.55% | 12 | 0.72 | 09-03-2020 | 8.20 | Vehicle |
| Canara bank - Car Loan | 84 Months | 9.40% | 72 | 0.85 | 15-03-2022 | 46,14,802.86 | Vehicle |

2. Disclosure about the nature of security and type of asset given as security

| Particulars | Terms of Repayment | Rate of Interest | No of O/S Instalments | Instalment Amount (Rs. In Lakhs) | Starting Date | Outstanding (Rs. in lakhs) | Nature of Security /Pledge |
|-------------------------------------|--------------------|------------------|-----------------------|----------------------------------|---------------|----------------------------|----------------------------|
| Deutsche Bank - Phase II | 36 Months | 14.00% | 25 | 1.71 | 30-03-2022 | 36.70 | - |
| HDFC Bank - Term Loan | 36 Months | 13.00% | 23 | 2.53 | 30-01-2022 | 51.20 | - |
| IDFC First Bank - Phase II | 36 Months | 14.00% | 25 | 1.74 | 29-03-2022 | 37.61 | - |
| Standard Chartered Bank - Term Loan | 36 Months | 14.00% | 25 | 2.56 | 30-03-2022 | 55.31 | - |
| Axis Bank - Term Loan - Phase II | 36 Months | 14.00% | 25 | 1.71 | 31-03-2022 | 35.42 | - |
| Indusind Bank - Term Loan | 36 Months | 15.00% | 27 | 1.73 | 04-06-2022 | 39.50 | - |
| Kotak Mahindra Bank - Term Loan | 36 Months | 14.50% | 26 | 1.72 | 23-05-2022 | 38.00 | - |
| Yes Bank - Term Loan | 36 Months | 15.00% | 27 | 1.39 | 25-05-2022 | 31.61 | - |

3. Disclosure about the nature of security and type of asset given as security

| Particulars | Terms of Repayment | Rate of Interest | No of O/S Instalments | Instalment Amount (Rs. In Lakhs) | Starting Date | Outstanding (Rs. in lakhs) | Nature of Security /Pledge |
|-------------------------------------|--------------------|------------------|-----------------------|----------------------------------|---------------|----------------------------|----------------------------|
| Aditya Birla - Term Loan - Phase II | 36 Months | 14.00% | 25 | 1.71 | 24-03-2022 | 36.87 | - |

Note: 5 Long-Term Provisions

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|------------------------------------|-----------------|--------------|
| | 2023 | 2022 |
| a) Provision for Employee Benefits | 196.38 | 63.74 |
| Total | 196.38 | 63.74 |

Note: 6 Short-Term Borrowings

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|---|-----------------|---------------|
| | 2023 | 2022 |
| Secured | | |
| a) Current Maturities of Long-term borrowings | 14.10 | 13.23 |
| (From Axis Bank - Hypothecation of Car) | - | - |
| (From Canara bank - Hypothecation of Car) | - | - |
| Unsecured | | |
| a) Current Maturities of Long-term borrowings | 160.40 | 90.95 |
| (From Deutsche Bank, HDFC Bank, IDFC First Bank, Standard Chartered Bank, Axis Bank, Indusind Bank, Kotak Mahindra Bank, Yes Bank, repayable in 36 installments with interest rate between at 13.5% - 15% & From Aditya Birla Finance, repayable in 36 installments with interest rate between at 14%) | - | - |
| Total | 174.50 | 104.18 |



Note: 7 Trade Payables

I. Trade Payables relating to MSME

| Particulars | As at March 31, | |
|--|-----------------|------|
| | 2023 | 2022 |
| a) (i) The principal amount thereon, remaining unpaid to any supplier as at the end of accounting year | - | - |
| (ii) The interest due thereon, remaining unpaid to any supplier as at the end of accounting year | - | - |
| b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid) | - | - |
| d) The amount of interest accrued and remaining unpaid at the end of accounting year | - | - |
| e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006 | - | - |

II. Trade Payables ageing schedule

| Particulars | As at March 31, | |
|-----------------------------|-----------------|--------|
| | 2023 | 2022 |
| (i) MSME | 354.50 | 199.82 |
| (ii) Others | - | - |
| (iii) Disputed dues - MSME | - | - |
| (iv) Disputed dues - Others | - | - |

Ageing Schedule

I. Trade Payables ageing schedule for the year ended March 31, 2023

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | TOTAL |
|-----------------------------|---------|--|-------------|-------------|-----------|--------|
| | | < 1 year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) MSME | - | - | - | - | - | 354.50 |
| (ii) Others | - | 354.50 | - | - | - | - |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

II. Trade Payables ageing schedule schedule for the year ended March 31, 2022

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | TOTAL |
|-----------------------------|---------|--|-------------|-------------|-----------|--------|
| | | < 1 year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) MSME | - | - | - | - | - | 199.82 |
| (ii) Others | - | 199.82 | - | - | - | - |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

Note: 8 Other Current Liabilities

| Particulars | As at March 31, | |
|---|-----------------|---------------|
| | 2023 | 2022 |
| a) ESI Payable | 0.17 | 0.25 |
| b) TDS Payable | 84.87 | 34.75 |
| c) PF Payable | 10.96 | 5.63 |
| d) Salary Payable | 225.91 | 154.87 |
| e) Audit Fees Payable | 8.10 | 1.00 |
| f) Advance Received from Client | 33.60 | 138.72 |
| g) Interest accrued but not due on borrowings | 4.66 | - |
| h) Rent Payable | 86.46 | 137.95 |
| Total | 454.73 | 473.17 |

Note: 9 Short-Term Provisions

| Particulars | As at March 31, | |
|------------------------------------|-----------------|-------------|
| | 2023 | 2022 |
| a) Provision for Taxation | 663.88 | - |
| b) Provision for Employee Benefits | 12.39 | 3.66 |
| Total | 676.27 | 3.66 |

Note: 10 (i) Property, Plant & Equipment Attached Separately

Note: 11 Deferred Tax Assets (Net)

| Particulars | As at March 31, | |
|----------------------------|-----------------|-------------|
| | 2023 | 2022 |
| On Account of Depreciation | (4.18) | (1.03) |
| On Account of Gratuity | 35.58 | 5.56 |
| Total | 31.40 | 4.53 |

Note: 12 Long-Term Loans & Advances

| Particulars | As at March 31, | |
|--|-----------------|--------------|
| | 2023 | 2022 |
| A. Unsecured, Considered good | | |
| a) Loans and advances to related parties | - | 53.43 |
| b) Other advances given to Suppliers | 1.44 | 11.51 |
| Total | 1.44 | 64.94 |

Note: 13 Other Non-Current Assets

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2023 | 2022 |
| a) Security Deposits | 174.34 | 123.83 |
| b) Bank Deposits with more than 12 months maturity | 814.98 | 446.54 |
| Total | 989.32 | 570.37 |



Note: 14 Trade Receivables

| Particulars | As at March 31, | |
|---|-----------------|---------------|
| | 2023 | 2022 |
| Trade receivable considered good – Secured | 1,516.80 | 260.56 |
| Trade receivable considered good – Unsecured | | |
| Trade receivable which have significant increase in credit risk | | |
| Trade receivable – credit impaired | | |
| Total Trade Receivables | 1,516.80 | 260.56 |

Ageing Schedule
I. Trade Receivables ageing schedule For the year ended March 31, 2023

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--|---------------|--|-------------------|-------------|-------------|-----------|-----------------|
| | | < 6 Months | 6 Months - 1 Year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) Undisputed Trade Receivables - Considered good | 747.19 | 105.81 | 663.77 | - | - | - | 1,516.80 |
| Total: | 747.19 | 105.81 | 663.77 | - | - | - | 1,516.80 |

II. Trade Receivables ageing schedule for the year ended March 31, 2022

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--|----------|--|-------------------|-------------|-------------|-----------|---------------|
| | | < 6 Months | 6 Months - 1 Year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) Undisputed Trade Receivables - Considered good | - | 149.45 | 111.11 | - | - | - | 260.56 |
| Total: | - | 149.45 | 111.11 | - | - | - | 260.56 |

Note: 15 Cash & Bank Balances

| Particulars | As at March 31, | |
|----------------------------|-----------------|--------|
| | 2023 | 2022 |
| a) Cash & Cash Equivalents | 1,017.50 | 449.84 |
| i) Balance with banks | 0.05 | 0.83 |
| ii) Cash in hand | 1,017.55 | 450.67 |
| Total | | |

Note: 16 Other Current Assets

| Particulars | As at March 31, | |
|--------------------------|-----------------|---------------|
| | 2023 | 2022 |
| Advance Tax | - | 0.80 |
| GST ITC | 234.18 | 22.63 |
| TDS Receivables | - | - |
| Prepaid Expense | 76.52 | - |
| IPO Expenses | 49.54 | - |
| Work-in-Progress | 1,147.52 | 69.34 |
| Staff Loans and Advances | 19.47 | 15.27 |
| Total | 1,527.23 | 108.04 |



BASILIC FLY STUDIO LIMITED

(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

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

Note: 17 Revenue From Operations

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|--------------------------|------------------------------|-----------------|
| | 2023 | 2022 |
| Sale of Services: | | |
| Local - India | 6,329.27 | 2,278.38 |
| Exports | 1,537.47 | 237.46 |
| Local - Subsidiary | | |
| Total | 7,866.74 | 2,515.84 |

Note: 18 Other Income

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|----------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Interest Income | 28.41 | 12.94 |
| Other non-operating income | - | - |
| Total | 28.41 | 12.94 |

Note: 19 Employee Benefits Expense

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|--------------------------------|------------------------------|-----------------|
| | 2023 | 2022 |
| Salaries & Wages | 1,508.42 | 1,174.29 |
| Contribution to Provident fund | 44.51 | 30.53 |
| Provision for Gratuity | 141.36 | 22.08 |
| Staff Welfare | 55.36 | 21.16 |
| Contribution to ESI | 2.63 | 1.24 |
| Total | 1,752.28 | 1,249.30 |

Note: 20 Other Direct Expenses

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|---------------------------------|------------------------------|-----------------|
| | 2023 | 2022 |
| Artist Outsource Charges | 492.09 | 195.15 |
| Consultancy Charges | 442.36 | 242.51 |
| Electricity Charges | 72.71 | 61.15 |
| Office Rent | 327.15 | 111.24 |
| Hiring and Subscription Charges | 514.36 | 421.44 |
| Travelling Expenses | 246.82 | 22.49 |
| Internet Charges | 35.68 | 23.02 |
| Total | 2,131.17 | 1,077.00 |

Note: 21 Finance Costs

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|-------------------|------------------------------|-------------|
| | 2023 | 2022 |
| Interest Expenses | 68.54 | 8.50 |
| Total | 68.54 | 8.50 |



Note: 10 Depreciation & Amortisation Expenses

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|---------------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Depreciation on Tangible Assets | 56.03 | 28.30 |
| Total | 56.03 | 28.30 |

Note: 22 Other Expenses

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|-----------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Payment to Auditors | 9.00 | 1.00 |
| Bank Charges | 9.13 | 3.12 |
| Business Promotion Expenses | 29.28 | 2.15 |
| Insurance Expenses | 13.14 | 10.29 |
| Repairs to Computer | 3.34 | 1.42 |
| Foreign Exchange Loss | 1.47 | 0.29 |
| Office Maintenance | 25.48 | 5.01 |
| Miscellaneous Expenses | 4.30 | 0.98 |
| Printing and Stationery | 6.02 | 2.77 |
| Rates and Taxes | 14.63 | 1.59 |
| Repairs to buildings | 7.59 | 1.21 |
| Repairs to machinery | 2.61 | 0.34 |
| Security Charges | 4.23 | 2.45 |
| Assets written off | 6.60 | - |
| TOTAL | 136.82 | 32.62 |



BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

Note to Financial Statements of the year ended March 31, 2023

Changes in the carrying amounts of each class of assets for the year ended March 31, 2023

