

BOARD'S REPORT

Dear Members,

The Board presents herewith the 15th Annual Report of Amagi Media Labs Private Limited ("the Company") together with the Audited Statements of Accounts for the financial year ended March 31, 2023.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

Particulars	(in ₹ Mn)			
	2022-2023		2021-2022	
	Standalone	Consolidated	Standalone ¹	Consolidated
Total Income	3,604.70	7,247.17	3,350.01	4,338.95
Total Expenditure	7,078.09	10,395.66	14,128.62	14,964.71
Profit / (Loss) Before Tax	(3,473.39)	(3,148.50)	(10,778.61)	(10,625.76)
Current Tax	-	255.43	83.73	201.46
Deferred Tax	-	(191.45)	-	(42.38)
Profit / (Loss) After Tax	(3,473.39)	(3,212.47)	(10,862.34)	(10,784.84)

¹ The difference in the financial summary provided in the Board's Report for FY 21-22 is due to the preparation of financial statements which comply with Ind AS applicable for year ended on March 31, 2023, together with the comparative year data as at and for the year ended March 31, 2022.

2. STATE OF COMPANY'S AFFAIR AND FUTURE OUTLOOK:

During the financial year under review, the Company has earned revenue from operations ₹ 6,805.58Mn (Consolidated) and ₹ 3,154.23Mn (Standalone) compared to revenue from operations ₹ 4,309.81 Mn (Consolidated) and ₹ 3,317.12 Mn (Standalone) earned in the previous financial year. The Company also earned other income amounting to ₹ 441.59Mn (Consolidated) and ₹ 450.47Mn (Standalone) in the year under review.

3. DIVIDEND:

The Board of Directors do not recommend any dividend for the financial year 2022-23.

4. AMOUNTS TRANSFERRED TO RESERVES AND SURPLUS ACCOUNT:

During the financial year 2022-23, the Company has sustained a loss. In view of the same, no amount has been transferred to reserves and surplus account.

5. CHANGE OF NAME:

During the year under review, the Company has neither proposed nor changed its name.

6. CHANGE IN THE NATURE OF BUSINESS:

There was no change in nature of business of the company during the year.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company is duly constituted as per the Companies Act, 2013. During the year under review, Mr. Shantanu Rastogi was appointed as the Nominee Director on November 10, 2022, and Mr. Deepesh Maheshwari resigned as the Company Secretary with effect from January 27, 2023.

The composition of the Board of Directors of the Company as on March 31, 2023, and up to the date of signing the Board Report is as under:

Sl. No.	Director's Name	DIN	Designation
1.	Mr. Baskar Subramanian	02014529	Managing Director
2.	Mr. Arunachalam Srinivasan Karapattu	02014527	Director
3.	Ms. Srividhya Srinivasan	02014532	Whole Time Director
4.	Mr. Shekhar Kirani Hanumanthasetty	02384548	Nominee Director
5.	Mr. Atul Gupta	06940578	Nominee Director
6.	Mr. Nishant Kanuru Rao	08972606	Nominee Director
7.	Mr. Shantanu Rastogi	06732021	Nominee Director

8. MEETINGS:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. The Board of Directors met 9 (Nine) times in the financial year 2021-2022. The details of the dates of meeting and Director's attendance are as below:

Meeting No	Date of Board Meeting	Baskar Subramanian	Arunachalam Srinivasan Karapattu	Srividhya Srinivasan	Atul Gupta	Shekhar Kirani Hanumanthasetty	Nishant Kanuru Rao	Shantanu Rastogi
85 th	April 8, 2022	P	Ab	P	P	P	Ab	-
86 th	May 27, 2022	P	P	P	P	P	P	-
87 th	September 23, 2022	P	P	Ab	P	P	Ab	-
88 th	September 29, 2022	P	P	P	Ab	P	P	-
89 th	October 11, 2022	P	Ab	P	P	P	Ab	-
90 th	October 31, 2022	P	P	P	P	P	P	-
91 st	November 10, 2022	P	P	P	P	P	P	-

92 nd	December 15, 2022	P	P	P	P	P	Ab	Ab
93 rd	March 9, 2023	P	Ab	P	P	P	P	P
P : Attended		-: Not Applicable				Ab: Absent		

9. DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE- APPOINTMENT, IF ANY:

The provisions relating to Independent Directors are not applicable to the Company. Further, the Company does not have any Independent Director on its Board. Accordingly, declaration by an Independent Directors is not applicable.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

As on March 31, 2023, the Company had 6 subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is provided. The statement also provides subsidiaries incorporated during the financial year, details of the performance and financial position of each of the subsidiaries.

During the year under review, the following entities were acquired through the Company's overseas subsidiaries:

1. On November 14, 2022, Amagi Media LLC acquired assets and business from Streamwise, LLC, an entity incorporated in the USA.
2. On December 5, 2022, Amagi Media Private Limited acquired Amagi Eastern Europe d.o.o (formerly known as MPH Video Systems d.o.o za usluge), an entity incorporated in Croatia.

11. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR

During the year under review, there has been no case filed by or against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

12. STATUTORY AUDITORS

At the 11th Annual General Meeting of the Company held on September 30, 2019, the Company has appointed M/s S.R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company for a period of (5) five years in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 till the conclusion of the 16th Annual General Meeting to be held in the year 2024.

Qualifications, reservations or adverse remarks in Statutory Auditors' Report

Please find below the Board's response to the observations made by M/s S.R. Batliboi & Associates LLP in the Auditor's Report:

- *The company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode:* As per Companies Act, Amagi is supposed to have a back-up on India-based servers. The Company is currently maintaining back-ups of its ERP / Oracle Net-Suite; in two separate locations, however, both locations are not in India. Since the OEM (Oracle) is yet to enable the facility to let an ERP tenant to take back-up of its applicable database, we are working with vendors to find ways to create a backup in India-based servers. The Management is exploring multiple options to comply with the Companies Act, 2013 during FY 2023-24.
- *Employees' Provident dues which were outstanding, at the year end, for a period of more than six months from the date they became payable:* As on March 31, 2023, the Company was unable to discharge its liability towards Provident Fund for 6 of the employees as the KYC verification of the said employees had not been completed with the Employees' Provident Fund Organisation ("EPFO"). This has resulted in EPFO rejecting the remittance made for such employees. As on the date of this report, two of the cases have been resolved. Necessary steps will be taken to ensure that these matters are closed at the earliest.

Fraud Reported by Auditors

Pursuant to disclosure requirement under Section 134(3) (ca) and provisions of section 143(12) of the Companies Act, 2013, there were no incidence of fraud and hence there were nothing to report by the Statutory Auditors to the Board during the year under review.

13. DISCLOSURE ABOUT MAINTENANCE OF COST RECORDS AND COST AUDIT

Provisions relating to maintenance of Cost records and Cost Audit are not applicable to the Company.

14. SECRETARIAL AUDIT REPORT

Provisions relating to Secretarial Audit are not applicable to the Company.

15. SHARE CAPITAL

A. Details of changes in capital structure of the Company:

i. Changes in Authorised share Capital:

The Authorised Share Capital of the Company stands increased from ₹ 41,53,00,800 (Indian Rupees Forty One Crores Fifty Three Lakhs and Eight Hundred Only) divided into 13,20,000 (Thirteen Lakhs Twenty Thousand) ordinary equity shares of ₹ 5/- (Indian Rupees five Only) each, 35,87,008 (Thirty Five Lakhs Eighty Seven Thousand and Eight) compulsorily convertible preference shares and 500,000 (Five Lakhs) Optionally Convertible preference shares of ₹ 100/- (Indian Rupees One

Hundred Only) each to ₹ 47,66,00,000 (Indian Rupees Forty Seven Crores Sixty Six Lakhs Only) divided into 13,20,000 (Thirteen Lakhs Twenty Thousand) ordinary equity shares of ₹ 5/- (Indian Rupees five Only) each and 42,00,000 (Forty Two Lakhs) Compulsorily convertible preference shares of ₹ 100/- (Indian Rupees One Hundred Only) each and 5,00,000 (Five Lakhs) optionally convertible preference shares of ₹ 100/- (Indian Rupees One Hundred Only) each during the year under review.

ii. Change in issued, subscribed and paid-up share capital:

The Issued, subscribed and paid up share capital of the Company has increased to ₹ 44,44,85,475 (Indian Rupees Forty Four Crores Forty Four Lakhs Eighty Five Thousand Four Hundred and Seventy Five Only) divided into 9,48,895 (Nine Lakh Forty Eight Thousand Eight Hundred and Ninety Five) ordinary equity shares of ₹ 5/- (Indian Rupees Five Only) each and 41,67,773 (Forty One Lakhs Sixty Seven Thousand Seven Hundred and Seventy Three) Compulsorily convertible preference shares of ₹ 100/- (Indian Rupees One Hundred Only) each and 2,29,637 (Two Lakh Twenty Nine Thousand Six Hundred and Thirty Seven) optionally convertible preference shares of ₹ 100/- (Indian Rupees One Hundred Only) each during the year under review.

iii. Reclassification or sub-division of the authorised share capital:

During the year under review, there has been no reclassification or sub-division of the authorized share capital.

iv. Reduction of share capital or buy back:

During the year under review, 76,533 (Seventy-Six Thousand Five Hundred and Thirty-Three) ordinary shares having face value of ₹ 5 (Indian Rupees Five only) each were bought back at ₹11,993.63 (Indian Rupees Eleven Thousand Nine Hundred and Ninety-Three and Sixty-Three Paise only) each.

v. Change in the capital structure resulting from restructuring: N.A

vi. Change in voting rights: N.A

vii. Issue of equity shares with differential voting rights: N.A

B. Issue of shares or other convertible Securities:

The Company has issued and allotted 3,35,854 (Three Lakh Thirty-Five Thousand Eight Hundred and Fifty-Four) Series F Compulsorily Convertible Preference Shares ("Series F CCPS") having a face value of ₹ 100/- (Indian Rupees One Hundred Only) each at a premium of ₹ 19,405.54 (Indian Rupees Nineteen Thousand Four Hundred and Five and Fifty-Four Paise Only).

Further, the company has converted 214,419 (Two Lakhs Fourteen Thousand Four Hundred and Nineteen) Optionally Convertible Preference shares having a face value of ₹100 (Indian Rupees One Hundred only) each to 214,419 (Two Lakhs Fourteen Thousand Four Hundred and Nineteen) Series D1 Compulsorily Convertible Preference Shares having a face value of ₹100 (Indian Rupees One Hundred only) at a premium of ₹ 2,066.72 (Rupees Two Thousand Sixty Six and Seventy Two Paise only).

C. Sweat Equity:

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

D. Bonus shares:

During the year under review, bonus shares were not issued.

E. Employees Stock Option Plan ("ESOP") and Stock Appreciation Rights Scheme (SARS):

i. The details of the Stock Options as on March 31, 2023:

Sl. No.	Particulars	ESOP PLAN 2009	ESOP PLAN 2015		ESOP PLAN 2017		ESOP PLAN 2022	
			Phase I	Phase II	Phase I	Phase II	Phase I	Phase II
1.	Total number of options in force at the beginning of the FY	10,938	9,953	13,626	13,782	4,077	-	-
2.	Options Granted	-	-	-	-	-	1,63,801	23,700
3.	Options Vested	-	-	-	-	-	-	-
4.	Options forfeited	-	-	-	-	100	5,363	633
5.	Options cancelled during the year	4,775	2,305	2,617	5,915	784	-	-
6.	Options exercised	-	-	-	-	-	-	-
7.	Total no. of shares arising as a result of exercise of option	-	-	-	-	-	-	-
8.	Options lapsed	-	-	-	-	-	-	-
9.	Exercise price (in ₹)	3.57	542.32	772.96	772.96	1,099.24	5	5
10.	Variation of terms of options	-	-	-	-	-	-	-
11.	Money realized by exercise of options	-	-	-	-	-	-	-
12.	Effect of Share split and Bonus Issue*	11,106	13,784	19,841	14,460	5,754	-	-
13.	Total number of options in force at the end of the FY	17,269	21,432	30,850	22,327	8,714	23,681	0
14.	Number of options outstanding as at	17,269	21,432	30,850	22,327	8,947	1,58,438	23,067

	the end of the FY							
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*There has been an increase in the number of options without change in the economic value due to the corporate actions such as of split of equity shares and bonus issue carried out during FY 2022-23.

ii. The details of the SARs as on March 31, 2023:

Sl No	Particulars	Stock Appreciation Rights Scheme I, 2020*	Stock Appreciation Rights Scheme II, 2020*	Stock Appreciation Rights Scheme III, 2020*	Stock Appreciation Rights Scheme IV, 2022
1.	Total number of SARs in force at the beginning of FY	32,700	1,000	4,450	-
2.	SARs Granted	-	-	-	11,021
3.	SARs Vested	-	-	-	-
4.	SARs forfeited	-	-	1,261	576
5.	SARs cancelled during the year	1,217			
6.	SARs exercised	-	-	-	-
7.	Total no. of shares arising as a result of exercise of SAR	-	-	-	-
8.	SARs lapsed	-	-	-	-
9.	Exercise price (in ₹)	1,129	1,499	2,141	5
10.	Variation of terms of SARs	-	-	-	-
11.	Money realized by exercise of SARs	-	-	-	-
12.	Total number of SARs in force at the end of FY	76,586	1,962	2,522	1,230
13.	Number of SARs outstanding as at the end of the FY	88,222	2,802	11,209	10,445

*There has been an increase in the number of SARs without change in the economic value due to the corporate actions such as of split of equity shares and bonus issue carried out during FY 2022-23.

iii. Employee wise details of options granted to:

- key managerial personnel - None
- one employee has received a grant of SARs in the year under review amounting to more than five percent of options granted during the year.
- identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant – None.

F. Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employee.: Nil.

G. Issue of debentures, bonds, or any non-convertible securities: Nil.

H. Issue of warrants: Nil

16. VIGIL MECHANISM

Though your Company is not covered under the class or classes of Companies prescribed under Section 177(9) of the Companies Act, 2013, for good governance, a Vigil Mechanism to report genuine concerns has been established. Amagi's Whistleblower Policy encourages the employees to speak up in case they detect corrupt, illegal or other undesirable conduct.

17. RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy. The policy strives to identify the key events / risks impacting the business objectives of the Company and to develop risk policies and strategies to ensure timely evaluation, reporting and monitoring of key business risks.

18. ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Annual Return of the Company can be accessed at the website of the Company at www.amagi.com.

19. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes that occurred after the close of the financial year of the Company to which the balance sheet relates and the date of the report which are affecting or likely to affect the financial position of the Company.

20. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

21. DEPOSITS

The Company has not accepted any Deposits within the meaning of Section 73 of the Companies Act, 2013 during the year under review.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Except to the extent of loan provided and investment made in its wholly owned subsidiary(s), the Company has not granted any loans /guarantee / provided any security or made any investment during the year under review. Hence, disclosure relating to details of guarantee/security provided/ investments made is not applicable.

23. LOANS FROM DIRECTORS AND RELATIVES OF DIRECTORS

During the year the Company has not obtained any unsecured loans either from Directors or relatives of Directors.

24. INTERNAL COMPLAINT COMMITTEE - OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the year under review, the Company received one complaint and the same has been resolved by the Committee.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings, and outgo are as follows:

(a) Conservation of energy

- | | | |
|------|--|---|
| i. | the steps taken or impact on conservation of energy | : Company is very careful in utilizing the energy |
| ii. | the steps taken by the Company for utilizing alternate sources of energy | : Nil |
| iii. | the capital investment on energy conservation equipment's | : Nil |

(b) Technology absorption

- | | | |
|------|--|-------|
| i. | the efforts made towards technology absorption | : Nil |
| ii. | the benefits derived like product improvement, cost reduction, product development or import substitution | : Nil |
| 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 | : Nil |
| | (b) the year of import; | : NA |
| | (c) whether the technology been fully absorbed | : NA |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : NA |

- iv. the expenditure incurred on Research and Development : Nil

(c) Foreign exchange earnings and outflow during the year under review:

Earnings : ₹ 3,427.14 Mn

Expenditure : ₹ 3,268.35 Mn

26. PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTY

The Company has entered the contracts or arrangements with the related parties on an arm's length basis during the reporting financial year. The report relating to particulars of contracts or arrangements with related parties in Form AOC-2 is attached to this report as ANNEXURE I.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR):

For the year under review, the Company was not obligated to make any CSR expenditure as the Company did not cross the threshold limits as per Section 135. However, the Company has voluntarily spent approx. ₹60 lakhs towards Payir Trust, Kickstart Foundation and other initiatives for the welfare and development of the underprivileged.

The CSR Policy will be made available on the website of the Company at www.amagi.com. The Annual Report on CSR is attached to this report as ANNEXURE II. As per Section 135(9) of the Companies Act, 2013, the Board of Directors discharge the functions of the CSR Committee.

28. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the Provisions of clause (c) of sub-section (3) of Section 134 read with sub-section (5) of Section 134 of the Companies Act, 2013 the Directors of the Company hereby report that:

- a. in the preparation of the annual accounts for the financial period ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:

The auditors have opined in all material respects that adequate internal financial controls have been established by the Company.

30. STATEMENT OF COMPLIANCE OF SECRETARIAL STANDARDS:

Secretarial Standard issued and notified by the Institute of Company Secretaries of India has been complied with by the Company during the financial year under review. Further, the Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

31. ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the sincere and dedicated efforts of all employees. The Directors would also like to thank the Shareholders, Bankers and other Business associates for their sustained support, patronage, and cooperation.

**For and on behalf of the Board of Directors of
AMAGI MEDIA LABS PRIVATE LIMITED**

**Sd/-
BASKAR SUBRAMANIAN
Managing Director
DIN: 02014529**

**SD/-
SRIVIDHYA SRINIVASAN
Whole-time Director
DIN: 02014532**

**Place : Bengaluru
Date : September 27, 2023**

FORM NO. AOC -2

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/ arrangements/ transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at arm's length basis.

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	Arunachalam Srinivasan Karapattu Nature of Relationship Promoter Director & Shareholder	Managerial Remuneration, Contribution to provident and other funds and Reimbursement of expenses.	As per the decision of the Board of Directors.	Employment Contract	25.08.2021	NA
2.	Baskar Subramanian Nature of Relationship Promoter Director & Shareholder	Managerial Remuneration, Contribution to provident and other funds and Reimbursement of expenses.	As per the decision of the Board of Directors.	Employment Contract	25.08.2021	NA
3.	Srividhya Srinivasan Nature of Relationship	Managerial Remuneration, Contribution to provident and other funds and	As per the decision of the Board of Directors.	Employment Contract	25.08.2021	NA

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
	Promoter Director & Shareholder	Reimbursement of expenses.				
4.	Amagi Corporation, USA Nature of Relationship Wholly owned Subsidiary Company	Rendering of Services, Sale of Goods and Sales support services	NA	Inter-Company Agreement	Approval exempted for transaction with a wholly owned subsidiary as per Section 188(1)	NA
5.	Amagi Media labs Pte. Ltd. Singapore Nature of Relationship Wholly owned Subsidiary Company	Rendering of Services, and Sales support services	NA	Inter-Company Agreement	Approval exempted for transaction with a wholly owned subsidiary as per Section 188(1)	NA
6.	Amagi Media Pvt. Ltd., United Kingdom Nature of Relationship Wholly owned Subsidiary Company	Rendering of Services, and Sales support services	NA	Inter-Company Agreement	Approval exempted for transaction with a wholly owned subsidiary as per Section 188(1)	NA
7.	Amagi Eastern Europe d.o.o Nature of Relationship Step-down Subsidiary Company	Professional fees	NA	Inter-Company Agreement	Approval exempted for transaction with a wholly owned subsidiary as per Section 188(1)	NA

**For and on behalf of the Board of Directors of
AMAGI MEDIA LABS PRIVATE LIMITED**

Sd/-

BASKAR SUBRAMANIAN
Managing Director
DIN: 02014529

Sd/-

SRIVIDHYA SRINIVASAN
Whole-time Director
DIN: 02014532

Date : September 27, 2023

Place : Bengaluru

[Annexure -II]

Format for the Annual Report on CSR Activities to be included in the Board's Report for Financial Year ended March 31, 2023

Note: the same is being complied on a voluntary basis. Section 135 of the Companies Act, 2013 is not applicable to the company.

1. Brief outline on CSR Policy of the Company:
In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has approved the CSR policy of the Company.

2. Composition of CSR Committee:
Pursuant to Section 135(9) of the Companies Act, 2013, the Board of Directors of the Company discharge the functions of the CSR Committee as the amount proposed to be spent by the company does not exceed Rs. 50,00,000/- (Rupees Fifty Lakhs) only.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Not applicable, as mentioned above				

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:
CSR Policy of the company is disclosed on the website of the company at www.amagi.com.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5.
 - (a) Average net profit of the company as per sub-section (5) of section 135: NIL
 - (b) Two percent of average net profit of the company as per sub-section (5) of section 135: NIL
 - (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
 - (d) Amount required to be set-off for the financial year, if any: NIL
 - (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: NIL

6.
 - (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): NIL
 - (b) Amount spent in Administrative Overheads: NIL
 - (c) Amount spent on Impact Assessment, if applicable: NIL
 - (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: NIL
 - (e) CSR amount spent or unspent for the financial year: Not Applicable

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer

(f) Excess amount for set off, if any: Not Applicable

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes for activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs) Date of transfer		
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: ~~Yes~~/ No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

**For and on behalf of the Board of Directors of
AMAGI MEDIA LABS PRIVATE LIMITED**

Sd/-

BASKAR SUBRAMANIAN

**Managing Director
DIN: 02014529**

Sd/-

SRIVIDHYA SRINIVASAN

**Whole-time Director
DIN: 02014532**

**Place : Bengaluru
Date : September 27, 2023**

FORM NO. AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing the salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures.

PART "A": SUBSIDIARIES**(in ₹ million)**

SL. No	Particulars	Details					
1.	Name of the Subsidiary	Amagi Corporation	Amagi Media Labs Pte. Ltd.	Amagi Media Pvt. Ltd.	Amagi Media LLC	Amagi Eastern Europe d.o.o za usluge	Amagi Canada Corporation Inc.
2.	Date since when Subsidiary was incorporated	April 1, 2015	April 4, 2018	December 10, 2018	November 14, 2022	December 5, 2022	August 23, 2021
3.	Reporting period for Subsidiary concerned, if different from the Holding Company's reporting period	From April 1, 2022 to March 31, 2023	From April 1, 2022 to March 31, 2023	From April 1, 2022 to March 31, 2023	From April 1, 2022 to March 31, 2023	From December 5, 2022 to March 31, 2023	From April 1, 2022 to March 31, 2023
4.	Reporting Currency and Exchange rate as on the date of the relevant Financial year in the case of Foreign Subsidiary	Currency - USD Exchange Rate - INR 82.1593	Currency - SGD Exchange Rate - INR 61.7959	Currency - GBP Exchange Rate - INR 101.607	Currency - USD Exchange Rate - INR 82.1593	Euro - EURO Exchange Rate - INR 89.6076	Currency- CAD Exchange Rate - INR 60.7149
5.	Share Capital	2.89	2.06	0.01	28.34	0.25	3.11
6.	Reserves & Surplus	533.66	33.15	115.07	(25.12)	29.89	(0.07)
7.	Total Assets	3511.13	83.01	537.54	42.64	69.14	3.29
8.	Total Liabilities	2974.58	47.80	422.45	39.42	39.01	0.25
9.	Investments	Nil	Nil	Nil	Nil	Nil	Nil
10.	Turnover	4889.01	336.25	952.95	5.25	56.76	Nil
11.	Profit before taxation	(230.86)	(27.77)	(61.20)	24.53	(18.91)	Nil
12.	Provision for taxation	(46.06)	(10.93)	(0.99)	Nil	(6.00)	Nil
13.	Profit after taxation	(184.80)	(16.84)	(60.21)	24.53	(12.91)	Nil
14.	Proposed dividend	Nil	Nil	Nil	Nil	Nil	Nil
15.	% of Shareholding	100%	100%	100%	100%	100%	100%

PART "B": ASSOCIATES & JOINT VENTURES

The Company does not have any Associates or Joint Ventures as of March 31, 2023.

For and on behalf of the Board of Directors of

AMAGI MEDIA LABS PRIVATE LIMITED

Sd/-

BASKAR SUBRAMANIAN

Managing Director

DIN: 02014529

Sd/-

SRIVIDHY A SRINIVASAN

Director

DIN: 02014532

Sd/-

KUSUM GORE

Company Secretary

A41477

Sd/-

VIJAY NP

Chief Financial Officer

Place: Bengaluru

Date: September 27, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Amagi Media Labs Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Amagi Media Labs Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income/(loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income/(loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income/(loss), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.

- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed 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 (a) and (b) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sd/-

per Rajeev Kumar

Partner

Membership Number: 213803

UDIN: 23213803BGXANE2340

Place: Bengaluru

Date: September 27, 2023

Annexure ‘1’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date on the Standalone Financial Statements of Amagi Media Labs Private Limited

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

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.
- (c) There are no immovable properties (other than properties where the Company is the lessee and the lease agreements are fully executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more in aggregate that were noted for each class of inventory in respect of such physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided interest free loans to other parties (i.e employees) as follows:

Particulars	Advances in the nature of loans (Rs. Million)
Aggregate amount of loan granted during the year - Others (i.e employees)	1.33
Balance outstanding as at the balance sheet date - Others (i.e employees)	0.27

Other than the above, the Company has not made any investments, provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties.

- (b) During the year, the terms and conditions of the grant of loans to other parties (i.e employees) are not prejudicial to the Company's interest. Other than the above, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (c) During the year, the Company has granted interest free loans to other parties (i.e employees) where the schedule of repayment of principal has been stipulated and the repayment or receipts are regular. Other than the above, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (d) There are no amounts of interest free loans granted to other parties (i.e employees) which are overdue for more than ninety days. Other than the above, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (e) There were no loans granted to other parties (i.e employees) which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Other than the above, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given by the management, loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom and other statutory dues applicable to it.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (Excluding interest and penalty) (Rs. In Million)	Period to which the amount relates	Due Date	Date of Payment
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees' Provident Funds	0.36	May 2022 to August 2022	Various dates	Not paid

- (b) According to the records of the Company, there are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year. Hence, the requirement to report on clause(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (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, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

- (xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment company forming part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses in the current year amounting to Rs. 3,354.05 million. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 3,135.39 million.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

- (xix) On the basis of the financial ratios disclosed in note 49 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, further state that this is not an assurance as to the future viability of the Company and 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 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Sd/-

per Rajeev Kumar

Partner

Membership Number: 213803

UDIN: 23213803BGXANE2340

Place: Bengaluru

Date: September 27, 2023

Annexure ‘2’ to the Independent Auditor’s report of even date on the standalone financial statements of Amagi Media Labs Private Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Amagi Media Labs Private 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these standalone financial statements.

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

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 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 issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Sd/-

per Rajeev Kumar

Partner

Membership Number: 213803

UDIN: 23213803BGXANE2340

Place: Bengaluru

Date: September 27, 2023

Amagi Media Labs Private Limited
Standalone Balance Sheet as at 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
ASSETS				
Non-current assets				
Property, plant and equipment	3	106.84	52.48	28.38
Capital work-in-progress	4	49.35	-	4.48
Other intangible assets	5	1.40	2.58	2.83
Right-of-use assets	6	235.77	9.86	33.06
Financial assets				
(i) Investments	7	191.73	138.29	9.20
(ii) Bank balances other than cash and cash equivalents	14	3.05	3.05	2.98
(iii) Other financial assets	8	24.35	-	9.55
Income tax assets (net)	9	21.44	61.47	14.39
Other non-current assets	10	568.53	207.65	180.00
		1,202.46	475.38	284.87
Current assets				
Inventories	11	-	0.60	0.59
Financial assets				
(i) Investments	7	2,637.61	-	-
(ii) Trade receivables	12	1,254.58	1,265.70	390.23
(iii) Cash and cash equivalents	13	6,930.92	6,299.59	247.69
(iv) Bank balances other than cash and cash equivalents	14	-	-	19.46
(v) Loans	15	19.81	0.52	0.28
(vi) Other financial assets	16	560.06	12.34	0.46
Other current assets	17	542.06	284.83	131.28
		11,945.04	7,863.58	789.99
		13,147.50	8,338.96	1,074.86
EQUITY AND LIABILITIES				
Equity				
Equity share capital	18 A	4.75	5.13	5.13
Instrument entirely in the nature of equity	18 B	8,748.14	8,714.50	-
Other equity	19	(2,737.05)	(5,701.99)	(5,228.25)
		6,015.84	3,017.64	(5,223.12)
Non-current liabilities				
Financial liabilities				
(i) Borrowings	20	-	-	5,572.29
(ii) Lease Liabilities	21	199.52	-	10.09
(iii) Other financial liabilities	22	55.72	142.21	41.72
Provisions	23	52.66	41.14	23.77
Other non-current liabilities	24	531.03	652.72	67.26
		838.93	836.07	5,715.13
Current liabilities				
Financial liabilities				
(i) Lease Liabilities	21	31.38	10.09	21.04
(ii) Trade payables	25			
- total outstanding dues of micro and small enterprises		20.00	19.00	8.10
- total outstanding dues of creditors other than micro and small enterprises		1,579.89	628.91	361.22
(iii) Other financial liabilities	26	4,030.04	3,473.62	83.96
Provisions	27	51.94	30.56	16.34
Other current liabilities	28	579.48	323.07	92.19
		6,292.73	4,485.25	582.85
		13,147.50	8,338.96	1,074.86

Corporate information and summary of significant accounting policies 1 & 2

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm registration number: 101049W/E300004

Sd/-
per Rajeev Kumar
Partner
Membership number: 213803

For and on Behalf of the Board of Directors of
Amagi Media Labs Private Limited
CIN: U73100KA2008PTC045144

Sd/-
Baskar Subramanian
Director
DIN: 02014529
Place: Los Angeles, USA
Date: 27 September, 2023

Sd/-
Srividhya Srinivasan
Director
DIN: 02014532
Place: Los Angeles, USA
Date: 27 September, 2023

Sd/-
Kusum Gore
Company Secretary
Membership No: A41477

Sd/-
Vijay NP
Chief Financial Officer

Place: Bengaluru
Date: 27 September, 2023

Place: Bengaluru
Date: 27 September, 2023

Place: Los Angeles, USA
Date: 27 September, 2023

Amagi Media Labs Private Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in Indian Rupees million, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	29	3,154.23	3,317.12
Other income	30	450.47	32.89
Total income (I)		3,604.70	3,350.01
Expenses			
Purchase of traded goods	31A	0.35	1.20
(Increase)/ decrease in inventories of traded goods	31B	(0.35)	(0.01)
Employee benefits expense	32	3,380.64	4,279.63
Finance costs	33	20.25	6.89
Depreciation and amortisation expense	34	75.79	50.93
Other expenses	35	3,601.41	4,381.59
Change in fair valuation of preference shares	20	-	5,408.41
Total expenses (II)		7,078.09	14,128.64
Profit / (Loss) before tax (III = I-II)		(3,473.39)	(10,778.63)
Tax expense:			
Current tax		-	-
Provision for foreign tax credit		-	83.73
Deferred tax		-	-
Total tax expense (IV)		-	83.73
Profit / (Loss) for the year (V=III-IV)		(3,473.39)	(10,862.36)
Other Comprehensive Income/(Loss) (OCI)			
<i>Items that will not be reclassified to profit or loss in subsequent years:</i>			
Re-measurement of the net defined benefit plan		3.63	(10.94)
Income tax effect		-	-
Other comprehensive income/(loss) for the year, net of income tax (VI)		3.63	(10.94)
Total Comprehensive Income/(Loss) for the year (VII=V+VI)		(3,469.76)	(10,873.30)

Earnings per equity share [Nominal value of share Rs 5 each (31 March 2022: Rs 5 each)]

Basic (Rs)	36	(671.97)	(1,890.13)
Diluted (Rs)		(671.97)	(1,890.13)

Corporate information and summary of significant accounting policies 1 & 2

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm registration number: 101049W/E300004

For and on Behalf of the Board of Directors of
Amagi Media Labs Private Limited
CIN: U73100KA2008PTC045144

Sd/-
per Rajeev Kumar
Partner
Membership number: 213803

Sd/- Sd/-
Baskar Subramanian **Srividhya Srinivasan**
Director Director
DIN: 02014529 DIN: 02014532

Place: Los Angeles, USA Place: Los Angeles, USA
Date: 27 September, 2023 Date: 27 September, 2023

Sd/- Sd/-
Kusum Gore **Vijay NP**
Company Secretary Chief Financial Officer
Membership No: A41477

Place: Bengaluru
Date: 27 September, 2023

Place: Bengaluru Place: Los Angeles, USA
Date: 27 September, 2023 Date: 27 September, 2023