Note: 10 Property, Plant & Equipment

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | |
|------------------------|---------------|------------------------|------------------------|--------------------------|---------------|---------------------------|--------------------------|----------------|----------------|
| | April 1, 2022 | Additions for the year | Deletions for the year | March 31, 2023 | April 1, 2022 | Depreciation for the Year | Depreciation on deletion | March 31, 2023 | March 31, 2022 |
| Computer & Accessories | 110.11 | 174.60 | - | 284.72 | 92.32 | 28.01 | - | 120.33 | 17.80 |
| Furniture & Fittings | 21.10 | - | 21.10 | - | 12.19 | 2.31 | 14.50 | - | 8.91 |
| Office Equipments | 1.80 | 7.10 | - | 8.90 | 0.78 | 1.71 | - | 2.49 | 1.02 |
| Plant & Machinery | 27.75 | - | - | 27.75 | 13.92 | 1.96 | - | 15.87 | 13.84 |
| Printers & Scanners | - | 0.54 | - | 0.54 | - | 0.05 | - | 0.05 | - |
| Vehicles | 97.78 | - | - | 97.78 | 27.37 | 21.99 | - | 49.37 | 70.41 |
| TOTAL (A) | 258.55 | 182.25 | 21.10 | 126.08 | 41.29 | 56.03 | 14.50 | 65.28 | 231.59 |
| Previous Year | 187.04 | 71.51 | - | 258.55 | 118.29 | 28.30 | - | 146.58 | 111.97 |
| | | | | | | | | | 68.75 |

(Amount in ₹ Lakhs)



BASILIC FLY STUDIO LIMITED

(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

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

Company Overview, Significant Accounting Policies & Other notes to accounts for the for the year ended March 31, 2023

I Company Overview

Basilic Fly Studio Private Limited Company(the Holding Company) having CIN:U92100TN2016PTC103861 incorporated on 28th January 2016 under the provisions of the Companies Act 2013, and having its registered office at Tower A, KRC Commerzone, Mount Poonamallee Road, Porur, Chennai,Tamil Nadu 600116 India with operating units across the Country. Subsequently, company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 29.12.2022 and the name of the company was changed to Basilic Fly Studio Limited ('the Company' or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 19.05.2023 Registrar of Companies, Chennai with Corporate Identification Number U92100TN2016PLC103861.

Basilic Fly studio Limited holds 90.62% of Basilic Fly Studio Canada Limited, which was incorporated on July 02, 2021 and 100% of Basilic Fly Studio UK Private Limited which was incorporated on April 06, 2022.

The registered office of the subsidiaries are situated in Vancouver, Canada and England and Wales respectively.

The Company is engaged in the business of post production activities of providing high-end visual effects and 2D to 3D conversion to the Media and Entertainment industry.

Basilic Fly studio Limited along with subsidiaries Basilic Fly Studio Canada Limited and Basilic Fly Studio UK Private Limited is the "Group" for the purpose of consolidation.

The Financial Statements of Basilic Fly Studio UK Private Limited is not audited however it is not a material subsidiary of the Group and also the local regulation of the UK does not mandate the audit. In so far as it relates to the amounts and disclosures included in respect of Basilic Fly Studio Canada Limited and Basilic Fly Studio UK Private Limited is based solely on the reports of the Management.

II Significant Accounting Policies

1 Basis of preparation:

The Consolidated Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year of the holding company.

Group's financial statements are presented in Indian Rupees (₹) which is functional currency of the Parent.

2 Basis of consolidation

The financial statements of the Group are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation.

These financial statements are prepared by applying uniform accounting policies in use at the Group.

Minority interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are disclosed separately.

3 Revenue recognition:

The Group derives its revenues primarily from Sale of Visual effects (VFX) Service contracts.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition. Sales are recognized on accrual basis, and only after transfer of services to the customer.

Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the proportionate completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of efforts incurred up to the balance sheet date, which bears to the total hours / days estimated for the contract.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Dividend Income: Dividend Income is recognised when the owners right to receive payment is established.

Other Income : Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

4 Property Plant and Equipment including Intangible assets:

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase.

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.



5 Depreciation & Amortisation:

The Group has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Written Down Value (WDV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

The estimated useful lives of assets are as follows

Useful life of Property, Plant and Equipments

| Category | Useful life | |
|------------------------|--------------|---|
| | Parent | Subsidiary- Basilic Fly Studio UK Private Limited |
| Computer & Accessories | 3 to 6 years | 5 Years |
| Furniture & Fittings | 10 years | - |
| Office Equipments | 5 years | - |
| Plant & Machinery | 15 years | - |
| Printers & Scanners | 13 years | - |
| Vehicles | 8 years | - |

6 Impairment of assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

7 Use of estimates:

The preparation of the consolidated financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

8 Foreign currency transactions:

I . Initial recognition :

A foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

II . Measurement :

Foreign currency monetary items are reported using the closing rate.

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.

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.

III . Treatment of Foreign exchange :

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates for the dates of the transactions are used. Exchange differences arising, if any, are recognised in foreign currency translation reserve.

Exchange difference arising on an intra-group monetary item, whether short term or long-term, cannot be eliminated against corresponding amount arising on other intra-group balances because the monetary item represents a commitment to convert one currency into another and exposes the reporting enterprise to a gain or loss through of the reporting enterprise, such an exchange difference continues to be recognised as income or an expense.



9 Employee Benefits:

A. Short - term employee benefits:

Leave encashment:

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

B. Post-Employment benefits:

Defined benefit plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

10 Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

11 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

12 Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

13 Operating Lease

Lease where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis.

14 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

15 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

16 Investments:

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



Note: 39 Other notes to accounts

1 Contingent liabilities and commitments (to the extent not provided for):

| Particulars | (Amount in ₹ Lakhs) | |
|--|---------------------|----------|
| | As at March 31, | |
| | 2023 | 2022 |
| A. Contingent Liabilities | | |
| Claims against the company not acknowledged as debt | Nil | Nil |
| Guarantees | Nil | Nil |
| Other money for which the company is contingently liable | Nil | Nil |
| Total | - | - |
| B. Commitments | | |
| (Amount in ₹ Lakhs) | | |
| As at March 31, | | |
| Particulars | 2023 | 2022 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | Nil | Nil |
| Uncalled liability on shares and other investments partly paid | Nil | Nil |
| Other commitments | Nil | Nil |
| Total | - | - |

2 Proposed Dividend Details:

The Group has not declared dividend during the period under review.

3 No Issue of securities were made for any specific purpose by the Group during the reporting year.

4 Parent has not made borrowings from banks and financial institution for any specific purposes during the year.

5 In the opinion of the Board, the assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated

6 Details of Benami Property held

There are no proceedings initiated or pending against the Parent for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

7 The Parent has no borrowing from the banks or financial institutions on the basis of security of current assets, hence no quarterly returns or statements of current assets are filed by the Company with any the banks or financial institutions.

8 Wilful Defaulter

The Parent is not declared as wilful defaulter by any bank or financial institution or other lender.

9 Relationship with Struck off Companies

The Parent has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

10 Registration of charges or satisfaction with Registrar of Companies:

The Parent do not have any charge to be registered with Registrar of Companies beyond the statutory period.

11 Compliance with number of layers of companies:

The Parent has subsidiaries with one layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

12 Compliance with approved Scheme(s) of Arrangements:

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.



13 Utilisation of Borrowed funds and share premium:

A. The Parent has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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 Parent (Ultimate Beneficiaries) or

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

B. The Parent 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.

14 Payment to the Auditor:*(Amount in ₹ Lakhs)*

| Particulars | For the year ended March 31, | |
|----------------------|------------------------------|-------------|
| | 2023 | 2022 |
| Statutory Audit Fees | 7.50 | 1.00 |
| Taxation Matters | 1.50 | - |
| Total | 9.00 | 1.00 |

15 Corporate Social Responsibility:

Company shall not be required to comply with Corporate Social Responsibility (CSR) as provisions of section 135 of the Companies Act, 2013 is not applicable.

16 During the year, the parent Company has set aside an amount of Rs. 1600 lakhs to reserve to issue Bonus Shares.

17 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.

18 Details of Supply of Services:*(Amount in ₹ Lakhs)*

| Particulars | For the year ended March 31, | |
|---|------------------------------|-----------------|
| | 2023 | 2022 |
| Gross income derived from services rendered or supplied | 7,866.74 | 2,515.84 |
| Total | 7,866.74 | 2,515.84 |

19 Foreign Currency earned and expended by Parent:*(Amount in ₹ Lakhs)*

| Particulars | For the year ended March 31, | |
|-------------------------------------|------------------------------|-----------------|
| | 2023 | 2022 |
| A. Foreign currency earned | | |
| Export of Services | 6,998.54 | 2,387.68 |
| Total | 6,998.54 | 2,387.68 |
| B. Foreign currency expended | | |
| Cloud Software | 13.69 | 6.63 |
| Consultation Fees | 0.86 | - |
| Travelling Charges | 50.75 | 110.34 |
| Total | 65.30 | 116.97 |

20 Undisclosed income:

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

21 Details of Crypto Currency or Virtual Currency:

The Parent has not traded or invested in Crypto currency or Virtual Currency during the financial year.

22 Dues to Micro, Small and Medium Enterprises:

There are no dues to Micro, Small and Medium Enterprises at the close of the Reporting Period.



23 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":

A. List of Related Parties:

| Name of Related Party | Relationship |
|-----------------------|---------------------|
| Balakrishnan | Managing Director |
| Sundaram Yogalakshmi | Whole Time Director |
| Prabhakar.D | Director |

B. Transaction with related Parties:

| Particulars | Subsidiary | Key management personnel of the entity or its parent | Relative | Total |
|---|------------|--|----------|---------|
| Director Remuneration | - | 134.58 | - | 134.58 |
| | - | (18.00) | - | (18.00) |
| Loans and advances from related parties | - | 10.51 | - | 10.51 |
| | - | - | - | - |

C. Balances of Related Parties As at March 31,2023

| Particulars | Subsidiaries | Key management personnel of the entity or its parent | Relative |
|-------------------------------|--------------|--|----------|
| Director Remuneration payable | - | 8.03 | - |
| | - | (5.00) | - |
| Loans and Advances given | - | - | - |
| | - | (27.84) | - |
| Loans and advances taken | - | 10.51 | - |
| | - | - | - |

D. Material Transaction with related parties:

| Particulars | Name of Related Party | Amount |
|---|-----------------------|--------|
| Loans and Advances given-Travel Advance | Balakrishnan | - |
| | | (9.01) |
| Loans and Advances taken | Balakrishnan | 10.51 |
| | | - |
| Director Remuneration | Balakrishnan | 66.00 |
| | | (9.00) |
| Director Remuneration | Sundaram Yogalakshmi | 48.00 |
| | | (9.00) |
| Director Remuneration | Prabhakar.D | 20.58 |
| | | - |

E. Material Balance with related parties:

| Particulars | Name of Related Party | Amount |
|--|-----------------------|---------|
| Loans and Advances given -Travel Advance | Balakrishnan | - |
| | | (27.84) |
| Loans and Advances taken | Balakrishnan | 10.51 |
| | | - |
| Director Remuneration payable | Balakrishnan | 4.00 |
| | | (3.00) |
| Director Remuneration payable | Sundaram Yogalakshmi | 3.00 |
| | | (2.00) |
| Director Remuneration payable | Prabhakar.D | 1.03 |
| | | - |

F. KMP

| | |
|----------------------|-------------------------|
| Balakrishnan | Managing Director |
| Sundaram Yogalakshmi | Wholetime Director |
| Prabhakar.D | Director |
| Ramesh M | Chief Financial Officer |



G Transactions with Key Management Personnel:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|----------------------|----------------------|
| Short-term employee benefits | - | - |
| Gross Salary | - | - |
| Medical Benefits | - | - |
| Perquisites and other benefits | 134.58 | 18.00 |
| Remuneration paid | - | - |
| Sitting Fees & Commission | - | - |
| Post-employment benefits | - | - |
| Contribution to P.F. & other fund | - | - |
| Other long-term benefits | - | - |
| Termination benefits | - | - |
| Share-based payment | - | - |

Figures within brackets () represents Previous Year's amount.

1. Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2023, the Company has not recorded any loss allowances for transactions between the related parties.

2. As the future liabilities for gratuity and leave encashment is provided on an actuarial basis and payment of insurance costs are made for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not disclosed separately.

3. No amounts in respect of related parties have been written off/ written back during the year or has not made any provision for doubtful debts/ receivable.

24 Reconciliation of Foreign Currency Translation Reserve:

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|--|------------------------------|-------------|
| | 2023 | 2022 |
| Opening Balance | 6.53 | - |
| Net Additions/(Deletions) during the year due to foreign Exchange Fluctuations | (1.20) | 6.53 |
| Total | 5.33 | 6.53 |

25 Income Taxes:

I. Minimum Alternate Tax

Parent has opted the lower tax regime under section 115BAA of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

II. Current Tax

For the year ended March 31,

| Particulars | 2023 | 2022 |
|------------------------|---------------|--------------|
| Current Tax | 987.07 | 37.01 |
| Net Current Tax | 987.07 | 37.01 |

26 Exchange Difference:

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|---------------------------------|------------------------------|-------------|
| | 2023 | 2022 |
| Exchange Difference Gain/(Loss) | 1.47 | 0.29 |
| Total | 1.47 | 0.29 |

27 Employee Benefit (Incurred in India):

Provident Fund - The Company has contributed Rs. 44.51 lakhs for the period ended March 31, 2023 and Rs. 30.53 lakhs in the previous year ended 31 March 2022 towards the Employees Provident Fund.

Employees' State Insurance - The Company has contributed Rs. 2.63 lakhs for the period ended March 31, 2023 and Rs.1.24 lakhs in the previous year ended 31 March 2022 towards the Employees State Insurance Corporation.

Gratuity - In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out by an external expert, who is a duly registered actuary. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

These plans typically expose the Group to actuarial risks such as; interest rate risk, longevity risk and salary risk.

Interest cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.



(i) Reconciliation of opening and closing balance of gratuity obligations

| Particulars | As at March 31, | |
|---|-----------------|--------------|
| | 2023 | 2022 |
| Net Liability as at the beginning of the period | 67.40 | 45.32 |
| Net Expenses in P/L A/c | 141.36 | 22.08 |
| Benefits Paid | - | - |
| Net Liability as at the end of the period | 208.76 | 67.40 |
| Present Value of Gratuity Obligation (Closing) | 208.76 | 67.40 |

(ii) Expenses recognised in Statement of Profit and Loss during the year:

| Particulars | For the year ended March 31, | |
|--------------------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Interest Cost | 5.07 | 3.25 |
| Current Service Cost | 52.06 | 17.20 |
| Past Service Cost | - | - |
| Expected Return on Plan Assets | - | - |
| Curtailment Cost (Credit) | - | - |
| Settlement Cost (Credit) | - | - |
| Net Actuarial (gain) / loss | 84.24 | 1.63 |
| Net Expenses to be recognized in P&L | 141.36 | 22.08 |
| Total | 141.36 | 22.08 |

(iii) Changes in Benefit Obligations:

| Particulars | (Amount in ₹ Lakhs) | |
|------------------------------------|---------------------|--------------|
| | As at March 31, | |
| | 2023 | 2022 |
| Opening Defined benefit Obligation | 67.40 | 45.32 |
| Current service cost | 52.06 | 17.20 |
| Interest cost for the year | 5.07 | 3.25 |
| Actuarial losses (gains) | 84.24 | 1.63 |
| Benefits paid | - | - |
| Closing Defined benefit Obligation | 208.76 | 67.40 |
| Total | 208.76 | 67.40 |

(iv) Actuarial assumptions

| Particulars | For the year ended March 31, | |
|---|---|---|
| | 2023 | 2022 |
| Rate of discounting | 7.52% | 7.52% |
| Salary Escalation | 7.00% | 7.00% |
| Attrition Rate | 10.00% | 10.00% |
| Mortality rate during employment Indian | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate |

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

28 Cashflow Statement

- (1) The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2023 was Rs 1,017.55 lakhs that are available for use by Company.
- (2) Group does not have undrawn borrowing facilities that may be available for future operating activities.
- (3) The Group has appropriate amount of Cash Flows that are required to maintain operating capacity.
- (4) Group is investing adequately in the maintenance of its operating capacity.
- (5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

Additional Disclosures:

I. Components of Cash and Cash Equivalents:

| | For the year ended March 31, | |
|---|------------------------------|---------------|
| | 2023 | 2022 |
| Cash on Hand | 0.05 | 0.83 |
| Cheque in hand | - | - |
| Balance with banks (refer Note below)* | 1,017.50 | 449.84 |
| Demand deposits with banks | - | - |
| Short term highly liquid investments | - | - |
| Bank Overdraft | - | - |
| Total Components of Cash and Cash Equivalents: | 1,017.55 | 450.67 |

*Note: Out of the above balance of Rs. 1,017.50 lakhs, an amount of Rs. 480.28 lakhs pertaining to Basilic Fly Studio Canada Ltd, subsidiary Company and an amount of Rs. 1.13 lakhs pertaining to Basilic Fly Studio UK Private Limited, a wholly-owned subsidiary Company for the year ended March 31,2023.

Out of the above balance of Rs. 449.84 lakhs, an amount of Rs. 133.45 lakhs pertaining to Basilic Fly Studio Canada Ltd, subsidiary Company for the year ended March 31,2022.



29 Changes in Accounting Estimates

There are no changes in Accounting Estimates made by the Company during the year.

30 Changes in Accounting Policies

There are no changes in Accounting Policies made by the Group during the year.

31 Disclosures on PPE and Intangible Assets

- (1) There is no restriction on the title of Property, Plant and Equipment and Property, Plant & Equipment was not pledged against borrowings.
- (2) Group has not constructed any item in Property, Plant & equipment.
- (3) Group has no contractual commitments for the acquisition of Property, Plant & Equipment.
- (4) Group has no Impairment loss during the period for Property, Plant & Equipment.
- (5) No assets has been retired from active use and held for disposal.
- (6) There are no temporarily idle property, plant and equipment.
- (7) There are no fully depreciated property, plant and equipment that is still in use.
- (8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.

32 Segment Reporting

The Company does not have reportable segment. The Company has only one segment namely VFX services hence segment reporting has not been presented.

33 Operating Leases

Operating lease agreement has been made by the Parent for Rental of Office premises with Tablespace Technologies Private Limited.
Total of future minimum lease payments in the following period:

| Particulars | (Amount in ₹ Lakhs) | | | Total |
|---|---------------------|-----------|----------|----------|
| | <1 year | 1-5 years | >5 years | |
| Future minimum lease payments for office rent | 525.24 | 1,956.05 | - | 2,481.29 |

34 Loans and Advances granted to Promoters, Directors, KMP and Related Parties

a) Repayable on Demand

| Type of Borrower | As at March 31,2023 | | As at March 31,2022 | |
|------------------|--|-----------------------------------|--|-----------------------------------|
| | Amount of Loans and advances outstanding | % to the total Loans and Advances | Amount of Loans and advances outstanding | % to the total Loans and Advances |
| Promoters | - | - | - | - |
| Directors | - | - | - | - |
| KMPs | - | - | - | - |
| Related Parties | - | - | - | - |

b) Without specifying any terms or period of repayment

| Type of Borrower | As at March 31,2023 | | As at March 31,2022 | |
|----------------------------|--|-----------------------------------|--|-----------------------------------|
| | Amount of Loans and advances outstanding | % to the total Loans and Advances | Amount of Loans and advances outstanding | % to the total Loans and Advances |
| Promoters | - | - | - | - |
| Director- (Travel Advance) | - | - | 27.84 | 42.87% |
| KMPs | - | - | - | - |
| Related Parties | - | - | - | - |



34 Earnings Per Share

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|--|------------------------------|-------------|
| | 2023 | 2022 |
| 1. Profit attributable to equity shareholders before extraordinary items (A) | 2,774.02 | 90.10 |
| 2. Profit attributable to equity shareholders after extraordinary items (B) | 2,774.02 | 90.10 |
| 3. Weighted average number of equity shares outstanding during the year (C) | 1,70,00,000 | 10,00,000 |
| 4. Adjusted Weighted average number of equity shares outstanding during the year (D)* | 1,70,00,000 | 1,70,00,000 |
| 5. Effect of potential equity shares on employee stock options outstanding | - | - |
| 6. Effect of any other items of potential Equity Shares eg. Convertible | - | - |
| 7. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (E) | 1,70,00,000 | 10,00,000 |
| 8. Adjusted weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (F) | 1,70,00,000 | 1,70,00,000 |
| 7. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/C) | 16.32 | 9.01 |
| 8. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/C) | 16.32 | 9.01 |
| 9. Adjusted Basic earnings per share before extraordinary items of face value of ₹ 10 (A/D) | 16.32 | 0.53 |
| 10. Adjusted Basic earnings per share after extraordinary items of face value of ₹ 10 (B/D) | 16.32 | 0.53 |
| 11. Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/E) | 16.32 | 9.01 |
| 12. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/E) | 16.32 | 9.01 |
| 13. Adjusted Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/F) | 16.32 | 0.53 |
| 14. Adjusted Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/F) | 16.32 | 0.53 |

*Note: The Company has declared bonus Shares at the Members Meeting held on 29/12/2022, at the ratio of 16 Equity shares of Rs 10/- Each for every 1 Equity share of Rs 10/- each held.

35 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation

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

37 Ratios

| S.No | RATIOS | Numerator (Rs) | Denominator (Rs) | 2023 | 2022 |
|------|--|----------------|------------------|---------|---------|
| a. | Current Ratio Current Assets / Current liabilities | 4,061.58 | 1,660.00 | 2.45 | 1.05 |
| b. | Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity | 427.08 | 3,166.98 | 0.13 | 0.08 |
| c. | Debt Service Coverate Ratio EBITDA / (Interest + Principal) | 3,874.88 | 321.12 | 12.07 | 0.65 |
| d. | Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders fund | 2,774.02 | 1,780.57 | 155.79% | 16.60% |
| e. | Inventory Turnover Ratio Cost of Goods Sold (or) Sales / Average Inventory | - | - | - | - |
| f. | Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables | 7,866.74 | 888.68 | 8.85 | 15.50 |
| g. | Trade Payable Turnover Ratio Credit Purchases / Average Trade Payables | 2,243.26 | 277.16 | 8.09 | 4.90 |
| h. | Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Average Working Capital | 7,866.74 | 2,420.80 | 3.25 | (15.46) |
| i. | Net Profit Ratio Net Profit / Total Sales | 2,774.02 | 7,866.74 | 35.26% | 3.58% |
| j. | Return on Capital Employed (EBIT / Capital Employed) * 100 | 3,818.85 | 3,594.06 | 106.25% | 17.53% |
| k. | Return on Investment Income generated from investments/ Total Investment*100 | - | - | - | - |



Variance Analysis

| S.No | RATIOS | As at March 31,2023 | | As at March 31,2022 | |
|------|--|---------------------|--|---------------------|--|
| | | Variance | Reason for Variance | Variance | Reason for Variance |
| a. | Current Ratio Current Assets / Current Liabilities | 133.19% | Due to increase in current assets | 182.09% | Due to increase in Current Assets |
| b. | Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity | 69.05% | Due to decrease in debt | (89.83%) | Due to increase in Debt |
| c. | Debt Service Coverate Ratio EBITDA / (Interest + Principal) | 1754.71% | Due to decrease in Debt | 84.81% | Due to increase in Debt |
| d. | Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders fund | 838.73% | Due to increase in profit | 111.83% | Due to increase in profit |
| e. | Inventory Turnover Ratio Cost of Goods Sold (or) Sales / Average Inventory | 0.00% | - | 0.00% | - |
| f. | Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables | (42.88%) | Due to increase in Average receivables | (31.42%) | Due to increase in turnover |
| g. | Trade Payable Turnover Ratio Credit Purchases / Average Trade Payables | 65.32% | Due to increase in turnover | 4.77% | Due to increase in turnover |
| h. | Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Average Working Capital | (121.02%) | Due to increase in average working capital | 29.73% | Due to increase in average working capital |
| i. | Net Profit Ratio Net Profit / Total Sales | 884.58% | Due to increase in profit | 83.83% | Due to increase in profit |
| j. | Return on Capital Employed (EBIT / Capital Employed) * 100 | 506.02% | Due to increase in Profit | (17.83%) | Due to increase in capital employed |
| k. | Return on Investment Income generated from investments/ Total Investment*100 | 0.00% | - | 0.00% | - |