Amagi Media Labs Private Limited
Standalone Cash flow statement for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities			
Profit/(Loss) before tax		(3,473.39)	(10,778.63)
Adjustments :			
Depreciation and amortisation expense	34	75.79	50.93
Provision for bad and doubtful debts	35	(1.26)	49.73
Capital work in progress written off		-	4.48
Bad debts written off	35	16.96	-
Change in fair valuation of preference shares	20	-	5,408.41
Fair value of financial instruments	35	80.00	2,207.08
Liability no longer required written back	30	-	(1.33)
Provision for Inventory	35	0.95	-
Fair value gain on investment measured at FVTPL	30	(121.80)	-
Employee stock compensation expense	32	948.69	2,230.18
Stock Appreciation Rights (SARs)	32	477.38	1,100.72
Unrealised foreign exchange (gain) / loss	30	(90.23)	(10.11)
Gain on sale of investment measured at FVTPL	30	(54.19)	-
Interest Income	30	(178.85)	(6.46)
Unwinding Income on Deposits from customers	30	(2.63)	(2.28)
Interest expense	33	18.44	4.92
Operating cash flow before working capital changes		(2,304.14)	257.64
Movement in Working capital changes:			
Increase / (decrease) in trade payables		951.98	278.59
Increase / (decrease) in provisions		36.53	20.65
Increase / (decrease) in other liabilities		95.61	737.87
(Increase)/Decrease in trade receivables		85.65	(915.10)
Decrease / (increase) in inventories		(0.35)	(0.01)
(Increase)/Decrease in loans and other financial assets		(539.93)	(0.05)
(Increase)/Decrease in other assets		(607.08)	(181.22)
Cash generated / (used in) operations		(2,281.73)	198.37
Income tax paid, net		40.03	(130.81)
Net cash generated / (used in) operating activities (A)		(2,241.70)	67.56
Cash flows from investing activities:			
Purchase of property, plant and equipment, including capital work-in-progress and capital advances		(151.71)	(51.12)
Proceeds from sale of property, plant and equipment		0.14	-
Investments in bank deposits		-	19.40
Investments in mutual funds		(4,199.86)	-
Redemption of mutual funds		1,738.24	-
Investments in equity instruments of subsidiary		(3.11)	-
Advances to subsidiaries		(19.54)	-
Interest received		126.58	3.94
Net cash from/ (used in) investing activities (B)		(2,509.26)	(27.78)
Cash flows from financing activities:			
Proceeds from issue of share capital		6,551.05	6,036.00
Buy back of equity shares (including taxes)		(1,131.66)	-
Principal payment of lease liability		(21.32)	(21.04)
Interest payment of lease liability		(15.78)	(2.84)
Net cash from/(used) in financing activities (C)		5,382.29	6,012.12
Net increase / (decrease) in cash and cash equivalents (A+B+C)		631.33	6,051.90
Cash and cash equivalents as at the beginning of the year		6,299.59	247.69
Cash and cash equivalents as at the end of the year		6,930.92	6,299.59

Amagi Media Labs Private Limited
Standalone Cash flow statement for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

Components of cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Cash on hand	0.01	0.01
Balance with banks		
- on current account	212.61	191.37
- Deposits with original maturity of less than three months	6,718.30	6,108.21
Total cash and cash equivalents	6,930.92	6,299.59

Reconciliation between opening and closing balance sheet for liabilities arising from financial activities:

	Opening Balance	Cash flows	Non-Cash Movement	Closing Balance
March 31, 2023				
Lease liabilities (including interest)	10.08	(37.10)	257.91	230.90
Total liabilities from financing activities	10.08	(37.10)	257.91	230.90
	Opening Balance	Cash flows	Non-Cash Movement	Closing Balance
March 31, 2022				
Borrowings (CCPS and OCPS)	5,572.29	-	(5,572.29)	-
Lease liabilities (including interest)	31.13	(23.88)	2.84	10.08
Total liabilities from financing activities	5,603.42	(23.88)	(5,569.45)	10.08

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm registration number: 101049W/E300004

Sd/-

per Rajeev Kumar
Partner
Membership number: 213803

Place: Bengaluru
Date: 27 September, 2023

For and on Behalf of the Board of Directors of
Amagi Media Labs Private Limited
CIN: U73100KA2008PTC045144

Sd/-

Baskar Subramanian
Director
DIN: 02014529

Place: Los Angeles, USA
Date: 27 September, 2023

Sd/-

Srividhya Srinivasan
Director
DIN: 02014532

Place: Los Angeles, USA
Date: 27 September, 2023

Sd/-

Kusum Gore
Company Secretary
Membership No: A41477

Place: Los Angeles, USA
Date: 27 September, 2023

Sd/-

Vijay NP
Chief Financial Officer

Place: Los Angeles, USA
Date: 27 September, 2023

Amagi Media Labs Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in Indian Rupees million, unless otherwise stated)

a. Equity share capital

Class 'A' Equity shares of Rs 10 each (Issued, subscribed and fully paid-up share capital)	Number of Shares	Amount
As at April 1, 2021	1,90,859	1.91
Issued during the year	-	-
Shares split during the year (Refer note (a) below)	(1,90,859)	(1.91)
As at March 31, 2022	-	-
Issued during the year	-	-
As at March 31, 2023	-	-
Class 'B' Equity shares of Rs 10 each (Issued, subscribed and fully paid-up share capital)	Number of Shares	Amount
As at April 1, 2021	3,21,655	3.22
Issued during the year	-	-
Shares split during the year (Refer note (a) below)	(3,21,655)	(3.22)
As at March 31, 2022	-	-
Issued during the year	-	-
As at March 31, 2023	-	-
Class 'C' Equity shares of Rs 10 each (Issued, subscribed and fully paid-up share capital)	Number of Shares	Amount
As at April 1, 2021	200	-.*
Issued during the year	-	-
Shares split during the year (Refer note (a) below)	(200)	-.*
As at March 31, 2022	-	-
Issued during the year	-	-
As at March 31, 2023	-	-

*Full amount Rs. 2000.

Equity shares of Rs 5 each (Issued, subscribed and fully paid-up share capital)	Number of Shares	Amount
As at April 1, 2021	-	-
Issued during the year	-	-
Shares split during the year (Refer note (a) below)	10,25,428	5.13
As at March 31, 2022	10,25,428	5.13
Issued during the year	-	-
Buy-back during the year (Refer note (b) below)	(76,533)	(0.38)
As at March 31, 2023	9,48,895	4.75

(a) The Shareholders approved a resolution to split various classes of equity shares of Rs.10 each issued by the Company into ordinary equity shares of Rs 5 each in the EGM held on 4 March 2022. Each shareholder of equity shares of Rs 10 of Class A, Class B and Class C was allotted 2 ordinary equity share of Rs. 5 each fully paid up.

(b) The Shareholders approved a resolution to buy back 76,533 ordinary equity shares having a face value of Rs 5 each fully paid-up at a buy-back price of Rs. 11,993.63 each amounts to Rs. 917.53 million. The Company has paid buy-back tax of Rs. 213.75 million. The company has created capital redemption reserve (CRR) equal to the nominal value of the shares bought-back of Rs. 0.38 million as an appropriation from securities premium reserve.

b. Instruments entirely equity in nature

CCPS of Rs 100 each (Issued, subscribed and fully paid-up share capital)	Number of Shares	Amount
As at April 1, 2021	6,01,458	-
Reclass during the year (Refer note (a) below)	-	4,675.29
Shares issued for consideration other than cash (Bonus shares) (Refer note (b) below)	25,57,295	255.73
Conversion of OCPS to CCPS (Refer note (c) below)	39,321	316.74
Issued during the year (Refer note (d) below)	4,19,426	41.94
As at March 31, 2022	36,17,500	5,289.70
Conversion of OCPS to CCPS (Refer note (c) below)	2,14,419	1,678.56
Issued during the year (Refer note (d) below)	3,35,854	33.64
As at March 31, 2023	41,67,773	7,001.90
OCPS of Rs 100 each (Issued, subscribed and fully paid-up share capital)	Number of Shares	Amount
As at April 1, 2021	4,83,377	-
Reclass during the year (Refer note (a) below)	4,83,377	3,741.54
Conversion of OCPS to CCPS (Refer note (c) below)	(39,321)	(316.74)
As at March 31, 2022	4,44,056	3,424.80
Conversion of OCPS to CCPS (Refer note (c) below)	(2,14,419)	(1,678.56)
As at March 31, 2023	2,29,637	1,746.24
	Number of Shares	Amount
Grand Total as at April 01, 2021	10,84,835	-
Grand Total as at March 31, 2022	40,61,556	8,714.50
Grand Total as at March 31, 2023	43,97,410	8,748.14

(a) In respect of preference shares ('CCPS and OCPS'), the holders in terms of the shareholders agreement, had exit rights including requiring the company to buy back shares held by them. Accordingly, on transition to Ind AS, since the redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, Preference shares are classified as liability at fair value of Rs. 5,572.29 million as on 01 April 2021. Subsequently in August 2021, pursuant to new round of funding, the buy-back obligation no longer exists. Accordingly, the fair value change for the period April 01, 2021 to August 10, 2021 i.e., Rs. 5,408.41 million has been recognised in standalone statement of profit and loss and the fair value of preference shares liability amounting to Rs.10,980.70 million has been classified from borrowings to instruments entirely in the nature of equity to the extent of Rs. 8,416.83 million (CCPS: Rs. 4,675.29 million and OCPS: Rs. 3,741.54 million) and Rs. 2,563.87 million representing securities premium on the preference shares has been reclassified to other equity. Also refer note 18,20 and 48.

(b) At the EGM held on 28 February 2022, the shareholders approved issue of 2,557,295 cumulative compulsorily convertible preference bonus shares of Rs 100 each to all class of equity and preference shareholders.

Amagi Media Labs Private Limited

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

(All amounts in Indian Rupees million, unless otherwise stated)

(c) At the EGM held on 4 March 2022, the shareholders approved change in terms of Optionally Convertible Preference Shares (OCPS) wherein the OCPS holders shall in addition to being entitled to convert the OCPS into ordinary equity shares, shall also have the option to convert the whole or part of their OCPS into Series D1 and D2 Cumulative Compulsorily Convertible Preference (CCPS). Accordingly, 39,321 OCPS were converted into CCPS at the request of the shareholders. Such conversion was taken on record by the board of directors of the Company in their meeting held on 24 March 2022.

During the FY 22-23, 214,419 OCPS were converted into CCPS at the request of the shareholders, such conversion was taken on record by the board of directors of the Company in their meeting held on 11 October 2022.

Amagi Media Labs Private Limited**Standalone Statement of Changes in Equity for the year ended March 31, 2023***(All amounts in Indian Rupees million, unless otherwise stated)*

(d) During FY 21-22, the Company has issued 419,426 Series E CCPS to its existing and new shareholders at consideration of Rs 14,391.10 per share. Accordingly, the Company has recorded Rs 100 per share as preference share capital and the balance amount of Rs 14,291.10 per share is recorded as Securities Premium on issue of shares under 'Reserves and Surplus'. Consequent to the above, the shareholders of the Company have entered in a restated Shareholders Agreement (SHA) on 10 March 2022 which defines the rights and restrictions of each shareholder. The new SHA supersedes the earlier SHA which was entered into by the shareholders on 25 August 2021 and 13 December 2016.

During FY 22-23, the Company has issued 3,35,854 Series F CCPS to new shareholders at consideration of Rs 19,505.54 per share. Accordingly, the Company has recorded Rs 100 per share as preference share capital and the balance amount of Rs 19,405.54 per share is recorded as Securities Premium on issue of shares under 'Reserves and Surplus'. Consequent to the above, the shareholders of the Company have entered in a restated Shareholders Agreement (SHA) on 14 October 2022 which defines the rights and restrictions of each shareholder. The new SHA supersedes the earlier SHA which was entered into by the shareholders on 10 March 2022, 25 August 2021 and 13 December 2016.

c. Other equity**For the year ended March 31, 2023**

	Reserves and Surplus					Total other equity
	Securities premium (Refer note 19)	Employee stock options outstanding (Refer note 19)	Capital redemption reserve (Refer note 19)	Retained Earnings (Refer note 19)	Other components of equity (Refer note 19)	
As at April 1, 2022	8,743.03	-	-	(16,655.14)	2,210.12	(5,701.99)
Add: Loss for the year	-	-	-	(3,473.39)	-	(3,473.39)
Add: Other Comprehensive Income/(loss):	-	-	-	-	-	-
- Remeasurement of the net defined benefit liability	-	-	-	3.63	-	3.63
Add: Compensation cost related to employee share based payment (Refer note 44)	-	968.57	-	-	-	968.57
Add: Premium on issue of CCPS	6,517.41	-	-	-	-	6,517.41
Less: Utilised for buy-back of shares (Refer note (a) below)	(917.53)	-	-	-	-	(917.53)
Less: Utilised for tax on buy-back of shares (Refer note (a) below)	(213.75)	-	-	-	-	(213.75)
Less: Transfer to capital redemption reserve (Refer note (a) below)	(0.38)	-	0.38	-	-	-
Add: Fair value of equity instruments (Refer note 50)	-	-	-	-	80.00	80.00
As at March 31, 2023	14,128.78	968.57	0.38	(20,124.90)	2,290.12	(2,737.05)

For the year ended March 31, 2022

	Reserves and Surplus				Total other equity
	Securities premium (Refer note 19)	Employee stock options outstanding (Refer note 19)	Retained Earnings (Refer note 19)	Other components of equity (Refer note 19)	
As at April 1, 2021	440.83	109.72	(5,781.84)	3.04	(5,228.25)
Add: Loss for the year	-	-	(10,862.36)	-	(10,862.36)
Add: Other Comprehensive Income/(loss):	-	-	-	-	-
- Remeasurement of the net defined benefit liability	-	-	(10.94)	-	(10.94)
Add: Premium towards reclassification of CCPS and OCPS from liability to equity (Refer note 18B(a)(i))	2,563.87	-	-	-	2,563.87
Add: Premium on issue of CCPS	5,994.06	-	-	-	5,994.06
Less: Utilised for bonus share issued (Refer note (b) below)	(255.73)	-	-	-	(255.73)
Less: Utilised for cancellation of Employee stock option (Refer note 44)	-	(62.27)	-	-	(62.27)
Less: Re-classified to provision for employee benefit expenses (Refer note 44)	-	(47.45)	-	-	(47.45)
Add: Fair value of equity instrument (Refer note 50)	-	-	-	2,207.08	2,207.08
As at March 31, 2022	8,743.03	-	(16,655.14)	2,210.12	(5,701.99)

(a) The Shareholders approved a resolution to buy back 76,533 ordinary equity shares having a face value of Rs 5 each fully paid-up at a buy-back price of Rs.11,993.63 each amounting to Rs. 917.53 million. The company has paid buy-back tax of Rs. 213.75 million. The company created Capital Redemption Reserve (CRR) equal to the nominal value of the shares bought-back of Rs. 0.38 million as an appropriation from securities premium reserve and CRR is to be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

(b) At the EGM held on 28 February 2022, the shareholders have approved issue of 2,557,295 cumulative compulsorily convertible preference bonus shares of Rs 100 each to all class of equity and preference shareholders, resulting in Rs. 255.73 million transferred from Securities premium reserve to Instrument entirely in the nature of equity. Securities premium reserve is utilised in accordance with the provision of section 52 of the Companies Act, 2013.

Corporate information and summary of significant accounting policies (refer note 1 & 2)

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

Sd/-

per Rajeev Kumar

Partner

Membership number: 213803

For and on Behalf of the Board of Directors of

Amagi Media Labs Private Limited

CIN: U73100KA2008PTC045144

Sd/-

Baskar Subramanian

Director

DIN: 02014529

Place: Los Angeles, USA

Date: 27 September, 2023

Sd/-

Srividhya Srinivasan

Director

DIN: 02014532

Place: Los Angeles, USA

Date: 27 September, 2023

Sd/-

Kusum Gore

Company Secretary

Membership No: A41477

Place: Los Angeles, USA

Date: 27 September, 2023

Sd/-

Vijay NP

Chief Financial Officer

Place: Los Angeles, USA

Date: 27 September, 2023

Place: Bengaluru

Date: 27 September, 2023

Amagi Media Labs Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

1. Corporate information

Amagi Media Labs Private Limited (the “Company”) was incorporated on 01 February 2008 and has its Registered Office in Bengaluru. The company is engaged in media technology business that provides cloud enabled television broadcasting and content delivery, television advertisement related services and trading of certain integrated receiver and decoder and other devices.

The Company's standalone financial statements for the year ended 31 March 2023, were approved by Board of Directors on 27 September 2023.

2. Significant accounting policies

2.1 Basis of preparation

The company has adopted Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and Section 133 of the Companies Act, 2013 (the Act) with effect from financial year 2022-23, with the transition date being April 01, 2021. The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable to the company.

The standalone financial statements of the company for all the periods up to and including the year ended March 31, 2022, were prepared in accordance with the accounting standards notified under section 133 of the Companies Act 2013 ("the Act"), read together with Companies (Accounting Standards) Rules, 2006 (as amended) and Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) (as amended) (“Previous GAAP). These standalone financial statements for the year ended 31 March 2023, are the first financial statements of company prepared and presented by the company in accordance with Ind AS. Refer note 48 for an explanation of how the transition from Previous GAAP to Ind-AS has affected the Company’s financial position as at 31 March 2022 and 01 April 2021 and financial performance and cash flows for the year ended 31 March 2022.

These financial statements are prepared on a going concern basis. The Standalone Financial Statements have been prepared on an accrual basis under the historical cost convention except for certain assets and liabilities that are measured at fair value as mentioned below.