38 Additional Information, as required under Schedule III to the Companies Act, 2013, of Enterprises Consolidated as Subsidiaries

A. Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2023:

| S.No | Name of the Entity | Net Assets i.e., total assets minus total liabilities | | Share in profit or loss | |
|-----------------------------|---------------------------------------|---|----------|-------------------------------------|----------|
| | | As % of Consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| 1 Parent: | | | | | |
| | Basilic Fly Studio Limited | 87.80% | 3,020.97 | 94.08% | 2,644.06 |
| 2 Subsidiary: | | | | | |
| | Basilic Fly Studio Canada LTD | 10.97% | 380.29 | 5.34% | 150.15 |
| | Basilic Fly Studio UK Private Limited | 0.00% | - | 0.00% | - |
| 3 Minority Interest: | | | | | |
| Subsidiary: | | | | | |
| | Basilic Fly Studio Canada LTD | 1.23% | 39.39 | 0.58% | 16.09 |



B. Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2022:

| S.No | Name of the Entity | Net Assets i.e., total assets minus total liabilities | | Share in profit or loss | |
|-----------------------------|-------------------------------|---|--------|-------------------------------------|--------|
| | | As % of Consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| 1 Parent: | | | | | |
| | Basilic Fly Studio Limited | 59.78% | 376.90 | 85.82% | 79.38 |
| 2 Subsidiary: | | | | | |
| | Basilic Fly Studio Canada LTD | 34.64% | 230.29 | 12.77% | 11.84 |
| 3 Minority Interest: | | | | | |
| Subsidiary: | | | | | |
| | Basilic Fly Studio Canada LTD | 5.58% | 23.30 | 1.41% | 1.27 |

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)



Balakrishnan
Managing Director
DIN: 06590484



Sundaram Yogalakshmi
Director
DIN: 07323404



Nikhil Mittal
Company Secretary
Membership Number: 10213



Ramesh M
Chief Financial Officer

As per our report of even date attached
For **L.U.KRISHNAN & CO**
Chartered Accountants
Firm Registration No: 0016275



P K Manoj
Partner

Membership Number: 207550
DIN: 23207550BGWMHA6836

Place : Chennai
Date : 14-06-2023

Place : Chennai
Date : 14-06-2023





INDEPENDENT AUDITOR'S REPORT

To the Members of
Basilic Fly Studio Limited.,
(Formerly known as Basilic Fly Studio Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Basilic Fly Studio Limited** (the "**Company**"), which comprise the Balance Sheet as at **31st March, 2023**, the Statement of Profit and Loss, the Statement of cashflows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as the "Financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements for the year ended 31st March, 2023 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 31st March, 2023, and its profit, and its cash flows, for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matters | Principal audit procedure performed |
|--|---|
| The company derives its revenues primarily from Sale of Visual effects (VFX) Service contracts. Product revenues are recognised when the soft copy of the file is made or given to the client. Revenue from VFX and service contracts received in advance are recognized in the month of raising the invoice and the remaining part recognized over a period of months thereafter. Sales are shown net of sales returns, if any. | In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: <ol style="list-style-type: none">1. Assessed the appropriateness of the revenue recognition, accounting policies, with the applicable accounting standards.2. We have verified the contract with customers made in this regard and revenues accounted under proportionate Completion method. |

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

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Board Report along with Annexures, but does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those charged with Governance for the Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 judgements 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 accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. 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.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

11. 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.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - i. 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.
 - ii. 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.

- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv. 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.
 - v. 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.
13. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
14. 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.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

16. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")**, issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "**Annexure - A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
17. As required by Section 143(3) of the Act, we report that:
- i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- iii. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- v. On the basis of written representations received from the directors as on 31st March 2023 taken on record by the board of directors, none of the directors are disqualified as on 31st March 2023 from being appointed as directors in terms of section 164(2) of the Act.
- vi. With respect to the adequacy of the **internal financial controls** over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company does not have any pending litigations which would impact its financial position.
 - b) The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- ix. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest



in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

x. The Company did not declare or paid any dividend during the year.

For L U Krishnan & Co.
Chartered Accountants
Firm's Registration No: 001527S



Manoj

P K Manoj
Partner

Membership No.207550

UDIN:23207550BGWWMGZ2235

Place: Chennai
Date: June 14, 2023

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the period ended 31 March, 2023 we report that:

i.

a)

- A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B. The Company has maintained proper records showing full particulars of Intangible Assets

b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which its Property, Plant and Equipment are verified at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification of Property, Plant and Equipment

c) According to the information and explanations given to us on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the standalone financial statements are held in the name of the Company.

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

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

ii.

a) The activities of the Company do not involve purchase of inventory and sale of goods during the period and accordingly clause 3 (ii)(a) of the Order is not applicable to the Company for the period.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii) (b) of the Order is not applicable to the Company.



- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has not made investments in companies and granted secured and unsecured loans to companies, firms, limited liability partnership or any other parties during the year. Accordingly, clause 3(iii)(a) to (f) of the Order is not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of records, the Company has not given any loans, or provided guarantees or securities, as specified under section 185 and 186 of the Companies Act, 2013.
- v. The company has not accepted deposits and does not have any unclaimed deposits within the meaning of sections 73 to 76 of the Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records Section 148(1) of the Act. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. In respect of statutory dues:
- a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there were no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, duty of custom, duty of excise, cess and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3 (viii) of the Order is not applicable.



- ix. In respect of loans and other borrowings:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
 - c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
 - d) On examination of the financial statements of the Company, Company has not raised any funds on short term basis which has been used for long-term purposes hence reporting under clause 3(ix)(d) of the Order is not applicable.
 - e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, hence reporting on clause 3(ix)(e) of the Order is not applicable. The Company does not hold any investment in any joint venture and associate.
 - f) The Company has not raised any loans on the pledge of securities held in its subsidiaries during the period and hence reporting on clause 3(ix)(f) of the Order is not applicable. The Company does not hold any investment in any joint venture and associate.
- x.
- a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting of the purpose for which amount raised under clause 3 (x)(a) of the Order is not applicable.
 - b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) under Section 42 and 62 of the Act during the year. Accordingly, clause 3 (x)(b) of the Order is not applicable.
- xi.
- a) According to the information and explanations given to us and on the basis of our examination of the books and records, no fraud by the Company or on the Company has been noticed or reported during the year.



- b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii. Company is not a Nidhi company. Accordingly, Clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us, the transactions entered by the Company with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been properly disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.
- xiv.
- a) Our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have not considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause 3(xv) of the Order for reporting the provisions of section 192 of the Companies Act is not applicable.
- xvi.
- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a), & (b) of the Order is not applicable.
- b) The Company is not a Core Investment Company and there is no core investment company within the group. Accordingly, paragraph 3(xvi) (c) & (d) of the Order is not applicable.
- xvii. According to the information and explanations given to us, the company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors of the Company on September 04, 2022. Our firm has been appointed as Statutory Auditors of the Company vide a resolution passed in Annual General Meeting of the Company held on September 30, 2022. We have taken into consideration the issues, objections or concerns raised by the outgoing auditors.



- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions of section 135 of the Companies Act, 2013 which deals Corporate Social Responsibility (CSR) is not applicable. Accordingly, reporting under Paragraph 3(xx)(a) & (b) of the order is not applicable for the year.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For L U Krishnan & Co.
Chartered Accountants
Firm's Registration No: 0015275**



Manoj

**P K Manoj
Partner**

Membership No:207550

UDIN: 23207550BGWMGZ2235

**Place: Chennai
Date: June 14, 2023**

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report)

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

We have audited the internal financial controls over financial reporting of **Basilic Fly Studio Limited** (the "**Company**") as of **March 31, 2023** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the



assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria



established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For L U Krishnan & Co.
Chartered Accountants
Firm's Registration No: 001527S



Manoj

P K Manoj
Partner

Membership No: 207550
UDIN: 23207550BGWMGZ2235

Place: Chennai
Date: June 14, 2023

BASILIC FLY STUDIO LIMITED
(Formerly known as **BASILIC FLY STUDIO PRIVATE LIMITED**)
Standalone Balance Sheet as at March 31, 2023

| Particulars | Note No. | As at March 31, | |
|--|----------|-----------------|-----------------|
| | | 2023 | 2022 |
| I. EQUITY AND LIABILITIES | | | |
| 1 SHAREHOLDERS' FUNDS | | | |
| (a) Share Capital | 1 | 1,700.00 | 100.00 |
| (b) Reserves and Surplus | 2 | 1,320.97 | 276.90 |
| (c) Money received against share warrants | | | |
| 2 SHARE APPLICATION MONEY PENDING ALLOTMENT | | | |
| 3 NON-CURRENT LIABILITIES | | | |
| (a) Long-Term Borrowings | 3 | 252.58 | 309.05 |
| (b) Deferred Tax Liabilities (Net) | | - | - |
| (c) Other Long-Term Liabilities | | | |
| (d) Long-Term Provisions | 4 | 196.38 | 63.74 |
| 4 CURRENT LIABILITIES | | | |
| (a) Short-Term Borrowings | 5 | 174.50 | 104.18 |
| (b) Trade Payables | 6 | | |
| (A) Total outstanding dues of micro enterprises and small enterprises and | | | |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 221.04 | 164.18 |
| (c) Other Current Liabilities | 7 | 396.27 | 335.22 |
| (d) Short-Term Provisions | 8 | 620.17 | 3.66 |
| TOTAL EQUITY AND LIABILITIES | | 4,881.91 | 1,356.93 |
| II. ASSETS | | | |
| 1 NON-CURRENT ASSETS | | | |
| (a) Property, Plant & Equipment and Intangible Assets | | | |
| (i) Property, Plant & Equipment | 9 | 229.28 | 111.97 |
| (ii) Intangible Assets | | | |
| (b) Non-Current Investments | 10 | 207.51 | 207.50 |
| (c) Deferred Tax Assets (Net) | 11 | 31.40 | 4.53 |
| (d) Long-Term Loans & Advances | 12 | 1.44 | 64.94 |
| (e) Other Non-Current Assets | 13 | 989.32 | 570.37 |
| 2 CURRENT ASSETS | | | |
| (a) Current Investments | | | |
| (b) Inventories | | | |
| (c) Trade Receivables | 14 | 1,966.96 | 36.85 |
| (d) Cash & Bank Balances | 15 | 536.13 | 317.22 |
| (e) Short-Term Loans and Advances | | | |
| (f) Other Current Assets | 16 | 919.86 | 43.55 |
| TOTAL ASSETS | | 4,881.91 | 1,356.93 |
| Company overview & Significant Accounting Policies | 23 | | |
| Other notes to accounts | 24 | | |

The accompanying notes 1 to 24 form an integral part of the financial statements

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED
(Formerly known as **BASILIC FLY STUDIO PRIVATE LIMITED**)

As per our report of even date attached
For **L.U.KRISHNAN & CO**
Chartered Accountants
Firm's Registration.No: 0015275



Balakrishnan
Managing Director
DIN: 06590484 *


Sundaram Yogalakshmi
Director
DIN: 07323404


Nikhil Midha
Company Secretary
Membership No: 10213


Ramesh M
Chief Financial Officer




P K MANOJ
Partner
Membership Number: 207550
UDIN: 23207550BGWWMGZ2235

Place : Chennai
Date : 14-06-2023

Place : Chennai
Date : 14-06-2023



BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

Statement of Standalone Profit and Loss for the year ended March 31, 2023

| Particulars | Note No. | For the year ended March 31, | |
|---|----------|------------------------------|-----------------|
| | | 2023 | 2022 |
| I Revenue From Operations | 17 | 7,022.73 | 2,387.68 |
| II Other Income | 18 | 28.40 | 12.94 |
| III Total Income (I+II) | | 7,051.13 | 2,400.62 |
| IV Expenses | | | |
| Employee Benefits Expense | 19 | 1,748.88 | 1,249.30 |
| Other Direct Expenses | 20 | 1,533.78 | 970.70 |
| Finance Costs | 21 | 68.54 | 8.50 |
| Depreciation & Amortisation Expenses | 9 | 56.03 | 28.30 |
| Other Expenses | 22 | 101.25 | 27.60 |
| Total Expenses (IV) | | 3,508.48 | 2,284.40 |
| V Profit Before Exceptional and Extraordinary Items and Tax (III-IV) | | 3,542.65 | 116.22 |
| VI Exceptional Items | | - | - |
| VII Profit before extraordinary items and tax (V-VI) | | 3,542.65 | 116.22 |
| VIII Extraordinary items | | - | - |
| IX Profit before tax (VII-VIII) | | 3,542.65 | 116.22 |
| X Tax Expense: | | | |
| (1) Current Tax | | 925.46 | 32.16 |
| (2) Deferred Tax | | (26.87) | 4.68 |
| XI Profit (Loss) for the period from continuing operations (IX-X) | | 2,644.06 | 79.38 |
| XII Profit (Loss) for the period from discontinuing operations | | - | - |
| XIII Tax expenses of discontinuing operations | | - | - |
| XIV Profit (Loss) for the period from discontinuing operations (after tax) (XII-XIII) | | - | - |
| XV Profit/(Loss) For The Period (XI+XIV) | | 2,644.06 | 79.38 |
| XVI Earnings per equity share: (In Rs.) (Refer Other Notes No : 35) | | | |
| (1) Basic | | 15.55 | 0.47 |
| (2) Diluted | | 15.55 | 0.47 |

Company overview, Significant Accounting Policies & Other notes on accounts

23 & 24

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)


As per our report of even date attached
For **L.U.KRISHNAN & CO**
Chartered Accountants
Firm's Registration.No: 0015275


Balakrishnan
Managing Director
DIN: 06590484


Sundaram Yogalakshmi
Director
DIN: 07323404


Nikhil Mishra
Company Secretary
Membership No: 10213


Ramesh M
Chief Financial Officer


P K MANOJ
Partner
Membership Number: 207550
UDIN: 23207550BGWGMG2235

Place : Chennai
Date: 14-06-2023

Place : Chennai
Date : 14-06-2023



BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

Statement of Standalone Cash Flow for the year ended March 31, 2023

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|--|------------------------------|-----------------|
| | 2023 | 2022 |
| A CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net Profit Before Tax | 3,542.65 | 116.22 |
| Adjustments for: | | |
| Depreciation | 56.03 | 28.30 |
| Written off of Furniture | 6.60 | - |
| Interest Expenses | 68.54 | 8.50 |
| Interest Income | (28.40) | (12.94) |
| Operating Profit before working capital changes: | 3,645.42 | 140.08 |
| Adjustments for changes in working capital: | | |
| (Increase)/Decrease in Trade Receivables | (1,930.11) | 27.28 |
| Increase/(Decrease) in Long term Provisions | 132.64 | 19.94 |
| (Increase)/Decrease in Other Current assets | (883.42) | (11.09) |
| (Increase)/Decrease in Other Non-Current Assets | (418.95) | 0.80 |
| Increase/(Decrease) in Short Term Borrowings | 70.32 | 84.90 |
| Increase/(Decrease) in Trade and Other payables | 56.86 | (87.60) |
| Increase/(Decrease) in Other Current Liabilities | 61.05 | 28.43 |
| Increase/(Decrease) in Short term Provisions | 8.73 | 2.15 |
| Cash generated from operations | 742.53 | 204.87 |
| Income Taxes paid | (310.56) | (23.51) |
| Cash flow before extraordinary item | 431.97 | 181.35 |
| Extraordinary items | - | - |
| NET CASH FROM OPERATING ACTIVITIES (A) | 431.97 | 181.35 |
| B CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest Received | 28.40 | 12.94 |
| Fixed assets purchased including Intangible Assets | (179.94) | (71.51) |
| (Increase)/Decrease in Non-Current Investments | (0.01) | (207.50) |
| (Increase)/Decrease in Long Term Loans & Advances | 63.50 | 6.90 |
| NET CASH USED IN INVESTING ACTIVITIES (B) | (88.05) | (259.17) |
| C CASH FLOWS FORM FINANCING ACTIVITES | | |
| Interest paid | (68.54) | (8.50) |
| Increase/(Decrease) in Long-Term Borrowings | (56.47) | 293.27 |
| NET CASH USED IN FINANCING ACTIVITIES (C) | (125.01) | 284.77 |
| Exchange difference on Realized (Loss)/Gain | - | - |
| D NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | 218.91 | 206.95 |
| Opening Cash and Cash Equivalents | 317.22 | 110.26 |
| CLOSING CASH AND CASH EQUIVALENT (Refer Other Notes No : 29) | 536.13 | 317.22 |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash & cash equivalent as per Balance sheet | 536.13 | 317.22 |
| Cash & cash equivalent at the end of the period | 536.13 | 317.22 |

Company overview, Significant Accounting Policies & Other notes on accounts

23 & 24

The accompanying notes 1 to 24 form an integral part of the financial statements

For and on behalf of the Board of Directors of

BASILIC FLY STUDIO LIMITED

(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

As per our report of even date attached

For L.U.KRISHNAN & CO

Chartered Accountants

Charter Registration.No: 0015275

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Balakrishnan
Managing Director
DIN: 06590484

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Sundaram Yogalakshmi
Director
DIN: 07323404

Handwritten signature

Nikhil Mishra
Company Secretary
Membership No: 10213

Handwritten signature

Ramesh M
Chief Financial Officer



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P K MANOJ
Partner

Membership Number: 207550
UDIN: 23207550BGWVG22235

Place : Chennai

Date : 14-06-2023

Place : Chennai
Date : 14-06-2023



BASILIC FLY STUDIO LIMITED

(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

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

Note: 1 Share Capital

(Amount in ₹ Lakhs)

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-----------------|----------------------|---------------|
| | Number | Amount | Number | Amount |
| a) Number and amount of equity shares authorised [Ⓔ] | 2,50,00,000 | 2,500.00 | 10,00,000 | 100.00 |
| b) (i) Number and amount of equity shares Issued, Subscribed and Paid-Up* | 1,70,00,000 | 1,700.00 | 10,00,000 | 100.00 |
| (ii) Number and amount of equity shares Subscribed but not fully Paid-Up | - | - | - | - |
| Total b (i) + b (ii) | | 1,700.00 | | 100.00 |
| c) Par value per Equity share (in ₹ each) | 10 | | 10 | |

Note: [Ⓔ] Authorised capital increased from 10,00,000 equity shares to 2,50,00,000 Equity shares with effect from 29/12/2022 vide members resolution and approval on 29/12/2022.

* The Company has declared bonus Shares at the Members Meeting held on 29/12/2022, at the ratio of 16 Equity shares of Rs 10/- Each for every 1 Equity share of Rs 10/- each held.

d) Reconciliation of Number of Equity shares outstanding at the beginning and at the end of the reporting period

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Shares outstanding at the beginning of the year | 10,00,000 | 10,00,000 |
| Shares issued during the year | 1,60,00,000 | - |
| Shares bought back during the year | - | - |
| Shares outstanding at the end of the year | 1,70,00,000 | 10,00,000 |

e) The rights, preferences and restrictions attaching to each class of shares:

The Company has only one class of shares and all shareholder have equal rights and there are no restriction and preferences attached to any shareholders including the right to receive dividend and repayment of Capital.

f) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

g) Details of shareholders holding more than 5% of shares:

| Name of the Shareholder | As at March 31, 2023 | | As at March 31, 2022 | |
|---------------------------|-----------------------|---------------|-----------------------|----------------|
| | Number of Shares held | % of Holding | Number of Shares held | % of Holding |
| Balakrishnan | 1,08,29,000 | 63.70% | 7,50,000 | 75.00% |
| Sundaram Yagalakshmi | 36,83,900 | 21.67% | 2,50,000 | 25.00% |
| Umesh Purushottam Chamdia | 11,30,500 | 6.65% | - | - |
| Aparna Samir Thakker | 11,30,500 | 6.65% | - | - |
| TOTAL | 1,67,73,900 | 98.67% | 10,00,000 | 100.00% |

h) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts: Nil

i) Shares information related to immediately preceding five years from reporting date:

Number & class of Share allotted as fully paid up pursuant to contract(s) without payment being received in cash : NIL

Aggregate number and class of shares allotted as fully paid up bonus shares : During the year the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10/- each in the ratio of 16 shares for every 1 share held.

Aggregate number and class of shares brought back : NIL

j) During the year ended 31.03.2023, no securities are convertible into Equity shares.

k) There are no calls unpaid including calls unpaid by directors and officers as on balance sheet date.

l) The Company has not forfeited any shares during the reporting period

m) Shareholding of Promoters

| Promoter Name | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-----------|----------------------|-----------|
| | No. of shares Held | % Holding | No. of shares Held | % Holding |
| 1. Balakrishnan | 1,08,29,000 | 63.70% | 7,50,000 | 75.00% |
| 2. Sundaram Yagalakshmi | 36,83,900 | 21.67% | 2,50,000 | 25.00% |
| % Change during the year/ Period | | | | |
| 1. Balakrishnan | (11.30%) | | (23.75%) | |
| 2. Sundaram Yagalakshmi | (3.33%) | | 23.75% | |

Note: 2 Reserves and Surplus

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2023 | 2022 |
| (a) General Reserves | | |
| Opening Balance | - | - |
| Add: Additions during the year | 2,000.00 | - |
| Less: Transferred to Other Reserves (Dividend, Bonus, to reserves) | (1,600.00) | - |
| Closing Balance | 400.00 | - |
| (b) Surplus | | |
| Opening Balance | 276.90 | 197.52 |
| Add: Additions during the year | 2,644.06 | 79.38 |
| Less: Transferred to General Reserves | (2,000.00) | - |
| Closing Balance | 920.97 | 276.90 |
| Total | 1,320.97 | 276.90 |



Note: 3 Long-Term Borrowings

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|---|-----------------|---------------|
| | 2023 | 2022 |
| Secured | | |
| a) Term Loans: | | |
| i. From banks | 40.25 | 54.32 |
| (From Axis Bank - Hypothecation of KIA car) (Refer Note 1 Below) | | |
| (From Canara bank - Hypothecation of BMW car) (Refer Note 1 Below) | | |
| Unsecured | | |
| a) Term Loans: | | |
| i. From banks | 181.32 | 217.86 |
| (From Deutsche Bank, HDFC Bank, IDFC First Bank, Standard Chartered Bank, Axis Bank, Indusind Bank, Kotak Mahindra Bank, Yes Bank, repayable in 36 installments with interest rate between at 13.5% - 15%) (Refer Note 2 Below) | | |
| ii. From other parties | 20.50 | 36.87 |
| (From Aditya Birla Finance, repayable in 36 installments with interest rate between at 14%) (Refer Note 3 Below) | | |
| b) Loans and advances from related parties | 10.51 | - |
| Total | 252.58 | 309.05 |

Note:

1. Disclosure about the nature of security and type of asset given as security

| Particulars | Terms of Repayment | Rate of Interest | No of O/S Instalments | Instalment Amount (Rs. In Lakhs) | Starting Date | Outstanding (Rs. in lakhs) | Nature of Security /Pledge |
|------------------------|--------------------|------------------|-----------------------|----------------------------------|---------------|----------------------------|----------------------------|
| Axis bank - Car Loan | 48 Months | 8.55% | 12 | 0.72 | 09-03-2020 | 8.20 | Vehicle |
| Canara bank - Car Loan | 84 Months | 9.40% | 72 | 0.85 | 15-03-2022 | 46.15 | Vehicle |