- share-based payments – measured at fair value
- CCPS and OCPS at fair valued through profit and loss up to 10 August 2022 (Refer note 20)
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The standalone financial statements are presented in Indian Rupees (its functional currency) and all values are rounded off to the nearest millions up to two decimals place, except where otherwise indicated.

2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle.
- (ii) It is held primarily for the purpose of trading.
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counter party, result its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax liabilities are classified as non-current liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 Foreign currency translation

- (i) Functional and presentation currency:

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The standalone financial statements are presented in Indian rupee (Rs), which is functional and presentation currency of the Company.

- ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit and loss.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.4 Fair value measurement

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Amagi Media Labs Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5 Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet on the basis of historical cost. For the transition to Ind AS, the Company has elected to continue with the carrying value for all of its property, plant and equipment recognised as of April 01, 2021 (date of transition to Ind AS) measured as per the previous GAAP and use that carrying value as its deemed cost as at the date of transition.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost. Such cost comprises of the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the property, plant and equipment.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used the following lives to provide depreciation:

Assets Classification	Useful lives (in years)
Plant and equipment	3
Computers	3
Furniture and fixtures	5
Office equipment	5

Considering the usage pattern, the management has estimated above useful lives of property, plant and equipment which is supported by internal technical assessment.

Leasehold improvements are amortized over the primary period of the lease or the useful life of assets, whichever is shorter.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The useful lives have been determined based on managements' judgement, based on technical assessment, in order to reflect the actual usage of the assets. The assets residual values, method of depreciation and useful life are reviewed, and adjusted if appropriate, prospectively at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.6 Intangible assets

Under the Previous GAAP (Indian GAAP), intangible assets were carried in the balance sheet on the basis of historical cost. For the transition to Ind AS, the Company has elected to continue with the carrying value for all intangible assets recognised as of 01 April 2021 (date of transition to Ind AS) measured as per the Previous GAAP and use that carrying value as its deemed cost as at the date of transition.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

Intangible assets of the Company include computer software. Cost incurred towards purchase of computer software are amortized using the straight- line method over a period based on management's estimate of useful lives of such software being 1 to 3 years, or over the license period of the software, whichever is shorter.

2.7 Impairment of non-financial assets

The company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or companies of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.8 Inventories

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. An inventory provision is recognised for cases where the net realisable value is estimated to be lower than the inventory carrying value. The net realisable value is estimated taking into account various factors, including obsolescence of material due to design change, unserviceable items i.e. items which cannot be used due to deterioration in quality or due to shelf life or damaged in storage and ageing of material.

2.9 Revenue Recognition

Revenues are recognised when, or as, control of a promised goods or services transfers to customers, in an amount that reflects the consideration to which the company expects to be entitled in exchange for transferring those goods or services. To recognise revenues the following five step approach is applied: (i) identify the contract with a customer, (ii) identify the performance obligation in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognise revenues when a performance obligation is satisfied.

The following specific recognition criteria must also be met before revenue is recognized:

Revenue from sale of products

Revenue from the sale of products is recognised at a point in time when control of the products is transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, discounts and incentives. Revenue is recognised net of goods and services tax.

Amagi Media Labs Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

Revenue from sale of services

Revenue from distribution and playout services are recognised over the specific period in accordance with the terms of the contracts with customers. Certain contracts contain initial /one time set-up fees which is recognised over the term of the contract.

Revenue from service contracts, where the performance obligations are satisfied at a point in time, is recognized as and when the related services are performed.

Revenue from Intercompany services recognised as per the terms of arrangements made with Intercompany.

Revenues from fixed-price contracts are recognized using the “percentage-of-completion” method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity.

If the company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable.

Unearned revenue included in the current liabilities represents billings in excess of revenues recognized.

The company collected GST and other taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue

If the consideration in a contract includes a variable amount (discounts and incentives), the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods/services to the customer and such discounts and incentives are estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The rights of return and volume rebates give rise to variable consideration.

Interest Income (including Unwinding interest on Lease Deposit): Interest income is recognised using the effective interest rate method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Equipment Rental income: Equipment rental income is recognised over the specific period in accordance with the terms of the contract with customer.

Dividend Income: Dividend income is recognized when the Company’s right to receive dividend is established.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section 2.15 Financial instruments – initial recognition and subsequent measurement.

Trade receivables

A trade receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from the customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.10. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- (i) the contract involves the use of identified asset;
- (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- (iii) the Company has the right to direct the use of the asset

Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policy on impairment of non-financial assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company has adopted Ind AS 116 as per modified retrospective approach wherein the present value of lease liability as on the date of transition is recognised as the lease liability.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.11 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to an expense item are recognised in the standalone statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented as a deduction in reporting the related expense. The presentation approach is applied consistently to all similar grants.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the standalone statement of profit and loss over the periods and in proportions in which depreciation expense on those assets is recognised.

Income from export incentives are recognised in the standalone statement of profit and loss when the right to receive credit as per the terms of the entitlement is established in respect of exports made and disclosed as other operating revenues.

2.12 Employee benefits:

Short term Obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of

Amagi Media Labs Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

profit and loss and are not deferred. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Post-employment obligations:

The Company operates the following post-employment schemes:

- Defined benefit plans - gratuity, and
- Defined contribution plan such as provident fund.

Defined benefit plans: Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Defined contribution plans: Provident fund

Retirement benefit in the form of provident fund scheme is the defined contribution plans. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to these schemes as an expenditure, when an employee renders the related service.

2.13 Investment in Subsidiary

The Company has elected to recognize its investments in subsidiary companies at cost in accordance with the option available in Ind AS - 27, 'Separate Financial Statements', less accumulated impairment loss, if any. Cost represents amount paid for acquisition of the said investments or invested in the subsidiary. The details of such investment is given in note 7. Refer to the accounting policies in note 2.7 for policy on impairment of non-financial asset.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

2.14 Share Based Payment

Employee Stock Option Scheme:

The Stock option plan of the Company is classified as equity settled transaction based on the constructive obligation for settlement of option in equity.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in employees stock option reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-Settled Employee Stock Options: A share-based payment transaction in which the terms of the arrangement provide the company with the choice of whether to settle in cash or by issuing equity instruments, the company determine whether it has a present obligation to settle in cash and account for the share-based payment transaction accordingly. The company has a present obligation to settle in cash if the choice of settlement in equity instruments has no commercial substance or the entity has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement.

Employee Stock Appreciation Rights Scheme: The Company's employees are granted share appreciation rights (SAR), settled in cash. The liability for the share appreciation rights is measured, initially and at the end of each reporting period until settled, at the fair value of the SAR by applying an option pricing model, taking into account the terms and conditions on which the SAR were granted, and the extent to which the employees have rendered services to date.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

2.15 Financial Instruments:

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at Fair Value Through Other Comprehensive income (FVTOCI)
- Debt instruments and equity instruments at Fair Value Through Profit and Loss (FVTPL)
- Equity instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)
- Equity instruments and equity instruments at Fair Value Through Profit and Loss (FVTPL)

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met:

Amagi Media Labs Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met:

- (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the standalone statement of profit and loss.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of the investments. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade and other payables, and Lease liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the standalone statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

After initial recognition, gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.16 Income taxes:

Income tax

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates whether it is probable that the relevant taxation authority would accept an uncertain tax treatment that the Company has used or plan to use in its income tax filings, including with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences, except:

- when the deferred tax liability or asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences and deductible temporary differences associated with investments in subsidiary and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.17 Segment reporting

The Company reports the standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

2.18 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.

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

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.20 Contingent Asset/liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets are not recognised or disclosed in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

2.21 Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.22 Significant accounting judgements, estimates and assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management Note 47
- Financial risk management objectives and policies Note 46

The Company bases its assumptions and estimates on parameters available when the standalone financial statements are prepared. Existing circumstances and assumptions, if any, about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The judgements, estimates and assumptions management has made which have the most significant effect on the amounts recognized in the standalone financial statements are as below."

Leases

The Company determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement and considers all relevant factors that create an economic incentive in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or terminate. In calculating the present value of lease payments, the Company uses internal rate of return for the assets which were earlier classified under finance lease and incremental borrowing rate (IBR) for Right of use assets at the lease commencement date.

The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The IBR requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates), when available and makes entity-specific estimates, wherever required.

Provision for expected credit loss on trade receivables

The measurement of expected credit loss reflects a probability-weighted outcome, the time value of money and the best available forward-looking information. The correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and forecasted economic conditions. The Company's historical credit loss experience and forecast of economic conditions may not be representative of the actual default in the future.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, expected return, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss. This requires a reassessment of the estimates used

at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 44.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the standalone financial statement cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of standalone financial instruments.

2.23 Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

3. Property, plant and equipment

	Plant and equipment	Computers	Furniture and fixtures	Office equipment	Leasehold improvements	Total
Gross Block						
Deemed cost (Refer note a)						
At 01 April 2021	14.62	11.40	0.38	1.98	-	28.38
Additions	2.11	47.00	-	0.26	-	49.37
Disposals	-	-	-	-	-	-
At 31 March 2022	16.73	58.40	0.38	2.24	-	77.75
Additions	13.17	57.58	8.03	2.72	10.53	92.03
Disposals	-	(0.28)	-	-	-	(0.28)
At 31 March 2023	29.90	115.70	8.41	4.96	10.53	169.50
	2,99,02,237	11,56,99,435	84,06,966	49,60,184	1,05,26,238	16,94,95,060
Accumulated Depreciation (Refer note a)						
At 01 April 2021	-	-	-	-	-	-
Charge for the year	10.75	13.19	0.25	1.07	-	25.27
Disposals	-	-	-	-	-	-
At 31 March 2022	10.75	13.19	0.25	1.07	-	25.27
Charge for the year	4.54	31.57	0.67	0.59	0.17	37.54
Disposals	-	(0.15)	-	-	-	(0.15)
At 31 March 2023	15.29	44.61	0.92	1.66	0.17	62.66
	1,52,93,798	4,46,10,480	9,17,593	16,59,483		
Net book value						
At 31 March 2023	14.61	71.09	7.49	3.30	10.36	106.84
At 31 March 2022	5.98	45.21	0.13	1.17	-	52.48
At 01 April 2021	14.62	11.40	0.38	1.98	-	28.38

Notes:

a) For property, plant and equipment existing as on the date of transition to Ind AS, i.e., 01 April 2021, the Company has used Indian GAAP carrying value as deemed costs. Information regarding gross block of assets, accumulated depreciation has been disclosed by the company separately as follows:

	Plant and equipment	Computers	Furniture and fixtures	Office equipment	Leasehold improvements	Total
Cost	209.31	47.52	9.47	13.13	36.74	316.17
Accumulated depreciation	(194.69)	(36.12)	(9.09)	(11.15)	(36.74)	(287.79)
Net book value as per previous GAAP	14.62	11.40	0.38	1.98	-	28.38
Deemed cost as at 01 April 2021	14.62	11.40	0.38	1.98	-	28.38

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

4. Capital work-in-progress

	Total
At 01 April 2021	4.48
Additions to CWIP	-
Charged to standalone statement of profit and loss	(4.48)
Assets capitalised to property, plant and equipment	-
At 31 March 2022	-
Additions to CWIP	49.35
Assets capitalised to property, plant and equipment	-
At 31 March 2023	49.35

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At 31 March 2023					
- Projects in progress	49.35	-	-	-	49.35
- Projects temporarily suspended	-	-	-	-	-
	49.35	-	-	-	49.35
At 31 March 2022					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
At 01 April 2021					
- Projects in progress	0.32	0.10	-	4.06	4.48
- Projects temporarily suspended	-	-	-	-	-
	0.32	0.10	-	4.06	4.48

(i) CWIP amounting to Rs 4.48 million has been charged to the statement of profit and loss due to technological obsolescence.

(ii) There are no projects which are temporarily suspended. With regard to the ongoing projects there are no projects where completion is overdue or has exceeded the cost as compared to its original plan.

5. Other intangible assets

	Computer software	Total
Deemed cost (refer note a)		
At 01 April 2021	2.83	2.83
Additions	2.21	2.21
Disposals	-	-
At 31 March 2022	5.04	5.04
Additions	0.62	0.62
Disposals	-	-
At 31 March 2023	5.66	5.66
Accumulated Amortisation (refer note a)		
At 01 April 2021	-	-
Charge for the year	2.46	2.46
Disposals	-	-
At 31 March 2022	2.46	2.46
Charge for the year	1.80	1.80
Disposals	-	-
At 31 March 2023	4.26	4.26
Net book value		
At 31 March 2023	1.40	1.40
At 31 March 2022	2.58	2.58
At 01 April 2021	2.83	2.83

Notes:

a) For intangible assets existing as on the date of transition to Ind AS, i.e., 01 April 2021, the Company has used Indian GAAP carrying value as deemed costs. Information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

	Computer software	Total
Cost	20.61	20.61
Accumulated amortisation	(17.78)	(17.78)
Net book value as per previous GAAP	2.83	2.83
Deemed cost as at 01 April 2021	2.83	2.83

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

6. Right-of-use assets

	Furniture and Fixtures	Building	Total
Cost			
At 01 April 2021	5.86	27.20	33.06
Additions	-	-	-
Deletions	-	-	-
At 31 March 2022	5.86	27.20	33.06
Additions	10.15	252.21	262.36
Deletions	-	-	-
At 31 March 2023	16.01	279.41	295.42
Accumulated depreciation			
At 01 April 2021	-	-	-
Charge for the year	4.69	18.51	23.20
Disposals/ (Adjustments)	-	-	-
At 31 March 2022	4.69	18.51	23.20
Charge for the year	4.98	31.47	36.45
Disposals/ (Adjustments)	-	-	-
At 31 March 2023	9.67	49.98	59.65
Net book value			
At 31 March 2023	6.34	229.43	235.77
At 31 March 2022	1.17	8.69	9.86
At 01 April 2021	5.86	27.20	33.06

7. Investments

	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<u>Non-Current</u>			
Unquoted			
Investment in subsidiary			
<i>(A) Investment in equity shares of subsidiaries (At Cost)</i>			
4,400,000 (31 March 2022 : 4,400,000; 01 April 2021: 4,400,000) Ordinary shares of USD 0.01 each fully paid-up in Amagi Corporation, USA	2.89	2.89	2.89
40,000 (31 March 2022 : 40,000; 01 April 2021: 40,000) Ordinary shares of SGD 1.00 each fully paid-up in Amagi Media Labs Pte Ltd, Singapore	2.06	2.06	2.06
100 (31 March 2022 : 100, 01 April 2021: 100) Ordinary shares of GBP 1.00 each fully paid-up in Amagi Media Pvt Ltd, United Kingdom	0.01	0.01	0.01
50,000 (31 March 2022 : Nil; 01 April 2021: Nil) Ordinary shares of CAD 1.00 full paid-up in Amagi Canada Corporation Inc, USA	3.11	-	-
	8.07	4.96	4.96
<i>(B) Equity Component - ESOP and SAR</i>			
Amagi Corporation, USA	100.26	79.19	2.92
Amagi Media Pvt Ltd, United Kingdom	78.09	54.15	1.32
Amagi Media Labs Pte Ltd, Singapore	5.31	-	-
	183.65	133.33	4.24
Aggregate amount of unquoted investments	191.73	138.29	9.20
Aggregate amount of impairment of investments	-	-	-

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

Current

	Number of units			Amount (In million)		
	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Quoted						
Investment in mutual funds (measured at fair value through profit and loss)						
Edelweiss Arbitrage Direct Growth	94,94,537	-	-	165.68	-	-
ICICI Pru Equity Arbitrage Direct Growth	45,43,992	-	-	140.65	-	-
Kotak Equity Arbitrage Direct Growth	78,27,201	-	-	262.59	-	-
Kotak Equity Arbitrage Reg Growth	82,14,275	-	-	261.34	-	-
Nippon India Arbitrage Direct Growth	1,08,68,644	-	-	262.36	-	-
Nippon India Arbitrage Growth	1,14,83,963	-	-	260.63	-	-
Tata Arbitrage Fund Direct Growth	1,94,70,578	-	-	246.90	-	-
UTI Arbitrage Direct Growth	1,12,32,773	-	-	352.29	-	-
Aditya Birla SL Liquid Direct Growth	7,23,479	-	-	262.68	-	-
HDFC Liquid Direct Growth	29,127	-	-	128.83	-	-
ICICI Pru Liquid Direct Growth	3,36,623	-	-	112.16	-	-
SBI Liquid Direct Growth	51,514	-	-	181.50	-	-
				2,637.61	-	-
Aggregate book value of quoted investments				2,637.61	-	-
Aggregate market value of quoted investments				2,637.61	-	-

8. Other financial assets (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Unsecured, considered good</i>			
<i>Carried at amortised cost</i>			
Security deposit	24.35	-	9.55
	24.35	-	9.55

9. Income tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Advance tax including tax deducted at source, net of provision for tax	21.44	61.47	14.39
	21.44	61.47	14.39

10. Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Unsecured, considered good</i>			
Balances with statutory / government authorities	565.57	205.23	180.00
Prepaid Expenses	2.96	2.42	-
	568.53	207.65	180.00

11. Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Traded goods	0.95	0.60	0.59
Less: Provision on Inventory	(0.95)	-	-
	-	0.60	0.59

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

12. Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Carried at amortised cost			
Trade Receivables	1,254.58	1,265.70	390.23
	1,254.58	1,265.70	390.23
Break-up for security details:			
Trade Receivables			
Considered good - Unsecured	1,254.58	1,265.70	390.23
Credit Impaired	68.61	69.88	20.14
	1,323.19	1,335.58	410.37
Less: Allowance for credit losses	(68.61)	(69.88)	(20.14)
	1,254.58	1,265.70	390.23

Notes:

- (i) Trade receivables are non-interest bearing and generally have a credit term of 30-45 days.
(ii) Refer note 37 for trade receivables from related parties.
(iii) No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or member.

As at 31 March 2023

	Outstanding for following periods from due date of payment							Total
	Unbilled revenue	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
(a) Undisputed Trade receivables - considered good	1.27	72.03	1,152.34	24.92	4.02	-	-	1,254.58
(b) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c) Undisputed Trade receivables - credit impaired	-	3.36	38.15	23.03	2.84	1.23	-	68.61
(d) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(e) Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(f) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	1.27	75.39	1,190.49	47.95	6.86	1.23	-	1,323.19

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Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

As at 31 March 2022

	Outstanding for following periods from due date of payment							Total
	Unbilled revenue	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
(a) Undisputed Trade receivables - considered good	2.52	60.04	1,196.76	5.55	0.83	-	-	1,265.70
(b) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c) Undisputed Trade receivables - credit impaired	-	4.63	20.83	32.66	7.80	3.03	0.93	69.88
(d) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(e) Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(f) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	2.52	64.67	1,217.59	38.21	8.63	3.03	0.93	1,335.58

As at 01 April 2021

	Outstanding for following periods from due date of payment							Total
	Unbilled revenue	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
(a) Undisputed Trade receivables - considered good	3.44	195.97	188.38	2.44	-	-	-	390.23
(b) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(c) Undisputed Trade receivables - credit impaired	-	2.79	5.24	4.85	5.21	0.96	1.09	20.14
(d) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(e) Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(f) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	3.44	198.76	193.62	7.29	5.21	0.96	1.09	410.37

13. Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Cash on hand	0.01	0.01	-
Balance with banks			
On current accounts	212.61	191.37	75.13
Deposits with original maturity of less than three months	6,718.30	6,108.21	172.56
	6,930.92	6,299.59	247.69

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

14. Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Non- Current			
Deposits with remaining maturity for more than 12 months*	3.05	3.05	2.98
	3.05	3.05	2.98
Current			
Deposits with remaining maturity more than 3 months but less than or equal to 12 months	-	-	19.46
	-	-	19.46

*Bank Guarantees and outstanding balance on Credit Card from bank are secured by lien on fixed deposits of the Company aggregating to Rs 3.05 million (31 March 2022: Rs. 3.05 million and 01 April 2021: Rs 2.98 million).

15. Loans

Current

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Unsecured, considered good			
Loans to employees	0.27	0.52	0.28
Others	19.54	-	-
	19.81	0.52	0.28

Note:

(i) The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, Key Management Personnel and the Related Parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, other than as disclosed in Note 15.

16. Other financial assets (Current)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Unsecured, considered good			
Security deposit	0.04	10.83	0.18
Interest accrued on fixed deposits	52.02	1.51	0.28
Other receivables from related parties*	508.00	-	-
	560.06	12.34	0.46

* Represents ESOP/SAR cost cross charged to subsidiary companies. Refer note 37 for receivables from related parties.

17. Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Advances to suppliers	10.02	22.70	4.18
Balances with statutory / government authorities	382.00	213.48	101.92
Prepaid expenses	98.04	48.65	25.18
Capital Advances	10.89	-	-
Other assets*	41.11	-	-
	542.06	284.83	131.28

* Represents AWS credit receivable expected to be utilised against subsequent purchases, based on the expected milestone i.e target spent to be achieved.

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023***(All amounts in Indian Rupees million, unless otherwise stated)***18. Share capital****A) Equity Share Capital**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Authorised share capital			
Class 'A' - Nil (31 March 2022: Nil; 01 April 2021: 300,000) equity shares of Rs 10 each	-	-	3.00
Class 'B' - Nil (31 March 2022: Nil; 01 April 2021: 350,000) equity shares of Rs 10 each	-	-	3.50
Class 'C' - Nil (31 March 2022: Nil; 01 April 2021: 5,000) equity shares of Rs 10 each	-	-	0.05
Class 'D' - Nil (31 March 2022: Nil; 01 April 2021: 5,000) equity shares of Rs 10 each	-	-	0.05
Ordinary equity shares - 1,320,000 (31 March 2022: 1,320,000; 01 April 2021: Nil) equity shares of Rs.5 each	6.60	6.60	-
	6.60	6.60	6.60
Issued, subscribed and fully paid-up share capital			
Class 'A' - Nil (31 March 2022: Nil; 01 April 2021: 190,859) equity shares of Rs 10 each	-	-	1.91
Class 'B' - Nil (31 March 2022: Nil; 01 April 2021: 321,655) equity shares of Rs 10 each	-	-	3.22
Class 'C' - Nil (31 March 2022: Nil; 01 April 2021: 200) equity shares of Rs 10 each	-	-	_*
Ordinary equity shares - 9,48,895 (31 March 2022: 1,025,428; 01 April 2021: Nil) equity shares of Rs.5 each	4.75	5.13	-
	4.75	5.13	5.13

*Full amount Rs 2,000.

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :

Class 'A' Equity shares of Rs 10 each	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
At the beginning of the year	-	-	1,90,859	1.91
Issued during the year	-	-	-	-
Shares split during the year (Refer Note (i) below)	-	-	(1,90,859)	(1.91)
At the end of the year	-	-	-	-
Class 'B' Equity shares of Rs 10 each	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
At the beginning of the year	-	-	3,21,655	3.22
Issued during the year	-	-	-	-
Shares split during the year (Refer Note (i) below)	-	-	(3,21,655)	(3.22)
At the end of the year	-	-	-	-
Class 'C' Equity shares of Rs 10 each	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
At the beginning of the year	-	-	200	_*
Issued during the year	-	-	-	-
Shares split during the year (Refer Note (i) below)	-	-	(200)	_*
At the end of the year	-	-	-	-
* full amount Rs. 2000				
Equity shares of Rs 5 each	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
At the commencement of the year	10,25,428	5.13	-	-
Issued during the year	-	-	-	-
Shares split during the year (Refer Note (i) below)	-	-	10,25,428	5.13
Buy-back during the year (Refer Note (ii))	(76,533)	(0.38)	-	-
At the end of the year	9,48,895	4.75	10,25,428	5.13

(i) The Shareholders approved a resolution to split various classes of equity shares of Rs.10 each issued by the Company into ordinary equity shares of Rs 5 each in the EGM held on 4 March 2022. Each shareholder of equity shares of Rs 10 of Class A, Class B and Class C was allotted 2 ordinary equity share of Rs. 5 each fully paid up.

(ii) The Shareholders approved a resolution to buy back 76,533 ordinary shares having a face value of Rs 5 each fully paid-up at a buy-back price of Rs, 11,993.63 each amounting to Rs. 917.53 million. The company paid buy-back tax of Rs. 213.75 million. The company has created Capital redemption reserve (CRR) equal to the nominal value of the shares bought-back of Rs. 0.38 million as an appropriation from securities premium reserve.

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)
(b) Particulars of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2023		As at 31 March 2022		As at 01 April 2021	
	Number	% holding	Number	% holding	Number	% holding
Equity shares of Rs 5 each (31 March 2022: Rs 5 each, 01 April 2021: Rs 10 each)						
Arunachalam Srinivasan Karapattu	70,200	7.40%	70,200	6.85%	61,162	11.93%
Radhika Ramakrishnan	-	0.00%	52,124	5.08%	-	0.00%
Baskar Subramanian	67,979	7.16%	1,22,324	11.93%	61,162	11.93%
Srividhya Srinivasan	67,980	7.16%	1,22,324	11.93%	61,162	11.93%
Vida Trustees Pvt Ltd	1,88,810	19.90%	1,88,810	18.41%	94,405	18.41%
Norwest Venture Partners X – Mauritius	1,16,838	12.31%	1,16,838	11.39%	-	0.00%
Accel India VI (Mauritius) Limited	1,16,838	12.31%	1,16,838	11.39%	-	0.00%
PI Opportunities Fund - I Scheme II	81,428	8.58%	81,428	7.94%	-	0.00%
PI Opportunities Fund - II	51,652	5.44%	51,652	5.04%	25,826	5.04%
Avataar Holdings	83,454	8.79%	83,454	8.14%	-	0.00%
EM Holdco I Pte Ltd	-	0.00%	-	0.00%	2,01,424	39.29%
General Atlantic Singapore AML Pte. Ltd	84,280	8.88%	-	0.00%	-	0.00%

(c) Disclosure of Shareholding of Promoters:

Name of the shareholder	As at 31 March 2023				
	No. of shares at the beginning of the year	Changes during the year (a)	No. of shares at the end of the year	% Holding	% change during the year
Equity shares of Rs. 5 each, fully paid					
Arunachalam Srinivasan Karapattu	70,200	-	70,200	7.40%	0%
Baskar Subramanian	1,22,324	(54,345)	67,979	7.16%	-44%
Srividhya Srinivasan	1,22,324	(54,344)	67,980	7.16%	-44%
	3,14,848	(1,08,689)	2,06,159	21.72%	-35%

Name of the shareholder	As at 31 March 2022				
	No. of shares at the beginning of the year	Changes during the year (c)	No. of shares at the end of the year	% Holding	% change during the year
Equity shares of Rs. 5 each, fully paid					
Arunachalam Srinivasan Karapattu (b)	61,162	9,038	70,200	6.85%	15%
Baskar Subramanian	61,162	61,162	1,22,324	11.93%	100%
Srividhya Srinivasan	61,162	61,162	1,22,324	11.93%	100%
	1,83,486	1,31,362	3,14,848	30.71%	72%

(a) Change during the year is due to buy-back of equity shares and share-transfer.

(b) Change during the year includes 52,124 shares transferred to Mrs Radhika Ramakrishnan, a relative of the promoter by execution of a gift deed.

(c) Change during the year is due to split of equity shares.

Name of the shareholder	As at 01 April 2021				
	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% Holding	% change during the year
Equity shares of Rs. 10 each, fully paid					
Arunachalam Srinivasan Karapattu	61,162	-	61,162	11.9%	-
Baskar Subramanian	61,162	-	61,162	11.9%	-
Srividhya Srinivasan	61,162	-	61,162	11.9%	-
	1,83,486	-	1,83,486	35.8%	-

(d) Terms / Rights attached to equity shares

The equity shareholders are entitled to one vote per share. The Company declares and pays dividends in Indian rupees. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(e) Other terms and conditions

(i) The equity shares held by promoters shall not be entitled to transfer without the consent of the investors, except upto permitted liquidity (as defined as per Shareholder agreement dated 14 October 2022) and shall be permitted for sale or transfer to a third party not being a competitor upto 4 years from 15 September 2021. Also provided that the non-promoters shareholders shall have a right of first offer.

(ii) Refer note 44 for outstanding employee stock options

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023***(All amounts in Indian Rupees million, unless otherwise stated)***B) Instrument entirely in the nature of equity**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Authorised share capital			
Preference Shares - 4,700,000 (31 March 2022: 4,087,008; 01 April 2021: 1,120,000) of Rs 100 each *	470.00	408.70	112.00
	470.00	408.70	112.00
Issued, subscribed and fully paid-up share capital			
Participatory Cumulative Compulsorily Convertible Preference Shares (CCPS) - 4,167,773 (31 March 2022: 3,617,500) of Rs. 100 each	7,001.90	5,289.70	-
Optionally Convertible Preference Shares (OCPS) - 229,637 (31 March 2022: 444,056) of Rs. 100 each	1,746.24	3,424.80	-
	8,748.14	8,714.50	-

* At the EGM held on 11 October 2022, the shareholders has approved a resolution to increase the authorised share capital of preference shares from Rs. 408.70 million to Rs. 470.00 million. Additionally, on the EGM held on 28 February 2022, the Shareholders approved a resolution to increase the authorised share capital of preference shares from Rs. 112.00 million to Rs. 408.70 million.

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
<u>CCPS of Rs 100 each (31 March 2022: Rs 100 each)</u>				
As the beginning of the year	36,17,500	5,289.70	6,01,458	-
Reclass during the year (i)			-	4,675.29
Shares issued for consideration other than cash (Bonus shares) (refer note (e))			25,57,295	255.73
Conversion of OCPS to CCPS (ii)	2,14,419	1,678.56	39,321	316.74
Issue of shares (iii)	3,35,854	33.64	4,19,426	41.94
	41,67,773	7,001.90	36,17,500	5,289.70
<u>OCPS of Rs 100 each (31 March 2022: Rs 100 each)</u>				
As the beginning of the year	4,44,056	3,424.80	4,83,377	-
Reclass during the year (i)	-	-	-	3,741.54
Conversion of OCPS to CCPS (ii)	(2,14,419)	(1,678.56)	(39,321)	(316.74)
	2,29,637	1,746.24	4,44,056	3,424.80

(i) In respect of preference shares ('CCPS and OCPS'), the holders in terms of the shareholders agreement, had exit rights including requiring the company to buy back shares held by them. Accordingly, on transition to Ind AS, since the redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, Preference shares are classified as liability at fair value of Rs. 5,572.29 million as on 01 April 2021. Subsequently in August 2021, pursuant to new round of funding, the buy-back obligation no longer exists. Accordingly, the fair value change for the period April 01, 2021 to August 10, 2021 i.e., Rs. 5,408.41 million has been recognised in standalone statement of profit and loss and the fair value of preference shares liability amounting to Rs.10,980.70 million has been classified from borrowings to instruments entirely in the nature of equity to the extent of Rs. 8,416.83 million (CCPS: Rs. 4,675.29 million and OCPS: Rs. 3,741.54 million) and Rs. 2,563.87 million representing securities premium on the preference shares has been reclassified to other equity.

(ii) At the EGM held on 4 March 2022, the shareholders approved change in terms of Optionally Convertible Preference Shares (OCPS) wherein the OCPS holders shall in addition to being entitled to convert the OCPS into ordinary equity shares, shall also have the option to convert the whole or part of their OCPS into Series D1 and D2 Cumulative Compulsorily Convertible Preference (CCPS). Accordingly, 39,321 OCPS were converted into CCPS at the request of the shareholders. Such conversion was taken on record by the board of directors of the Company in their meeting held on 24 March 2022.

Also, 214,419 OCPS were converted into CCPS at the request of the shareholders, such conversion was taken on record by the board of directors of the Company in their meeting held on 11 October 2022.

(iii) During the previous year, the Company issued 419,426 Series E CCPS to its existing and new shareholders at consideration of Rs 14,391.10 per share. Accordingly, the Company has recorded Rs 100 per share as preference share capital and the balance amount of Rs 14,291.10 per share is recorded as Securities Premium on issue of shares under 'Reserves and Surplus'. Consequent to the above, the shareholders of the Company have entered in a restated Shareholders Agreement (SHA) on 10 March 2022 which defines the rights and restrictions of each shareholder. The new SHA supersedes the earlier SHA which was entered into by the shareholders on 25 August 2021 and 13 December 2016.

During the current year, the Company issued 3,35,854 Series F CCPS to new shareholders at consideration of Rs 19,505.54 per share. Accordingly, the Company has recorded Rs 100 per share as preference share capital and the balance amount of Rs 19,405.54 per share is recorded as Securities Premium on issue of shares under 'Reserves and Surplus'. Consequent to the above, the shareholders of the Company have entered in a restated Shareholders Agreement (SHA) on 14 October 2022 which defines the rights and restrictions of each shareholder. The new SHA supersedes the earlier SHA which was entered into by the shareholders on 10 March 2022, 25 August 2021 and 13 December 2016.

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023***(All amounts in Indian Rupees million, unless otherwise stated)***(b) Terms of conversion/redemption of CCPS**

The CCPS are issued at a preferential dividend rate of 0.0001% per annum. The CCPS Preferential Dividend is cumulative (non-cumulative in case of Bonus preference shares issued) and shall accrue from year to year and shall be paid in full (together with dividends accrued from prior years). Such dividend shall be payable for the CCPS in preference to any of the Equity Shares of the Company. The holders of the CCPS shall be entitled to pro-rata participate in any dividend declaration on the Equity Shares on a Fully Diluted Basis.