2. Disclosure about the nature of security and type of asset given as security

| Particulars | Terms of Repayment | Rate of Interest | No of O/S Instalments | Instalment Amount (Rs. In Lakhs) | Starting Date | Outstanding (Rs. in lakhs) | Nature of Security /Pledge |
|-------------------------------------|--------------------|------------------|-----------------------|----------------------------------|---------------|----------------------------|----------------------------|
| Deutsche Bank - Phase II | 36 Months | 14.00% | 25 | 1.71 | 30-03-2022 | 36.70 | - |
| HDFC Bank - Term Loan | 36 Months | 13.00% | 23 | 2.53 | 30-01-2022 | 51.20 | - |
| IDFC First Bank - Phase II | 36 Months | 14.00% | 25 | 1.74 | 29-03-2022 | 37.61 | - |
| Standard Chartered Bank - Term Loan | 36 Months | 14.00% | 25 | 2.56 | 30-03-2022 | 55.31 | - |
| Axis Bank - Term Loan - Phase II | 36 Months | 14.00% | 25 | 1.71 | 31-03-2022 | 35.42 | - |
| Indusind Bank - Term Loan | 36 Months | 15.00% | 27 | 1.73 | 04-06-2022 | 39.50 | - |
| Kotak Mahindra Bank - Term Loan | 36 Months | 14.50% | 26 | 1.72 | 23-05-2022 | 38.00 | - |
| Yes Bank - Term Loan | 36 Months | 15.00% | 27 | 1.39 | 25-05-2022 | 31.61 | - |

3. Disclosure about the nature of security and type of asset given as security

| Particulars | Terms of Repayment | Rate of Interest | No of O/S Instalments | Instalment Amount (Rs. In Lakhs) | Starting Date | Outstanding (Rs. in lakhs) | Nature of Security /Pledge |
|------------------------------------|--------------------|------------------|-----------------------|----------------------------------|---------------|----------------------------|----------------------------|
| Aditya Birla -Term Loan - Phase II | 36 Months | 14.00% | 25 | 1.71 | 24-03-2022 | 36.87 | - |

Note: 4 Long-Term Provisions

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|------------------------------------|-----------------|--------------|
| | 2023 | 2022 |
| a) Provision for Employee Benefits | 196.38 | 63.74 |
| Total | 196.38 | 63.74 |

Note: 5 Short-Term Borrowings

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2023 | 2022 |
| Secured | | |
| a) Current Maturities of Long-term borrowings | 14.10 | 13.23 |
| (From Axis Bank - Hypothecation of KIA Car) | | |
| (From Canara bank - Hypothecation of BMW car) | | |
| Unsecured | | |
| a) Current Maturities of Long-term borrowings | 160.40 | 90.95 |
| (From Deutsche Bank, HDFC Bank, IDFC First Bank, Standard Chartered Bank, Axis Bank, Indusind Bank, Kotak Mahindra Bank, Yes Bank, repayable in 36 installments with interest rate between at 13.5% - 15% & From Aditya Birla Finance, repayable in 36 installments with | | |
| Total | 174.50 | 104.18 |



Note: 6 Trade Payables

I. Trade Payables relating to MSME

| Particulars | (Amount in ₹ Lakhs) | |
|--|---------------------|------|
| | As at March 31, | |
| | 2023 | 2022 |
| a) (i) The principal amount thereon, remaining unpaid to any supplier as at the end of accounting year | - | - |
| (ii) The interest due thereon, remaining unpaid to any supplier as at the end of accounting year | - | - |
| b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the | - | - |
| c) The amount of interest due and payable for the period (where the principal has been paid but | - | - |
| d) The amount of interest accrued and remaining unpaid at the end of accounting year | - | - |
| e) The amount of further interest due and payable even in the succeeding year, until such date | - | - |

II. Trade Payables ageing schedule

| Particulars | (Amount in ₹ Lakhs) | |
|-----------------------------|---------------------|--------|
| | As at March 31, | |
| | 2023 | 2022 |
| (i) MSME | 221.04 | 164.18 |
| (ii) Others | - | - |
| (iii) Disputed dues - MSME | - | - |
| (iv) Disputed dues - Others | - | - |

Ageing Schedule

a) Trade Payables ageing schedule For the year ended March 31, 2023

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | TOTAL |
|-----------------------------|---------|--|-------------|-------------|-----------|--------|
| | | (Amount in ₹ Lakhs) | | | | |
| | | < 1 year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) MSME | 53.38 | 167.66 | - | - | - | 221.04 |
| (ii) Others | - | - | - | - | - | - |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

II. Trade Payables ageing schedule schedule for the year ended March 31, 2022

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | TOTAL |
|-----------------------------|---------|--|-------------|-------------|-----------|--------|
| | | (Amount in ₹ Lakhs) | | | | |
| | | < 1 year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) MSME | - | 164.18 | - | - | - | 164.18 |
| (ii) Others | - | - | - | - | - | - |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

Note: 7 Other Current Liabilities

| Particulars | (Amount in ₹ Lakhs) | |
|---|---------------------|---------------|
| | As at March 31, | |
| | 2023 | 2022 |
| a) ESI Payable | 0.17 | 0.25 |
| b) TDS Payable | 84.87 | 34.75 |
| c) PF Payable | 10.96 | 5.63 |
| d) Salary Payable | 207.06 | 154.87 |
| e) Audit Fees Payable | 8.10 | 1.00 |
| f) Advance Received From Client | 33.60 | 138.72 |
| g) Interest accrued but not due on borrowings | 4.66 | - |
| h) Rent payable | 46.85 | - |
| Total | 396.27 | 335.22 |

Note: 8 Short-Term Provisions

| Particulars | (Amount in ₹ Lakhs) | |
|------------------------------------|---------------------|-------------|
| | As at March 31, | |
| | 2023 | 2022 |
| a) Provision for Tax | 607.78 | - |
| b) Provision for Employee Benefits | 12.39 | 3.66 |
| Total | 620.17 | 3.66 |

Note: 9 (i) Property, Plant & Equipment Attached Separately

Note: 10 Non-Current Investments

| Particulars | (Amount in ₹ Lakhs) | |
|--|---------------------|---------------|
| | As at March 31, | |
| | 2023 | 2022 |
| (Unquoted, At Cost) - | - | - |
| Investments in Equity Instruments | - | - |
| In Subsidiaries | - | - |
| a) Basilic Fly Studio Canada Ltd | 207.50 | 207.50 |
| b) Basilic Fly Studio UK Private Limited | 0.01 | - |
| Total | 207.51 | 207.50 |

| Particulars | (Amount in ₹ Lakhs) | |
|--|---------------------|---------------|
| | As at March 31, | |
| | 2023 | 2022 |
| Aggregate amount of unquoted investments | 207.51 | 207.50 |
| Total | 207.51 | 207.50 |



Note: 11 Deferred Tax Assets (Net)

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|----------------------------|-----------------|-------------|
| | 2023 | 2022 |
| On account of Depreciation | (4.18) | (1.03) |
| On account of Gratuity | 35.58 | 5.56 |
| Total | 31.40 | 4.53 |

Note: 12 Long-Term Loans & Advances

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|--------------|
| | 2023 | 2022 |
| A. Unsecured, Considered good | | |
| a) Loans and advances to other parties | - | 53.43 |
| b) Other Advances given to suppliers | 1.44 | 11.51 |
| Total | 1.44 | 64.94 |

Note: 13 Other Non-Current Assets

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2023 | 2022 |
| a) Security Deposits | 174.34 | 123.83 |
| b) Bank Deposits with more than 12 months maturity | 814.98 | 446.54 |
| Total | 989.32 | 570.37 |

Note: 14 Trade Receivables

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|---|-----------------|--------------|
| | 2023 | 2022 |
| Trade receivable considered good – Secured | - | - |
| Trade receivable considered good – Unsecured | 1,966.96 | 36.85 |
| Trade receivable which have significant increase in credit risk | - | - |
| Trade receivable – credit impaired | - | - |
| Total Trade Receivables | 1,966.96 | 36.85 |

Ageing Schedule

I. Trade Receivables ageing schedule For the year ended March 31, 2023

(Amount in ₹ Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--|---------------|--|-------------------|-------------|-------------|-----------|-----------------|
| | | < 6 Months | 6 Months - 1 Year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) Undisputed Trade Receivables - Considered good | 747.19 | 1,219.77 | - | - | - | - | 1,966.96 |
| Total: | 747.19 | 1,219.77 | - | - | - | - | 1,966.96 |

II. Trade Receivables ageing schedule schedule for the year ended March 31, 2022

(Amount in ₹ Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|--|----------|--|-------------------|-------------|-------------|-----------|--------------|
| | | < 6 Months | 6 Months - 1 Year | 1 - 2 Years | 2 - 3 Years | > 3 Years | |
| (i) Undisputed Trade Receivables - Considered good | - | 36.85 | - | - | - | - | 36.85 |
| Total: | - | 36.85 | - | - | - | - | 36.85 |

Note: 15 Cash & Bank Balances

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|----------------------------|-----------------|---------------|
| | 2023 | 2022 |
| a) Cash & Cash Equivalents | | |
| i) Balance with banks | 536.09 | 316.39 |
| ii) Cash in hand | 0.04 | 0.83 |
| Total | 536.13 | 317.22 |

Note: 16 Other Current Assets

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--------------------------|-----------------|--------------|
| | 2023 | 2022 |
| Advance Tax | - | 5.65 |
| GST ITC | 234.18 | 22.63 |
| Pre-paid Expenses | 76.52 | - |
| IPO Expenses | 49.54 | - |
| Work-in-Progress | 540.15 | - |
| Staff Loans and Advances | 19.47 | 15.27 |
| Total | 919.86 | 43.55 |



BASILIC FLY STUDIO LIMITED

(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

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

(Amount in ₹ Lakhs)

Note: 17 Revenue From Operations

| Particulars | For the year ended March 31, | |
|--------------------------|------------------------------|-----------------|
| | 2023 | 2022 |
| Sale of services: | | |
| Local | - | - |
| Exports | 7,022.73 | 2,387.68 |
| Total | 7,022.73 | 2,387.68 |

(Amount in ₹ Lakhs)

Note: 18 Other Income

| Particulars | For the year ended March 31, | |
|----------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Interest Income | 28.40 | 12.94 |
| Other non-operating income | - | - |
| Total | 28.40 | 12.94 |

(Amount in ₹ Lakhs)

Note: 19 Employee Benefits Expense

| Particulars | For the year ended March 31, | |
|--------------------------------|------------------------------|-----------------|
| | 2023 | 2022 |
| Salaries & Wages | 1,508.42 | 1,174.29 |
| Contribution to Provident fund | 44.51 | 30.53 |
| Provision for Gratuity | 141.36 | 22.08 |
| Staff Welfare | 51.96 | 21.16 |
| Contribution to ESI | 2.63 | 1.24 |
| Total | 1,748.88 | 1,249.30 |

(Amount in ₹ Lakhs)

Note: 20 Other Direct Expenses

| Particulars | For the year ended March 31, | |
|---------------------------------|------------------------------|---------------|
| | 2023 | 2022 |
| Artist Outsource Charges | 451.38 | 195.15 |
| Consultancy Charges | 24.28 | 138.18 |
| Electricity Charges | 72.71 | 61.15 |
| Office Rent | 327.15 | 111.24 |
| Hiring and Subscription Charges | 381.85 | 419.47 |
| Travelling Expenses | 240.73 | 22.49 |
| Internet Charges | 35.68 | 23.02 |
| Total | 1,533.78 | 970.70 |

(Amount in ₹ Lakhs)

Note: 21 Finance Costs

| Particulars | For the year ended March 31, | |
|-------------------|------------------------------|-------------|
| | 2023 | 2022 |
| Interest Expenses | 68.54 | 8.50 |
| Total | 68.54 | 8.50 |

(Amount in ₹ Lakhs)

Note: 9 Depreciation & Amortisation Expenses

| Particulars | For the year ended March 31, | |
|---------------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Depreciation on Tangible Assets | 56.03 | 28.30 |
| Total | 56.03 | 28.30 |