Each holder of CCPS are entitled to convert the CCPS into equity shares at any time at the option of the holder of the CCPS or subject to the compliance of applicable laws each CCPS automatically be converted into equity share, in the manner provided in the shareholder agreement dated 14 October 2022, upon the earlier of

- (i) one day prior to the expiry of 19 years and 11 months (20 years in case Series A1 Bonus CCPS, Series B1 Bonus CCPS, Series B Bonus CCPS, Series C Bonus 1 CCPS and Series D CCPS Bonus 1) of from the date of allotment or
- (ii) At the latest time permitted under Law, when considering the listing of the Equity Shares pursuant to an IPO.

The assets available for distribution pursuant to a Liquidation Event or Deemed Liquidation shall be distributed in the manner provided in the shareholder agreement dated 14 October 2022. The Company will make the payments of the Preference Amounts to the holders of these CCPS in the manner provided in the shareholder agreement and to do all such things as may be reasonably necessary.

The company will issue equity share pursuant to the conversion of CCPS and conversion shall be determined as per the shareholder agreement dated 14 October 2022 i.e. for Type 1 CCPS, Type 2 CCPS, Series D1 CCPS and Series A1 Bonus CCPS 2:1 (2 equity shares for 1 CCPS); Type 3 CCPS and Series D2 CCPS 1.944444:1 (1.944444 equity shares for 1 CCPS); Type 4 CCPS 1.014589:1 (1.014589 equity shares for 1 CCPS); Series F 1:1 (1 equity share for 1 CCPS); Series A2 Bonus CCPS, Series B1 Bonus CCPS, Series C1 Bonus CCPS, Series C Bonus 1 CCPS and Series D Bonus 1 CCPS 0.49859:1 (0.49859 equity shares for 1 CCPS); and Series B2 Bonus CCPS, Series B Bonus CCPS, Series C2 Bonus CCPS, Series C Bonus 2 CCPS and Series D Bonus 2 CCPS 0.35212:1 (0.35212 equity shares for 1 CCPS).

(c) Terms of conversion/redemption of OCPS

The OCPS are issued at a preferential dividend rate of 0.0001% per annum. The OCPS Preferential Dividend is cumulative in case of P1OF OCPS and non-cumulative in case of New P1 Preference shares and shall accrue from year to year and shall be paid in full (together with dividends accrued from prior years). Such dividend shall be payable for the OCPS in preference to any of the Equity Shares of the Company. The holders of the OCPS shall be entitled to pro-rata participate in any dividend declaration on the Equity Shares on a Fully Diluted Basis.

Each holder of OCPS are entitled to convert the OCPS into equity shares at any time at the option of the holder of the OCPS or subject to the compliance of applicable laws each OCPS automatically be converted into equity share, in the manner provided in the shareholder agreement dated 14 October 2022, upon the earlier of

- (i) one day prior to the expiry of 19 years and 11 months from the date of allotment or
- (ii) At the latest time permitted under Law, when considering the listing of the Equity Shares pursuant to an IPO.

The assets available for distribution pursuant to a Liquidation Event or Deemed Liquidation shall be distributed in the manner provided in the shareholder agreement dated 14 October 2022. The Company will make the payments of the Preference Amounts to the holders of these OCPS in the manner provided in the shareholder agreement and to do all such things as may be reasonably necessary.

The company will issue equity share pursuant to the conversion of OCPS and conversion shall be determined as per the shareholder agreement dated 14 October 2022 i.e. for P1OF OCPS 2:1 (2 equity shares for 1 OCPS) and for New P1 Preference Shares 1.944444:1 (1.944444 equity shares for 1 OCPS). Additionally, at the EGM held on 4 March 2022, the shareholders approved change in terms of Optionally Convertible Preference Shares (OCPS) wherein the OCPS holders shall in addition to being entitled to convert the OCPS into ordinary equity shares, shall also have the option to convert the whole or part of their OCPS into Series D1 and D2 Cumulative Compulsorily Convertible Preference (CCPS).

(d) Particulars of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2023		As at 31 March 2022		As at 01 April 2021	
	Number	% holding	Number	% holding	Number	% holding
<u>CCPS of Rs 100 each (31 March 2022: Rs 100 each; 01 April 2021: Rs 100 each)</u>						
Avataar Holdings	4,30,869	10.34%	4,30,869	11.91%	-	-
Norwest Venture Partners X – Mauritius	7,72,226	18.53%	7,72,226	21.35%	-	-
PI Opportunities Fund - II	6,84,861	16.43%	5,76,979	15.95%	-	-
PI Opportunities Fund - I Scheme II	2,43,847	5.85%	2,43,847	6.74%	-	-
PI Opportunities Fund - I	3,14,361	7.54%	2,35,918	6.52%	-	-
Accel India VI (Mauritius) Limited	6,03,214	14.47%	6,03,214	16.67%	-	-
Accel Growth VI Holdings (Mauritius) Ltd	2,41,446	5.79%	2,41,446	6.67%	-	-
General Atlantic Singapore AML Pte. Ltd	3,63,948	8.73%	-	-	-	-
EM HoldCo I Pte Ltd	-	0.00%	-	0.00%	3,24,642	53.98%
Mayfield FVCI Ltd	-	0.00%	-	0.00%	2,76,816	46.02%
<u>OCPS of Rs 100 each (31 March 2021: Rs 100 each; 01 April 2021: Rs 100 each)</u>						
PI Opportunities Fund - I	-	-	1,06,537	23.99%	1,45,858	30.17%
PI Opportunities Fund - II	2,29,637	100.00%	3,37,519	76.01%	3,37,519	69.83%

(e) Shares issued for consideration other than cash:

At the EGM held on 28 February 2022, the shareholders also approved issue of 2,557,295 cumulative compulsorily convertible preference bonus shares of Rs 100 each to all class of equity and preference shareholders.

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023***(All amounts in Indian Rupees million, unless otherwise stated)***(f) Disclosure of Shareholding of Promoters:**

Name of the shareholder	As at 31 March 2023				
	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% Holding	% change during the year
CCPS of Rs. 100 each, fully paid					
Arunachalam Srinivasan Karapattu	98,859	-	98,859	2.25%	0%
Baskar Subramanian	98,859	-	98,859	2.25%	0%
Srividhya Srinivasan	98,859	-	98,859	2.25%	0%
	2,96,577	-	2,96,577	6.75%	0%

Name of the shareholder	As at 31 March 2022				
	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% Holding	% change during the year
CCPS of Rs. 100 each, fully paid					
Arunachalam Srinivasan Karapattu	-	98,859	98,859	2.43%	100%
Baskar Subramanian	-	98,859	98,859	2.43%	100%
Srividhya Srinivasan	-	98,859	98,859	2.43%	100%
	-	2,96,577	2,96,577	7.29%	100%

Name of the shareholder	As at 01 April 2021				
	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% Holding	% change during the year
CCPS of Rs. 100 each, fully paid					
Arunachalam Srinivasan Karapattu	-	-	-	-	-
Baskar Subramanian	-	-	-	-	-
Srividhya Srinivasan	-	-	-	-	-
	-	-	-	-	-

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023***(All amounts in Indian Rupees million, unless otherwise stated)***19. Other equity**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Securities premium	14,128.78	8,743.03	440.83
Employee stock options outstanding	968.57	-	109.72
Capital redemption reserve	0.38	-	-
Other components of equity	2,290.12	2,210.12	3.04
Retained earnings	(20,124.90)	(16,655.14)	(5,781.84)
	(2,737.05)	(5,701.99)	(5,228.25)
Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Securities premium			
At the beginning of the year	8,743.03	440.83	-
Add: Premium towards CCPS and OCPS on modification from financial liability to equity (Refer Note 18B(a)(i))	-	2,563.87	-
Add: Premium on issue of CCPS	6,517.41	5,994.06	-
Less : Utilised for buy-back of shares	(917.53)	-	-
Less : Utilised for tax on buy-back of shares	(213.75)	-	-
Less : Utilised for bonus share issued	-	(255.73)	-
Less: Transfer to Capital redemption reserve	(0.38)	-	-
At the end of the year	14,128.78	8,743.03	440.83
Employee stock options outstanding			
At the beginning of the year	-	109.72	-
Add: Compensation cost related to employee share based payment	968.57	-	-
Less: Utilised for cancellation of Employee stock option (Note 44)	-	(62.27)	-
Less: Re-classified to provision for employee benefit expenses (Note 44)	-	(47.45)	-
At the end of the year	968.57	-	109.72
Capital redemption reserve			
At the beginning of the year	-	-	-
Add: Transfer from retained earnings	0.38	-	-
At the end of the year	0.38	-	-
Other components of equity			
At the beginning of the year	2,210.12	3.04	-
Add: Contribution by investors during the year (Refer note 50)	80.00	2,207.08	-
At the end of the year	2,290.12	2,210.12	3.04
Retained earnings			
At the beginning of the year	(16,655.14)	(5,781.84)	-
Loss for the year	(3,473.39)	(10,862.36)	-
Other comprehensive income/(loss):			
Remeasurement of the net defined benefit liability	3.63	(10.94)	-
At the end of the year	(20,124.90)	(16,655.14)	(5,781.84)
Total reserves and surplus	(2,737.05)	(5,701.99)	(5,228.25)

Nature and purpose of other equity:**a) Securities premium**

Securities premium account has been created consequent to issue of shares at premium. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

b) Employee stock options outstanding

Employee stock option outstanding reserve is used to record the fair value of equity-settled share based payment transactions with employees.

c) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

d) Other components of equity

This includes fair value of additional shares issued/issuable to certain shareholders basis terms mentioned in the shareholders agreement. Also refer note 50.

e) Retained earnings

Retained earnings are the profits/(loss) that the company has earned/incurred till date less any transfer to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to standalone Statement of Profit and Loss

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023***(All amounts in Indian Rupees million, unless otherwise stated)***20. Borrowings (Non-Current)**

	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Carried at fair value</i>			
Participatory Compulsory Convertible Preference Shares	-	-	3,089.41
Optionally Convertible Preference Shares	-	-	2,482.88
<i>(Refer note below)</i>			
	-	-	5,572.29

Note:

In respect of preference shares ('CCPS and OCPS'), the holders in terms of the shareholders agreement, had exit rights including requiring the company to buy back shares held by them. Accordingly, on transition to Ind AS, since the redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, Preference shares are classified as liability at fair value of Rs. 5,572.29 million as on 01 April 2021. Subsequently in August 2021, pursuant to new round of funding, the buy-back obligation no longer exists. Accordingly, the fair value change for the period April 01, 2021 to August 10, 2021 i.e., Rs. 5,408.41 million has been recognised in standalone statement of profit and loss and the fair value of preference shares liability amounting to Rs.10,980.70 million has been classified from borrowings to instruments entirely in the nature of equity to the extent of Rs. 8,416.83 million (CCPS: Rs. 4,675.29 million and OCPS: Rs. 3,741.54 million) and Rs. 2,563.87 million representing securities premium on the preference shares has been reclassified to securities premium.

21. Lease liabilities

The lease assets primarily pertains to premises and furniture & fixtures rented for office purposes and the tenure of the leases varies from 1 to 7 years.

	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Non-current (carried at amortised cost) (A)			
Lease liability	199.52	-	10.09
	199.52	-	10.09
Current (carried at amortised cost) (B)			
Lease liability	31.38	10.09	21.04
	31.38	10.09	21.04
Total liabilities (A+B)	230.90	10.09	31.13

a) The following is the lease liabilities movement for year ended:

	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Balance at beginning of the year	10.09	31.13	-
Addition during the year	242.13	-	-
Interest	15.78	2.84	-
Payment of lease liabilities	(37.10)	(23.88)	-
Balance at end of the year	230.90	10.09	31.13

The following are the amounts recognised in statement of profit and loss:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation expense of right-of-use assets (Refer note 34)	36.45	23.20
Interest expense on lease liabilities (Refer note 33)	15.78	2.84
Expense relating to short-term leases (included in other expenses) (Refer note 35)	7.92	2.39
Total	60.15	28.43

The effective interest rate/Incremental borrowing rate is 13% for the leases. The Company has no lease contracts with variable payments.

The table below provides details regarding the contractual maturities of lease liabilities at undiscounted value as at 31 March 2023, 31 March 2022 and 01 April 2021:

	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Less than one year	59.63	10.47	23.88
One to five years	256.87	-	10.47
More than 5 years	23.22	-	-
Total	339.72	10.47	34.35

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

22. Other financial liabilities (Non-Current)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Carried at fair value</i>			
Stock Appreciation Rights (Note 44)	55.48	126.92	30.38
<i>Carried at amortised cost</i>			
Deposit from customers	0.24	15.29	11.34
	55.72	142.21	41.72

23. Provisions (Non-Current)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Provision for employee benefits</i>			
Gratuity (Refer note 38)	52.66	41.14	23.77
	52.66	41.14	23.77

24. Other Non-current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Unearned revenue (Refer note (a) below)	531.03	652.72	67.26
	531.03	652.72	67.26

(a) Unearned revenue includes revenue billed in advance and also includes certain one-time initial set-up fees which is recognised over the period of the contract. Also refer note 37 for unearned revenue from related parties.

25. Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Carried at amortised cost</i>			
Total outstanding dues of micro enterprises and small enterprises (Refer note 40)	20.00	19.00	8.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,579.89	628.91	361.22
	1,599.89	647.91	369.32

- a) There are no non-current trade payable as on March 31, 2023 (March 31, 2022: Nil; April 01, 2021: Nil).
b) Trade payables are non-interest bearing and are generally settled up to 60 days.
c) For explanation of Group's credit risk management process, refer to Note 46.
d) Refer note 37 for trade payables to related parties.

Trade payables ageing schedule

As at 31 March 2023

Particulars	Outstanding for following periods from due date						Total
	Unbilled	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(a) MSME	-	2.08	17.92	-	-	-	20.00
(b) Disputed dues - MSME	-	-	-	-	-	-	-
	-	2.08	17.92	-	-	-	20.00
Particulars							
(a) Others	352.75	463.12	764.02	-	-	-	1,579.89
(b) Disputed dues - others	-	-	-	-	-	-	-
	352.75	463.12	764.02	-	-	-	1,579.89
Total Trade Payables	352.75	465.20	781.94	-	-	-	1,599.89

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)
As at 31 March 2022

Particulars	Outstanding for following periods from due date						Total
	Unbilled	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(a) MSME	-	7.45	11.55	-	-	-	19.00
(b) Disputed dues - MSME	-	-	-	-	-	-	-
	-	7.45	11.55	-	-	-	19.00
(a) Others	239.16	287.41	97.50	4.20	0.58	0.06	628.91
(b) Disputed dues - others	-	-	-	-	-	-	-
	239.16	287.41	97.50	4.20	0.58	0.06	628.91
Total Trade Payables	239.16	294.86	109.05	4.20	0.58	0.06	647.91

As at 01 April 2021

Particulars	Outstanding for following periods from due date						Total
	Unbilled	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(a) MSME	3.35	1.44	3.31	-	-	-	8.10
(b) Disputed dues - MSME	-	-	-	-	-	-	-
	3.35	1.44	3.31	-	-	-	8.10
(a) Others	119.87	104.63	129.59	5.22	1.86	0.05	361.22
(b) Disputed dues - others	-	-	-	-	-	-	-
	119.87	104.63	129.59	5.22	1.86	0.05	361.22
Total Trade Payables	123.22	106.07	132.90	5.22	1.86	0.05	369.32

26. Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Carried at fair value</i>			
Stock appreciation rights (Note 44)	1,802.01	1,140.44	-
Employee stock compensation liability (Note 44)	1,872.38	2,183.87	-
<i>Carried at amortised cost</i>			
Payable to employees	198.03	14.64	8.27
Statutory dues	130.74	123.29	51.05
Capital creditors	1.92	0.75	0.25
Consideration to be paid on share allotment (a)	-	0.01	0.01
Deposit from customers	24.96	10.62	24.38
	4,030.04	3,473.62	83.96

(a) During earlier years, the Company had set up a new subsidiary in the United Kingdom. The Company has accordingly, created a liability of the contribution to be made against share allotment of the new subsidiary. The contribution has been remitted by the Company during the year ended 31 March 2023.

27. Provisions (Current)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
<i>Provision for employee benefits</i>			
Gratuity (Refer note 38)	9.21	6.01	4.29
Compensated absences	42.73	24.55	12.05
	51.94	30.56	16.34

28. Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Advance from customers	0.59	0.22	0.20
Unearned revenue	578.89	304.94	69.60
Other liabilities	-	17.91	22.39
	579.48	323.07	92.19

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

29. Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of products		
Traded goods	-	1.31
Sale of services	3,154.23	3,315.81
	3,154.23	3,317.12
Detail of services rendered	For the year ended 31 March 2023	For the year ended 31 March 2022
Distribution and payout services	3,154.23	3,315.81
	3,154.23	3,315.81

29.1 Details of disaggregation of revenue

The company derives its major revenue from sale of thunderstorm, cloudport and other related services, which is a single line of business.

29.2 Contract balances

	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
(a) Contract assets			
Trade receivables	1,254.58	1,265.70	390.23
(b) Contract liabilities			
Advance from customers	0.59	0.22	0.20
Unearned revenue	1,109.92	957.66	136.86

29.3 Timing of revenue recognition

	For the year ended 31 March 2023	For the year ended 31 March 2022
Goods/ Services transferred at a point of time	-	1.31
Goods/ Services transferred over a period of time	3,154.23	3,315.81
Revenue from contract with customers	3,154.23	3,317.12

29.4 Reconciling the amount of revenue recognised in the standalone statement of profit and loss with the contracted price:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue as per contracted price	3,154.23	3,317.12
Adjustments	-	-
Revenue from contract with customers	3,154.23	3,317.12

29.5 Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or lesser.

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

30. Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Equipment rental income	-	0.83
Service Exports from India Scheme ('SEIS') Income	-	11.88
Liability no longer required written back	-	1.33
Interest income		
- Bank deposits	177.08	5.18
- Income tax refund	2.73	-
Unwinding Income on security deposit	1.77	1.28
Other Non-operating income:		
Foreign exchange gain (net)	90.23	10.11
Gain on sale of property, plant and equipment	0.00	.*
Fair value gain on investment measured at FVTPL	121.80	-
Gain on sale of investment measured at FVTPL	54.19	-
Unwinding Income on Deposits from customers	2.63	2.28
Miscellaneous income	0.04	.^
	450.47	32.89

*Full amount Rs. 4,237

^Full amount Rs. 4,956

31A. Purchase of traded goods

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of traded goods	0.35	1.20
	0.35	1.20

31B. (Increase)/ decrease in inventories

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the beginning of the year		
Traded goods	0.60	0.59
Inventories at the end of the year		
Traded goods	0.95	0.60
	(0.35)	(0.01)

32. Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	1,813.94	904.05
Contribution to provident fund and other funds	51.05	9.17
Employee stock compensation expense - Cash Settled (Refer note (a) below)	374.19	2,230.18
Employee stock compensation expense - Equity Settled	574.50	-
Stock appreciation rights (SARs) (Refer note 44)	477.38	1,100.72
Gratuity (Refer note 38)	21.25	8.75
Staff welfare expenses	68.33	26.76
	3,380.64	4,279.63

(a) Includes cost of cancellation of certain employee stock option and additional expenses due to change in classification of employee stock options. Refer note 44 for details.

33. Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Bank charges	1.80	1.96
Interest on lease liability	15.78	2.84
Interest on deposits from customers	2.67	2.09
	20.25	6.89

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

34. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	37.54	25.27
Amortisation on intangible assets	1.80	2.46
Depreciation on right to use assets	36.45	23.20
	75.79	50.93

35. Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent (Refer note 21)	7.92	2.39
Legal and professional charges	329.59	277.68
Payment to auditors (Refer note 35A)	7.80	5.17
Marketing and sales promotion	59.58	30.15
Rates and taxes	25.77	16.70
Travel and conveyance	99.07	14.62
Bad Debts written off	16.96	-
Provision for bad and doubtful debts	(1.26)	49.73
Provision for Inventory	0.95	-
Communication	2,382.01	1,530.48
Membership and subscription	233.69	82.81
Repairs and maintenance		
- Plant and equipment	0.52	7.00
- Building	0.04	-
- Others	17.64	43.40
Power and fuel	7.85	8.34
Recruitment charges	64.28	36.70
Printing and stationery	0.49	0.12
Support service cost	247.23	51.63
Fair value of financial instruments (Refer note 50)	80.00	2,207.08
Miscellaneous expenses	21.28	17.59
	3,601.41	4,381.59

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

35A. Payment to auditors (exclusive of GST)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor		
Statutory audit	6.00	2.60
Tax audit	0.70	0.40
Other services	0.80	2.10
Reimbursement of expenses	0.30	0.07
	7.80	5.17

36. Earnings per share (EPS)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average number of equity shares of Rs. 5 each	9,51,201	10,25,428
Weighted average number of CCPS and OCPS of Rs. 100 each	42,17,755	47,21,450
Weighted average number of shares in calculating basic EPS	51,68,956	57,46,878
Effect of dilution:		
Stock options granted under ESOP	1,81,505	-
Weighted average number of equity shares in calculating diluted EPS	53,50,461	57,46,878
Net Profit / (Net loss) for the year attributable to equity shareholders	(3,473.39)	(10,862.36)
Basic earnings / (loss) per share (Rs)	(671.97)	(1,890.13)
Diluted earnings per share (Rs)	(671.97)	(1,890.13)

(i) During the year ended 31 March 2023, the effects of potential equity shares are anti-dilutive, hence, the same has been ignored for calculating dilutive loss per share.

37. A. Names of related parties and related party relationship

(a) Key management personnel

Arunachalam Srinivasan Karapattu - Director
Baskar Subramanian - Managing Director
Srividhya Srinivasan - Whole time Director
Vijay NP - Chief Financial Officer (w.e.f 09 January 2023)
Deepesh Maheshwari - Company Secretary (upto 27 January 2023)
Kusum Gore - Company Secretary (w.e.f. 04 August 2023)

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023**

(All amounts in Indian Rupees million, unless otherwise stated)

(b) Wholly owned subsidiary companies

Amagi Corporation, USA
Amagi Media Labs Pte Limited, Singapore
Amagi Media Pvt Limited, United Kingdom
Amagi Canada Corporation Inc., USA (w.e.f 23 August 2021)
Amagi Eastern Europe d.o.o, Croatia (w.e.f 05 December 2022) *
Amagi Media LLC, USA (w.e.f 03 November 2022)**

* Wholly owned subsidiary of Amagi Media Pvt Limited, UK.

** Wholly owned subsidiary of Amagi Corporation, USA

(c) Entities controlled by Director(s)

Kickstart Foundation

B. The following is the summary of transactions with related parties by the Company

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of Services		
Amagi Corporation, USA	1,989.53	1,964.40
Amagi Media Labs Pte Limited, Singapore	118.59	41.19
Amagi Media Pvt Limited, United Kingdom	227.79	346.75
Sale of traded goods		
Amagi Corporation, USA	-	1.08
Support service cost		
Amagi Media Labs Pte Limited, Singapore	206.13	51.28
Amagi Eastern Europe d.o.o, Croatia	41.09	-
ESOP/SAR cost cross charged to related parties		
Amagi Corporation, USA	388.91	-
Amagi Media Pvt Limited, United Kingdom	75.84	-
Amagi Media Labs Pte Limited, Singapore	43.25	-
Expenses incurred on behalf of related parties		
Amagi Corporation, USA	36.13	12.64
Amagi Media Labs Pte Limited, Singapore	8.39	22.98
Amagi Media Pvt Limited, United Kingdom	19.17	4.18
Amagi Canada Corporation Inc., USA	2.33	-
Expense reimbursed to related parties		
Amagi Corporation, USA	521.90	252.19
Amagi Media Labs Pte Limited, Singapore	3.86	2.09
Amagi Media Pvt Limited, United Kingdom	38.45	24.76
Amagi Canada Corporation Inc., USA		
Rent Expenses		
Amagi Eastern Europe d.o.o, Croatia	2.48	-
Professional Fees		
Amagi Eastern Europe d.o.o, Croatia	38.62	-
Donation (Miscellaneous expenses)		
Kickstart Foundation	5.21	-
Managerial remuneration*		
Salaries, wages and bonus		
Baskar Subramanian	15.10	29.70
Srividhya Srinivasan	12.60	22.25
Arunachalam Srinivasan Karapattu	-	32.71
Deepesh Maheshwari	1.07	0.81
Vijay N P	10.15	-

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023**

(All amounts in Indian Rupees million, unless otherwise stated)

Contribution to provident and other funds

Baskar Subramanian	0.02	0.02
Srividhya Srinivasan	0.53	0.02
Arunachalam Srinivasan Karapattu	-	0.02
Deepesh Maheshwari	0.03	0.02
Vijay N P	0.17	-

Reimbursement of expenses incurred on behalf of the Company

Baskar Subramanian	0.39	0.02
Arunachalam Srinivasan Karapattu	-	1.93
Srividhya Srinivasan	0.53	-
Vijay N P	0.04	-

*The remuneration to the key managerial personnel does not include:

a) the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the Company as a whole.

b) Stock options and other financial instruments granted to some of its KMP as detailed in note 44 and 50.

C. Balances receivable from or payable to related parties are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Trade Payables - entity where control exists			
Amagi Corporation, USA	623.61	142.74	19.69
Amagi Media Pvt Limited, United Kingdom	26.90	6.23	25.30
Amagi Media Labs Pte Limited, Singapore	137.27	31.29	7.41
Amagi Canada Corporation Inc., USA	24.25	-	-
Amagi Eastern Europe d.o.o, Croatia	18.91	-	-
	830.94	180.26	52.40
Trade Receivables - entity where control exists			
Amagi Corporation, USA	717.51	720.22	147.76
Amagi Media Pvt Limited, United Kingdom	216.16	169.13	61.16
Amagi Media Labs Pte Limited, Singapore	92.18	52.93	1.13
	1,025.85	942.28	210.05
Other financial assets - entity where control exists			
Amagi Corporation, USA	388.91	-	-
Amagi Media Pvt Limited, United Kingdom	75.84	-	-
Amagi Media Labs Pte Limited, Singapore	43.25	-	-
	508.00	-	-
Unearned Revenue			
Amagi Corporation, USA	164.31	879.58	96.09
Amagi Media Pvt Limited, United Kingdom	168.43	20.39	11.28
Amagi Media Labs Pte Limited, Singapore	0.94	0.73	-
	333.68	900.70	107.37

Also, refer note 7 for investment details.

38. Employee benefits: Post-employment benefit plans**Defined contribution plan**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employed towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contribution. The contribution is charged to the Standalone Statement of Profit and Loss as they accrue. The amount recognized as a expense towards contribution to provident fund for the year aggregated to Rs. 51.05 million (FY 2021-22: Rs 9.17 million).

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023**

(All amounts in Indian Rupees million, unless otherwise stated)

Defined benefit plan

The Company has a defined benefit gratuity plan for its employees. Under this plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The plan is not funded by the Company. The following tables summarize the components of net benefit expense recognized in the standalone statement of profit and loss and the funded status and amounts recognized in the standalone balance sheet for the respective plans.

These plans typically expose the Company to actuarial risks such as: bond yield risk and salary risk.

Interest risk	The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity risk	This is the risk that the company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The company has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumptions made.
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

Reconciliation of the projected benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Change in defined benefit obligation		
Opening defined benefit obligation	47.15	28.06
Current service cost	18.09	7.13
Past service cost	-	-
Interest cost	3.16	1.62
Total amount recognised in profit or loss	21.25	8.75
Benefits paid	(2.91)	(0.61)
Remeasurement (gains)/losses in other comprehensive income		
Actuarial changes arising from changes in financial assumptions	(14.66)	6.12
Experience adjustments	11.03	4.82
Total amount recognised in OCI	(3.63)	10.94
Closing defined benefit obligation	61.86	47.15

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Fair value of plan assets	-	-	-
Present value of defined benefit obligation	61.86	47.15	28.06
Unrecognised past service cost	-	-	-
	61.86	47.15	28.06
Classified as: -			
Non-current	52.91	41.14	23.77
Current	8.95	6.01	4.29
	61.86	47.15	28.06

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023**

(All amounts in Indian Rupees million, unless otherwise stated)

Gratuity cost for the year

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	18.09	7.13
Past service cost	-	-
Interest on defined benefit obligation	3.16	1.62
Gratuity cost charged to statement of profit and loss	21.25	8.75
Actuarial (gain) / loss	(3.63)	10.94
Actuarial (gain) / loss recognised in other comprehensive income	(3.63)	10.94

Principal actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Discount factor	7.25%	6.70%	6.25%
Expected rate of salary increase	6.00%	9.00%	6.00% - 7.00%
Attrition rate			
Upto 25 years	25.00%	25.00%	25.00%
26-35 years	20.00%	20.00%	20.00%
Above 35 years	15.00%	15.00%	15.00%
Retirement age	60 years	60 years	60 years
Mortality rate	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

Note:

The estimates of future salary increases, considered in actuarial valuation, take account inflations, seniority, promotional and other relevant factors such as supply and demand in the employment market.

Assumptions regarding future mortality are based on published statistics and mortality rates. The valuation of defined benefit obligation is sensitive to the mortality assumptions.

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at 31 March 2023		As at 31 March 2022	
Sensitivity level	1% decrease	1% increase	1% decrease	1% increase
Discount rate	3.67	(3.31)	3.14	(2.80)
Salary Growth Rate	(3.37)	3.68	(2.77)	3.04
Attrition Rate	1.97	(2.70)	7.26	(3.84)
Mortality Rate	(0.00)	0.01	0.01	(0.00)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the year) has been applied as when calculating the defined benefit liability recognised in the Standalone Balance Sheet.

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023**

(All amounts in Indian Rupees million, unless otherwise stated)

The following represents expected cash flow profile for the defined benefit plan in future years :

Particulars	As at 31 March 2023	As at 31 March 2022
Within the next 12 months	8.95	6.01
Between 2 and 5 years	33.76	23.63
Between 6 and 10 years	29.55	21.80
More than 10 years	28.57	27.77
Total expected cash flow profile (payments)	100.83	79.21

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (March 31, 2022: 6 years).

39. Deferred tax assets

The Company has reviewed its deferred tax assets as at 31 March 2023. The Company has unabsorbed depreciation losses, impact of difference between tax depreciation and depreciation charged for financial reporting and other temporary differences which give rise to deferred tax asset. However in the absence of reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, no deferred tax assets (net) as at 31 March 2023 has been recognised. Further, the Company has charged foreign tax credits amounting to Rs Nil million (31 March 2022: 83.73 million) in the statement of profit and loss.

40. Dues to micro enterprises and small enterprises

The amount due to Micro, small and medium enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosures relating to Micro, small and medium enterprises (MSME) are as under:

Particulars	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;			
- Principal amount due to micro and small enterprises	18.32	17.83	7.41
- Interest due on the above	1.68	1.17	0.69
	20.00	19.00	8.10
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006;	-	-	0.23
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.51	0.48	0.38
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	1.68	1.17	0.69

41. Segment Reporting

The company prepares this financial statements along with the consolidated financial statements. In accordance with Ind AS 108 "Operating Segments" the Company has disclosed the segment information in consolidated financial statements.

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023**

(All amounts in Indian Rupees million, unless otherwise stated)

42. Contingent liabilities and commitments

Particulars	As at	As at	As at
	31 March 2023	31 March 2022	01 April 2021
a) Bank guarantee	0.72	0.72	0.72

b) There are contracts remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2023 is Rs 21.10 million (31 March 2022: Rs. 1.22 million; 01 April 2021: Nil).

c) Cumulative fixed dividend payable to CCPS holders amounted to Rs 591 (full amount) (31 March 2022: Rs 430 (full amount);(01 April 2021: Rs 370 (full amount)

43. The Company is not required to contribute towards corporate social responsibility ("CSR") as required by section 135 of the Companies Act,2013 as the Company does not meet eligibility criteria relevant to the applicable rules and regulations requiring compliance with contribution towards CSR.

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Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)
44 a) Employee stock option plans

The Company had issued Stock options to its employees (including key employees) under the Stock Option Plan (SOP) - 2009, Stock Option Plan (SOP) 2015 (Phase I and II), Stock Option Plan (SOP) 2017 (Phase I and Phase II) and Stock Option Plan (SOP) 2022 (Phase I and Phase II). According to the schemes, the employees are be entitled to options, subject to satisfaction of the prescribed vesting conditions, i.e., continuing employment as per the terms of each scheme. The other relevant terms of the grant are as below:

Plan	SOP - 2009	SOP - 2015 (Phase I)	SOP - 2015 (Phase II)	SOP - 2017 (Phase I)	SOP - 2017 (Phase II)	SOP - 2022 (Phase I)	SOP - 2022 (Phase II)
Grant date	Date of joining or any subsequent date decided by the management after approval date of the Scheme						
Vesting period (graded vesting)	3-4 years	4 years	2-4 years	2-4 years	2-4 years	2-4 years	2-4 years
Date of approval of Scheme	30 December 2009	4 September 2015	4 September 2015	4 September 2018	4 September 2018	30 May 2022	30 May 2022
Exercise period	15 years (i)	10 years	10 years	10 years	10 years	10 years	10 years
Exercise price	Rs 3.57**	Rs 542.43**	Rs 772.96**	Rs 772.96**	Rs 1,099.13**	Rs 5	Rs 5
Intrinsic value	Note (ii)	Rs 230.89**	Rs 326.17**	Rs 914	Nil	Nil	Nil
Fair Value of option on date on grant	NA*	NA*	NA*	NA*	Rs 2,079	Rs 12,229	Rs 16,576
Dividend yield (%)	NA*	NA*	NA*	NA*	0.00%	0.00%	0.00%
Expected life (years)	NA*	NA*	NA*	NA*	7.75 - 9.06	4.56 - 6.25	
Risk-free interest rate (%)	NA*	NA*	NA*	NA*	6.85% - 8.47%	6.29% - 7.55%	
Volatility (%)	NA*	NA*	NA*	NA*	50.00%	50.00%	
Share price on date of grant	NA*	NA*	NA*	NA*	Rs 3,080	Rs 12,232 - Rs 16,579	
Weighted average exercise price							
At 31 March 2023	Rs 3.57**	Rs 542.43**	Rs 772.96**	Rs 772.96**	Rs 1,099.13**	Rs 5	Rs 5
At 31 March 2022	Rs 10	Rs 1,242	Rs 2,166	Rs 2,166	Rs 3,080	NA	NA
At 01 April 2021	Rs 10	Rs 1,242	Rs 2,166	Rs 2,166	Rs 3,080	NA	NA
Weighted average remaining contractual life (years)							
At 31 March 2023	-	-	3.01	4.00	4.56	10.00	10.00
At 31 March 2022 (i)	0.32	0.91	4.01	3.89	1.30	NA	NA
At 01 April 2021	1.06	1.50	5.01	6.00	6.26	NA	NA

* In accordance in Ind AS 101, the company has decide not to apply Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind AS i.e., 01 April 2021.