Note: 22 Other Expenses

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|-----------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Payment to Auditors | 9.00 | 1.00 |
| Bank Charges | 6.47 | 3.12 |
| Business Promotion Expenses | 1.52 | 2.15 |
| Insurance Expenses | 13.02 | 6.10 |
| Repairs to Computer | 3.34 | 1.42 |
| Foreign Exchange Loss | 13.15 | - |
| Office Maintenance | 8.77 | 4.47 |
| Miscellaneous Expenses | 4.30 | 0.98 |
| Printing and Stationery | 6.02 | 2.77 |
| Rates and Taxes | 14.63 | 1.59 |
| Repairs to buildings | 7.59 | 1.21 |
| Repairs to machinery | 2.61 | 0.34 |
| Security Charges | 4.23 | 2.45 |
| Asset Written off | 6.60 | |
| TOTAL | 101.25 | 27.60 |



BASILIC FLY STUDIO LIMITED
(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

Note to Financial Statements of the Year ended March 31, 2023

Changes in the carrying amounts of each class of assets for the Year ended March 31, 2023

Note: 9 (i) Property, Plant & Equipment

| Particulars | Gross Block | | | | Accumulated Depreciation | | | Net Block | |
|------------------------|---------------|------------------------|------------------------|----------------|--------------------------|---------------------------|--------------------------|----------------|----------------|
| | April 1, 2022 | Additions for the Year | Deletions for the Year | March 31, 2023 | April 1, 2022 | Depreciation for the Year | Depreciation on deletion | March 31, 2023 | March 31, 2022 |
| | | | | | | | | | |
| Computer & Accessories | 110.11 | 172.30 | - | 282.41 | 92.32 | 28.01 | - | 120.33 | 17.80 |
| Furniture & Fittings | 21.10 | - | 21.10 | - | 12.19 | 2.31 | 14.50 | - | 8.91 |
| Office Equipments | 1.80 | 7.10 | - | 8.90 | 0.78 | 1.71 | - | 2.49 | 1.02 |
| Plant & Machinery | 27.75 | - | - | 27.75 | 13.92 | 1.96 | - | 15.87 | 13.84 |
| Printers & Scanners | - | 0.54 | - | 0.54 | - | 0.05 | - | 0.05 | - |
| Vehicles | 97.78 | - | - | 97.78 | 27.37 | 21.99 | - | 49.37 | 70.41 |
| TOTAL (A) | 258.55 | 179.94 | 21.10 | 417.39 | 146.58 | 56.03 | 14.50 | 188.11 | 111.97 |
| Previous Year | 187.04 | 71.51 | - | 258.55 | 118.29 | 28.30 | - | 146.58 | 68.75 |



BASILIC FLY STUDIO LIMITED

(Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

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

Company Overview, Significant Accounting Policies & Other notes to accounts For the year ended March 31, 2023

Note: 23 Company Overview & Significant Accounting Policies

I Company Overview

Basilic Fly Studio Private limited (the "Company") is a Private limited company domiciled in India and was incorporated on 28th January 2016 vide Registration No.U92100TN2016PTC103861 under the provisions of the Companies Act, 2013. The registered office of the Company is situated at Tower A, KRC Commerzone, Mount Poonamallee Road, Porur, Chennai,Tamil Nadu 600116 India with operating units across the Country. Subsequently, company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 29.12.2022 and the name of the company was changed to Basilic Fly Studio Limited ("the Company" or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 19.05.2023 Registrar of Companies, Chennai with Corporate Identification Number U92100TN2016PLC103861.

The Company is engaged in the business of post production activities of providing high-end visual effects and 2D to 3D conversion to the Media and Entertainment industry.

II Significant Accounting Policies

1 Basis of preparation:

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

2 Revenue recognition:

The company derives its revenues primarily from Sale of Visual effects (VFX) Service contracts.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition. Sales are recognized on accrual basis, and only after transfer of services to the customer.

Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the proportionate completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of efforts incurred up to the balance sheet date, which bears to the total hours / days estimated for the contract.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Dividend Income: Dividend Income is recognised when the owners right to receive payment is established.

Other Income : Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

3 Property Plant and Equipment including Intangible assets:

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase.

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

4 Depreciation & Amortisation:

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Written Down Value (WDV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

Useful life of Property, Plant and Equipments

| Category | Useful life |
|------------------------|-------------|
| Computer & Accessories | 3-6 years |
| Furniture & Fittings | 10 years |
| Office Equipments | 5 years |
| Plant & Machinery | 15 years |
| Printers & Scanners | 13 years |
| Vehicles | 8 years |

5 Impairment of assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.



6 Use of estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

7 Foreign currency transactions:

Domestic Operation:

I. Initial recognition :

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

II. Measurement :

Foreign currency monetary items are reported using the closing rate.

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

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.

III. Treatment of Foreign exchange :

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss

8 Employee Benefits:

A. Short - term employee benefits:

Leave encashment:

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

B. Post-Employment benefits:

Defined benefit plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

9 Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

10 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

11 Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

12 Operating Lease

Lease where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis.



13 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

14 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

15 Investments:

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



Note: 24 Other notes to accounts

1 Contingent liabilities and commitments (to the extent not provided for):

A. Contingent Liabilities

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|------|
| | 2023 | 2022 |
| Claims against the company not acknowledged as debt | Nil | Nil |
| Guarantees | Nil | Nil |
| Other money for which the company is contingently liable | Nil | Nil |
| Total | - | - |

B. Commitments

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|------|
| | 2023 | 2022 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | Nil | Nil |
| Uncalled liability on shares and other investments partly paid | Nil | Nil |
| Other commitments | Nil | Nil |
| Total | - | - |

2 Proposed Dividend Details:

The Company has not declared dividend during the period under review.

3 No issue of securities were made for any specific purpose by the Company during the reporting year.

4 The Company has not made borrowings from banks and financial institution for any specific purposes during the year.

5 The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated

6 Details of Benami Property held

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

7 The company has no borrowing from the banks or financial institutions on the basis of security of current assets, hence no quarterly returns or statements of current assets are required to be filed by the Company with any the banks or financial institutions.

8 Wilful Defaulter

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

9 Relationship with Struck off Companies

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

10 Registration of charges or satisfaction with Registrar of Companies:

The Company do not have any charge to be registered with Registrar of Companies beyond the statutory period.

11 Compliance with number of layers of companies:

The Company has subsidiaries with one layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

12 Compliance with approved Scheme(s) of Arrangements:

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

13 Utilisation of Borrowed funds and share premium:

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. 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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



14 Payment to the Auditor:

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|----------------------|-----------------|-------------|
| | 2023 | 2022 |
| Statutory Audit Fees | 7.50 | 1.00 |
| Taxation Matters | 1.50 | - |
| Total | 9.00 | 1.00 |

15 Corporate Social Responsibility:

Company shall not be required to comply with Corporate Social Responsibility (CSR) as provisions of section 135 of the Companies Act, 2013 is not applicable.

16 During the year, the Company has set aside an amount of Rs. 1600 lakhs to reserve to issue Bonus Shares.

17 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.

18 Details of Supply of Services:

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|---|------------------------------|-----------------|
| | 2023 | 2022 |
| Gross income derived from services rendered or supplied | 7,022.73 | 2,387.68 |
| Total | 7,022.73 | 2,387.68 |

19 Foreign Currency earned and expended:

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|-------------------------------------|------------------------------|-----------------|
| | 2023 | 2022 |
| A. Foreign currency earned | | |
| Export of Services | 7,022.73 | 2,387.68 |
| Total | 7,022.73 | 2,387.68 |
| B. Foreign currency expended | | |
| Cloud Software | 13.69 | 6.63 |
| Consultation Fees | 0.86 | - |
| Travelling charges | 50.75 | 110.34 |
| Total | 65.30 | 116.97 |

20 Undisclosed income:

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

21 Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

22 Dues to Micro, Small and Medium Enterprises:

There are no dues to Micro, Small and Medium Enterprises at the close of the Reporting Period.

23 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":

A. List of Related Parties:

| Name of Related Party | Relationship |
|---------------------------------------|-------------------------|
| Basilic Fly Studio UK Private Limited | Wholly owned subsidiary |
| Basilic Fly Studio Canada Ltd | Subsidiary |
| Balakrishnan | Managing Director |
| Sundaram Yogalakshmi | Whole Time Director |
| Prabhakar.D | Director |

B. Transaction with related Parties:

(Amount in ₹ Lakhs)

| Particulars | Basilic Fly Studio Canada Ltd | Key management personnel of the entity | Relative | Total |
|------------------------------------|-------------------------------|--|----------|----------|
| Rendering or receiving of services | 705.88 | - | - | 705.88 |
| | (109.39) | - | - | (109.39) |
| Director Remuneration | - | 134.58 | - | 134.58 |
| | - | (18.00) | - | (18.00) |
| Loans and advances from related | - | 10.51 | - | 10.51 |
| | - | - | - | - |



C. Balances of Related Parties As at March 31,2023

| Particulars | Subsidiaries | Key management personnel of the entity or its parent | Relative |
|----------------------------------|--------------|--|----------|
| Investment in Subsidiary- Canada | 207.50 | - | - |
| | 207.50 | - | - |
| Investment in Subsidiary- UK | 0.01 | - | - |
| | - | - | - |
| Trade Receivables | 705.88 | - | - |
| | (22.06) | - | - |
| Director Remuneration payable | - | 8.03 | - |
| | - | (5.00) | - |
| Loans and advances given | - | - | - |
| | - | (27.84) | - |
| Loans and advances taken | - | 10.51 | - |
| | - | - | - |

D. Material Transaction with related parties:

| Particulars | Name of Related Party | Amount |
|--------------------------|-------------------------------|--------------------|
| Provision of services | Basilic Fly Studio Canada Ltd | 705.88 (109.30) |
| Loans and Advances given | Balakrishnan | (9.01) |
| Loans and Advances taken | Balakrishnan | 10.51 |
| Director Remuneration | Balakrishnan | 66.00 (9.00) |
| Director Remuneration | Sundaram Yogalakshmi | 48.00 (9.00) |
| Director Remuneration | Prabhakar.D | 20.58 |

E. Material Balance with related parties:

| Particulars | Name of Related Party | Amount |
|-------------------------------|---------------------------------------|-------------------|
| Investment in Subsidiary | Basilic Fly Studio Canada Ltd | 207.50 207.50 |
| Investment in Subsidiary | Basilic Fly Studio UK Private Limited | 0.01 |
| Trade Receivables | Basilic Fly Studio Canada Ltd | 705.88 (22.06) |
| Loans and Advances given | Balakrishnan | (27.84) |
| Loans and Advances taken | Balakrishnan | 10.51 |
| Director Remuneration payable | Balakrishnan | 4.00 (3.00) |
| Director Remuneration payable | Sundaram Yogalakshmi | 3.00 (2.00) |
| Director Remuneration payable | Prabhakar.D | 1.03 |

F. KMP

| Name of Related Party | Relationship |
|-----------------------|-------------------------|
| Balakrishnan | Managing Director |
| Sundaram Yogalakshmi | Wholetime Director |
| Prabhakar.D | Director |
| Ramesh M | Chief Financial Officer |



G Transactions with Key Management Personnel:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|----------------------|----------------------|
| Short-term employee benefits | - | - |
| Gross Salary | - | - |
| Medical Benefits | - | - |
| Perquisites and other benefits | - | - |
| Remuneration paid | 134.58 | 18.00 |
| Sitting Fees & Commission | - | - |
| Post-employment benefits | - | - |
| Contribution to P.F. & other fund | - | - |
| Other long-term benefits | - | - |
| Termination benefits | - | - |
| Share-based payment | - | - |

Figures within brackets () represents Previous Year's amount.

1. Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2023, the Company has not recorded any loss allowances for transactions between the related parties.

2. As the future liabilities for gratuity and leave encashment is provided on an actuarial basis and payment of insurance costs are made for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not disclosed separately

3. No amounts in respect of related parties have been written off/ written back during the year or has not made any provision for doubtful debts/ receivable.

24 Income Taxes:

I. Minimum Alternate Tax

Company has opted the lower tax regime under section 115BAA of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

| Particulars | (Amount in ₹ Lakhs) | |
|------------------------|------------------------------|--------------|
| | For the year ended March 31, | |
| | 2023 | 2022 |
| Current Tax | 925.46 | 32.16 |
| Net Current Tax | 925.46 | 32.16 |

25 Exchange Difference:

| Particulars | (Amount in ₹ Lakhs) | |
|---------------------------------|------------------------------|----------|
| | For the year ended March 31, | |
| | 2023 | 2022 |
| Exchange Difference Gain/(Loss) | 13.15 | - |
| Total | 13.15 | - |

26 Employee Benefit (Incurred in India):

Provident Fund - The Company has contributed Rs.44.51 lakhs for the period ended March 31, 2023 and Rs. 30.53 lakhs in the previous year ended 31 March 2022 towards the Employees Provident Fund.

Employees' State Insurance - The Company has contributed Rs.2.63 lakhs for the period ended March 31, 2023 and Rs.1.24 lakhs in the previous year ended 31 March 2022 towards the Employees State Insurance Corporation.

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of opening and closing balance of gratuity obligations:

| Particulars | (Amount in ₹ Lakhs) | |
|---|---------------------|--------------|
| | As at March 31, | |
| | 2023 | 2022 |
| Net Liability as at the beginning of the period | 67.40 | 45.32 |
| Net Expenses in P/L A/c | 141.36 | 22.08 |
| Benefits Paid | - | - |
| Net Liability as at the end of the period | 208.76 | 67.40 |
| Present Value of Gratuity Obligation (Closing) | 208.76 | 67.40 |



(ii) Expenses recognised in Statement of Profit and Loss during the year:

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|--------------------------------------|------------------------------|--------------|
| | 2023 | 2022 |
| Interest Cost | 5.07 | 3.25 |
| Current Service Cost | 52.06 | 17.20 |
| Past Service Cost | - | - |
| Expected Return on Plan Assets | - | - |
| Curtailment Cost (Credit) | - | - |
| Settlement Cost (Credit) | - | - |
| Net Actuarial (gain) / loss | 84.24 | 1.63 |
| Net Expenses to be recognized in P&L | 141.36 | 22.08 |
| Total | 141.36 | 22.08 |

(iii) Changes in Benefit Obligations:

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|------------------------------------|-----------------|--------------|
| | 2023 | 2022 |
| Opening Defined benefit Obligation | 67.40 | 45.32 |
| Current service cost | 52.06 | 17.20 |
| Interest cost for the year | 5.07 | 3.25 |
| Actuarial losses (gains) | 84.24 | 1.63 |
| Benefits paid | - | - |
| Closing Defined benefit Obligation | 208.76 | 67.40 |
| Total | 208.76 | 67.40 |

(iv) Actuarial assumptions:

(Amount in ₹ Lakhs)

| Particulars | For the year ended March 31, | |
|---|---|---|
| | 2023 | 2022 |
| Rate of discounting | 7.52% | 7.52% |
| Salary Escalation | 7.00% | 7.00% |
| Attrition Rate | 10.00% | 10.00% |
| Mortality rate during employment Indian | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate |

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

27 Cashflow Statement

- (1) The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2023 was Rs 536.13 lakhs that are available for use by Company.
- (2) Company does not have undrawn borrowing facilities that may be available for future operating activities.
- (3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.
- (4) Company is investing adequately in the maintenance of its operating capacity.
- (5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

Additional Disclosures:

(Amount in ₹ Lakhs)

| I. Components of Cash and Cash Equivalents: | For the year ended March 31, | |
|---|------------------------------|---------------|
| | 2023 | 2022 |
| Cash on Hand | 0.04 | 0.83 |
| Cheque in hand | - | - |
| Balance with banks | 536.09 | 316.39 |
| Demand deposits with banks | - | - |
| Short term highly liquid investments | - | - |
| Bank Overdraft | - | - |
| Total Components of Cash and Cash Equivalents: | 536.13 | 317.22 |

28 Changes in Accounting Estimates

There are no changes in Accounting Estimates made by the Company during the year.

29 Changes in Accounting Policies

There are no changes in Accounting Policies made by the Company during the year.

30 Disclosures on PPE and Intangible Assets**I. Property, Plant and Equipment**

- (1) There is no restriction on the title of Property, Plant and Equipment and Property, Plant & Equipment was not pledged against borrowings.
- (2) Company has not constructed any item in Property, Plant & equipment.
- (3) Company has no contractual commitments for the acquisition of Property, Plant & Equipment.
- (4) Company has no Impairment loss during the period for Property, Plant & Equipment.
- (5) No assets has been retired from active use and held for disposal.
- (6) There are no temporarily idle property, plant and equipment.
- (7) There are no fully depreciated property, plant and equipment that is still in use.
- (8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.



31 Investments

I. Profits and losses with regard to investments have been disclosed as under:

- profits and losses on disposal of current investments
- profits and losses on changes in the carrying amount of current investments
- profits and losses on disposal of long-term investments
- profits and losses on changes in the carrying amount of long-term investments

II. Significant restrictions of the following with regard to investments have been disclosed:

- right of ownership of investments
- realizability of investments
- remittance of income on investments
- remittance of proceeds of disposals

32 Segment Reporting

The Company does not have reportable segment. The Company has only one segment namely VFX services hence segment reporting has not been presented.

33 Operating Leases

Operating lease agreement has been made by the Company for Rental of Office premises with Tablespace Technologies Private Limited.

Total of future minimum lease payments in the following period:

(Amount in ₹ Lakhs)

| Particulars | As at March 31, 2023 | | | Total |
|---|----------------------|-----------|----------|----------|
| | <1 year | 1-5 years | >5 years | |
| Future minimum lease payments for office rent | 525.24 | 1,956.05 | - | 2,481.29 |

34 Loans and Advances granted to Promoters, Directors, KMP and Related Parties

a) Repayable on Demand

| Type of Borrower | As at March 31, 2023 | | As at March 31, 2022 | |
|------------------|--|-----------------------------------|--|-----------------------------------|
| | Amount of Loans and advances outstanding | % to the total Loans and Advances | Amount of Loans and advances outstanding | % to the total Loans and Advances |
| Promoters | - | - | - | - |
| Directors | - | - | - | - |
| KMPs | - | - | - | - |
| Related Parties | - | - | - | - |

b) Without specifying any terms or period of repayment

| Type of Borrower | As at March 31, 2023 | | As at March 31, 2022 | |
|----------------------------|--|-----------------------------------|--|-----------------------------------|
| | Amount of Loans and advances outstanding | % to the total Loans and Advances | Amount of Loans and advances outstanding | % to the total Loans and Advances |
| Promoters | - | - | - | - |
| Director- (Travel Advance) | - | - | 27.84 | 42.87% |
| KMPs | - | - | - | - |
| Related Parties | - | - | - | - |

35 Earnings Per Share

(Amount in ₹ Lakhs)

| Particulars | As at March 31, | |
|--|-----------------|-------------|
| | 2023 | 2022 |
| 1. Profit attributable to equity shareholders before extraordinary items (A) | 2,644.06 | 79.38 |
| 2. Profit attributable to equity shareholders after extraordinary items (B) | 2,644.06 | 79.38 |
| 3. Weighted average number of equity shares outstanding during the year (C) | 1,70,00,000 | 10,00,000 |
| 4. Adjusted Weighted average number of equity shares outstanding during the year (D)* | 1,70,00,000 | 1,70,00,000 |
| 5. Effect of potential equity shares on employee stock options outstanding | - | - |
| 6. Effect of any other items of potential Equity Shares eg. Convertible Debentures, Convertible Preference Shares | - | - |
| 7. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (E) | 1,70,00,000 | 10,00,000 |
| 8. Adjusted weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (F) | 1,70,00,000 | 1,70,00,000 |
| 7. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/C) | 15.55 | 7.94 |
| 8. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/C) | 15.55 | 7.94 |
| 9. Adjusted Basic earnings per share before extraordinary items of face value of ₹ 10 (A/D) | 15.55 | 0.47 |
| 10. Adjusted Basic earnings per share after extraordinary items of face value of ₹ 10 (B/D) | 15.55 | 0.47 |
| 11. Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/E) | 15.55 | 7.94 |
| 12. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/E) | 15.55 | 7.94 |
| 13. Adjusted Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/F) | 15.55 | 0.47 |
| 14. Adjusted Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/F) | 15.55 | 0.47 |

*Note: The Company has declared bonus Shares at the Members Meeting held on 29/12/2022, at the ratio of 16 Equity shares of ₹s 10/- Each for every 1 Equity share of Rs 10/- each held.

36 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

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



(Amount in ₹ Lakhs)


| S.No | RATIOS | Current year Numerator (Rs) | Current year Denominator (Rs) | As at March 31,2023 | As at March 31,2022 |
|------|--|-----------------------------|-------------------------------|---------------------|---------------------|
| a. | Current Ratio Current Assets / Current liabilities | 3,422.95 | 1,411.98 | 2.42 | 0.65 |
| b. | Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity | 427.08 | 3,020.97 | 0.14 | 1.10 |
| c. | Debt Service Coverage Ratio EBITDA / (Interest + Principal) | 3,667.22 | 321.12 | 11.42 | 0.48 |
| d. | Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders fund | 2,644.06 | 1,698.94 | 155.63% | 23.54% |
| e. | Inventory Turnover Ratio Cost of Goods Sold (or) Sales / Average Inventory | - | - | - | - |
| f. | Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables | 7,022.73 | 1,001.91 | 7.01 | 47.29 |
| g. | Trade Payable Turnover Ratio Credit Purchases / Average Trade Payables | 1,612.96 | 192.61 | 8.37 | 6.06 |
| h. | Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Average Working Capital | 7,022.73 | 900.68 | 7.80 | (8.33) |
| i. | Net Profit Ratio Net Profit / Total Sales | 2,644.06 | 7,022.73 | 37.65% | 3.32% |
| j. | Return on Capital Employed (EBIT / Capital Employed) * 100 | 3,611.19 | 3,448.05 | 104.73% | 15.78% |
| k. | Return on Investment Income generated from investments/ Total Investment*100 | - | - | - | - |


Variance Analysis

| S.No | RATIOS | As at March 31,2023 | | As at March 31,2022 | |
|------|---|---------------------|--|---------------------|--|
| | | Variance | Reason for Variance | Variance | Reason for Variance |
| a. | Current Ratio Current Assets / Current liabilities | 270.22% | Due to increase in current assets | 76.05% | Due to increase in Current Assets |
| b. | Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity | (87.11%) | Due to decrease in debt | 830.39% | Due to increase in Debt |
| c. | Debt Service Coverage Ratio EBITDA / (Interest + Principal) | 2263.93% | Due to decrease in Debt | (85.73%) | Due to increase in Debt |
| d. | Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders | 561.09% | Due to increase in profit | 96.39% | Due to increase in profit |
| e. | Inventory Turnover Ratio Cost of Goods Sold (or) Sales / Average Inventory | 0.00% | - | 0.00% | - |
| f. | Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables | (85.18%) | Due to increase in Average receivables | 109.29% | Due to increase in turnover |
| g. | Trade Payable Turnover Ratio Credit Purchases / Average Trade Payables | 38.29% | Due to increase in turnover | 42.47% | Due to increase in turnover |
| h. | Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Average Working Capital | (193.64%) | Due to increase in average working capital | (21.92%) | Due to increase in average working capital |
| i. | Net Profit Ratio Net Profit / Total Sales | 1032.42% | Due to increase in profit | 70.66% | Due to increase in profit |
| j. | Return on Capital Employed (EBIT / Capital Employed) * 100 | 563.50% | Due to increase in Profit | (26.02%) | Due to increase in capital employed |
| k. | Return on Investment Income generated from investments/ Total Investment*100 | 0.00% | - | 0.00% | - |

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED
 (Formerly known as BASILIC FLY STUDIO PRIVATE LIMITED)

As per our report of even date attached
For L.U.KRISHNAN & CO
 Chartered Accountants
 Registration.No: 005275


Balakrishnan
 Managing Director
 DIN: 06590484


Sunderam Yogalakshmi
 Director
 DIN: 07323404


Company Secretary
 Membership No: 10213


Ramesh M
 Chief Financial Officer


P K MANOJ
 Partner
 207550
 DIN-232075508GWMG22235

Place: Chennai
 Date: 14-06-2023

Place: Chennai
 Date: 14-06-2023