** Effect due to Share-split and bonus issue (Refer note 18A(a)(i) and 18B(a)(ii)). The effect of the events has been given to the exercise price and intrinsic value during the current year.

(i) During FY 22-23, the exercise period of the SOP-2009 plan has been extended to 15 years (31 March 2022: 12 years, 01 April 2021: 12 years).

(ii) The intrinsic value for grants under the SOP-2009 plan is as below-

Rs 456.42** for grants upto 31 March 2012

Rs 436.08** for grants for the year ended 31 March 2013

Rs 528.15** for grants for the year ended 31 March 2014

Rs 769.75** for grants for the year ended 31 March 2015

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

The details of activity under each Scheme is summarized below-

Plan	Number of options						
	SOP - 2009	SOP - 2015 (Phase I)	SOP - 2015 (Phase II)	SOP - 2017 (Phase I)	SOP - 2017 (Phase II)	SOP - 2022 (Phase I)	SOP - 2022 (Phase II)
As at 31 March 2021	41,016	26,383	18,707	14,095	4,714	-	-
Granted during the year	-	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-	-
Cancelled during the year (i)	(30,078)	(16,430)	(5,081)	(313)	(637)	-	-
As at 31 March 2022	10,938	9,953	13,626	13,782	4,077	-	-
Exercisable as at 31 March 2022	10,938	9,953	13,626	13,782	3,567	-	-
As at 31 March 2022	10,938	9,953	13,626	13,782	4,077	-	-
Granted during the year	-	-	-	-	-	1,63,801	23,700
Forfeited during the year	-	-	-	-	(100)	(5,363)	(633)
Exercised during the year	-	-	-	-	-	-	-
Cancelled during the year (ii)	(4,775)	(2,305)	(2,617)	(5,915)	(784)	-	-
Effect of Share split and Bonus Issue (iii)	11,106	13,784	19,841	14,460	5,754	-	-
As at 31 March 2023	17,269	21,432	30,850	22,327	8,947	1,58,438	23,067
Exercisable as at 31 March 2023	17,269	21,432	30,850	22,327	8,714	23,294	-

(i) During the year ended 31 March 2022, pursuant to the approval of the Board of Directors, the Company offered a cash settlement against the vested Stock Options held by the former employees. The offer price being Rs 5000 (computed basis the fair value report obtained from an independent valuer) for each stock option reduced by the exercise price. Consequently, the Company cancelled 52,539 stock option basis the consent received from such option holders. Accordingly, the Company accounted expenses of Rs 168.47 million in the standalone statement of profit and loss for the year ended 31 March 2022.

(ii) During May 2022, the Board of Directors, approved cancellation of ESOPs held by the employees of the Company at a proposed price of Rs 43,461 less exercise price of each ESOP. The overall limit of the pay-out was approved as USD 10 million. Consequently, the Company cancelled 17,613 options (opted by the employees at will) at a consideration of Rs 737.18 million. Appropriate provision has been accounted by the Company in the standalone statement of profit and loss for the year ended 31 March 2022.

While the Company had accounted ESOPs issued under various plans as 'equity settled' options upto 31 March 2021 however, considering the Company has settled 70,152 stock options by cash which constitutes a significant portion of the total ESOPs issued by the Company under the various ESOP plans, the Company has accounted all ESOPs outstanding as at 31 March 2022 as 'cash settled' options and recorded Rs 1,400.95 million of additional expense in the statement of profit and loss, being the difference between the fair value as on the grant date and fair value as at 31 March 2022. Further, the liability of ESOP is reclassified from 'Employees stock option reserve' to current liabilities as at 31 March 2022. Further for the year ending 31 March 2023, the same has been treated as financial liability and fair value changes amounting to Rs. 374.19 million has been accounted in profit and loss statement.

(iii) Effect due to Share-split and bonus issue (Refer note 18A(a)(i) and 18B(a)(ii)). The effect of the events has been given to the number of ESOPs during the current year.

(iv) ESOP issued under "SOP-2022 Phase I & II" during the year ended 31 March 2023 have been accounted as Equity settled based on the grant date fair valuation as per Black scholes model.

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023

(All amounts in Indian Rupees million, unless otherwise stated)

b) Stock Appreciation Rights (SARs)

Pursuant to the approval of shareholders on 27 February 2020, the Company constituted cash settled "Stock Appreciation Rights Scheme I, 2020", Stock Appreciation Rights Scheme II, 2020 and Stock Appreciation Rights Scheme III, 2020 for issue of stock options to various employees of the Company and its subsidiaries. According to the schemes, such employees will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The other relevant terms of the grant are as below:

Scheme	Stock Appreciation Rights Scheme I, 2020	Stock Appreciation Rights Scheme II, 2020	Stock Appreciation Rights Scheme III, 2020	Stock Appreciation Rights Scheme IV, 2022
Vesting period		2 to 4 years (graded vesting)		
Strike price (Rs)	1,130	1,499	2,141	5
Fair value as at 31 March 2023 (Rs) (i)	18,375	18,006	17,364	19,500
Fair value as at 31 March 2022 (Rs) (i)	40,296	39,261	37,461	NA
Fair value as at 01 April 2021 (Rs) (i)	1,971	936	NA	NA
The details of activity under the Schemes are as below-				
Options outstanding as at 1 April 2021	32,700	4,200	-	-
Add: Granted during the year	-	-	4,450	-
Less: Forfeited during the year	-	(3,200)	-	-
Options outstanding as at 31 March 2022	32,700	1,000	4,450	-
Exercisable as at 31 March 2022	24,395	400	8,900	-
Options outstanding as at 1 April 2022	32,700	1,000	4,450	-
Add: Granted during the year	-	-	-	11,021
Less: Forfeited during the year	-	-	(1,261)	(576)
Less: Cancelled during the year	(1,217)	-	-	-
Add: Effect of Share split and Bonus Issue	56,739	1,802	8,020	-
Options outstanding as at 31 March 2023	88,222	2,802	11,209	10,445
Exercisable as at 31 March 2023	76,584	1,961	2,522	1,778

(i) Considering the options under the aforesaid scheme would be settled in Cash, the Company has accounted the expense under the Scheme as a liability.

c) Basis of Fair value:

As at 31 March 2023: Fair value is basis the recent transaction price basis which the Company has issued CCPS.

As at 31 March 2022: Fair value is basis the recent transaction price basis which the Company has issued CCPS.

As at 01 April 2021: Fair value is computed basis valuation report obtained from an independent valuer.

d) Details of expenses accounted during the year:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Pertaining employee stock option plans (including cost of cancelled options) - Cash settled options	377.03	2,230.18
Pertaining employee stock option plans (including cost of cancelled options) - Equity settled options	968.51	
Pertaining Stock appreciation rights	639.15	1,119.56
Pertaining employee stock option plans (included in other expenses)	-	62.82
Less: Amount recovered from related parties *	(558.62)	(18.84)
	1,426.07	3,393.72

* including equity component of cost cross charge as detailed in note 7(B).

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

45 Financial instruments - accounting classification and fair value measurement

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at 31 March 2023, 31 March 2022 and 01 April 2021. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Particulars	Note No.	Carrying value and fair value		
		As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Financial assets (at fair value)				
(i) Investment	7	2,637.61	-	-
Financial assets (at amortised cost)				
(i) Investment	7	191.73	138.29	9.20
(ii) Trade receivables	12	1,254.58	1,265.70	390.23
(iii) Cash and cash equivalents	13	6,930.92	6,299.59	247.69
(iv) Bank balance other than cash and cash equivalents	14	3.05	3.05	22.44
(v) Loans	15	19.81	0.52	0.28
(vi) Other financial assets	8, 16	584.41	12.34	10.01
Total assets		11,622.11	7,719.49	679.85
Financial liabilities (at fair value)				
(i) Borrowings (Level 3)	20	-	-	5,572.29
(ii) Other financial liabilities	22, 27	3,729.87	3,451.23	30.38
Financial liabilities (at amortised cost)				
(i) Lease Liabilities	21	230.91	10.09	31.14
(ii) Trade payables	25	1,599.89	647.91	369.32
(iii) Other financial liabilities	22, 27	355.89	164.60	95.30
		5,916.56	4,273.83	6,098.43

The carrying value of trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables, other financial liability are considered to be the same as their fair values due to their short term nature.

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
				31 March 2023
Financial assets and liabilities measured at fair values				
Investment in mutual funds	2,637.61	-	-	2,637.61
Total financial asset measured at fair value	2,637.61	-	-	2,637.61
Stock Appreciation Rights	-	-	1,857.49	1,857.49
Employee stock compensation liability	-	-	1,872.38	1,872.38
Total financial liabilities measured at fair value	-	-	3,729.87	3,729.87
				31 March 2022
Financial assets and liabilities measured at fair values				
Stock Appreciation Rights	-	-	1,267.36	1,267.36
Employee stock compensation liability	-	-	2,183.87	2,183.87
Total financial liabilities measured at fair value	-	-	3,451.23	3,451.23
				01 April 2021
Financial assets and liabilities measured at fair values				
Stock Appreciation Rights	-	-	30.38	30.38
Borrowings	-	-	5,572.29	5,572.29
Total financial liabilities measured at fair value	-	-	5,602.67	5,602.67

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

Notes:

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- a. Level 1 - Quoted prices (unadjusted) in an active market for identical assets or liabilities that the Group can assess at the measurement date
- b. Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- c. Level 3 - Unobservable inputs for the assets or liabilities.

Fair value measurements that use inputs of different hierarchy levels are categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire management.

The management assessed that cash and cash equivalent, trade receivables, trade payables, other financial assets(current), other financial liability (current), lease liabilities (current) and advance to employees approximates their fair value largely due to short-term maturities of these instruments.

The Optionally Convertible and Compulsory Convertible Preference Shares held by Investors is classified as liability and carried at fair value through profit and loss. The Company has valued the instrument by using the income approach.

The fair value of remaining financial instruments are determined on transaction date based on discounted cash flows calculated using lending/ borrowing rate.

Valuation techniques and significant unobservable inputs - Level 3

As at 01 April 2021

Type	Valuation technique	Significant unobservable inputs
Borrowings - CCPS and OCPS	Discounted Cash flow method	Growth rate - 5.00% Cost of equity - 18.40%

External valuers are involved for valuation of Level 3 valuation as described above. The Group management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

Below is the reconciliation of fair value measurements categorised within level 3 of the fair value hierarchy:

	Stock Appreciation Rights	Employee stock compensation liability	Borrowings - OCPS and CCPS
As at 01 April 2021	30.38	-	5,572.29
Charge to Profit and Loss	1,100.72	2,230.18	5,408.41
Accounted as Deemed Investment in Subsidiary	117.43	11.67	
Accounted as recoverable from subsidiary	18.84	-	
Accounted in equity	-	-	(10,980.70)
Paid during the year	-	(57.97)	-
As at 31 March 2022	1,267.36	2,183.87	-
As at 01 April 2022	1,267.36	2,183.87	-
Charge to Profit and Loss	477.38	374.19	-
Accounted as Deemed Investment in Subsidiary	47.79	2.53	
Accounted as recoverable from subsidiary	113.97	-	
Paid during the year	(49.01)	(688.21)	-
As at 31 March 2023	1,857.49	1,872.38	-

46 Financial risk management objectives and policies

The Company's principal financial liabilities comprises borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, cash and cash equivalents, trade and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below. There has been no change to the Company's exposure to the financial risks or the manner in which it manages and measures the risks.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. The Company is not exposed to interest rate risk and other price risk. Financial instruments affected by market risk includes investments, loans and borrowings, trade receivables, trade payables and lease liabilities.

The sensitivity analyses in the following sections relate to the position as at 31 March 2023, 31 March 2022 and 01 April 2021. The analyses exclude the impact of movement in market variables on: the carrying values of gratuity and other provisions.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company does not have any significant borrowings, the impact of change in interest rate is not significant.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The operations of the Company are carried out mainly in India and USA. However, the Company exports services to foreign customers and reimburses certain expenses to subsidiary companies. Hence the Company is currently exposed to the currency risk arising from fluctuation of the above foreign currency and Indian rupee exchange rates. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows, which is unhedged:-

	Currency	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
		Amount in Rs. million	Amount in Rs. million	Amount in Rs. million
Trade receivables	USD	1,293.42	1,291.70	378.87
Other financial assets	USD	508.00	-	-
Trade payables	USD	908.08	195.87	61.35
	GBP	2.86	0.68	0.24
	EUR	19.53	0.45	3.60

a) Also refer note 7 relating to investments in foreign currency.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in various currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Change in exchange rate	Effect on profit before tax in Rs. million			
	As at 31 March 2023		As at 31 March 2022	
	5%	-5%	5%	-5%
USD	44.67	(44.67)	54.79	(54.79)
GBP	(0.14)	0.14	(0.03)	0.03
EUR	(0.98)	0.98	(0.02)	0.02

(iii) Price risk

The Company invests surplus funds in liquid mutual funds and bank deposits. The Group is exposed to market price risk arising from uncertainties about future values of the investment. The Company manages the equity price risk through investing surplus funds in liquid mutual funds on a short term basis.

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023***(All amounts in Indian Rupees million, unless otherwise stated)***b. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating (primarily trade receivables) and from its financing activities (primarily cash and cash equivalents).

The Company monitors the exposure to credit risk on an ongoing basis through ageing analysis and historical collection experience. Outstanding customer receivables are regularly monitored by the Chief Financial Officer. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

i) Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivable. The Company creates allowance for all trade receivables based on lifetime expected credit loss model (ECL). The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The following table summarises the change in the loss allowance measured using ECL:

Particulars	As at	As at	As at
	31 March 2023	31 March 2022	01 April 2021
Opening balance	69.88	20.14	20.14
Impairment (reversal)/ recognised	(1.26)	49.73	-
Provision utilised during the year	-	-	-
Closing balance	68.61	69.88	20.14

ii) Other financial assets

Other financial assets includes security deposits and deposits with banks. Cash and cash equivalents and interest receivable are placed with a reputable financial institution with high credit ratings and no history of default.

c. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's financing activities are managed centrally by maintaining an adequate level of cash and cash equivalents to finance the Company's operations. The Company has substantial trade receivable balance which is expected to be recovered within 12 months.

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On Demand	Less than 1 year	1 year to 5 year	More than 5 year
As at 31 March 2023				
(i) Lease Liabilities	-	59.63	256.87	23.22
(ii) Trade payables	-	1,599.89	-	-
(iii) Other financial liabilities	-	4,030.04	55.72	-
As at 31 March 2022				
(i) Lease Liabilities	-	10.47	-	-
(ii) Trade payables	-	647.91	-	-
(iii) Other financial liabilities	-	3,473.62	142.21	-
As at 01 April 2021				
(i) Borrowings	-	-	5,572.29	-
(ii) Lease Liabilities	-	23.88	10.47	-
(iii) Trade payables	-	369.32	-	-
(iv) Other financial liabilities	-	83.96	41.72	-

47 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, Non-Cumulative Compulsorily/ Optionally Convertible Preference Shares, securities premium, all other equity reserves attributable to the shareholders of the Group and borrowings. The primary objective of the Company's capital management is to maintain a strong capital base to ensure sustained growth in business and to maximize the shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, trade and other payables, other financial liabilities, lease liabilities less cash and cash equivalents, bank balances other than cash and cash equivalents, fixed deposits and current investments.

	As at 31 March 2023	As at 31 March 2022	As at 01 April 2021
Borrowings *	-	-	-
Trade Payables	1,599.89	647.91	369.32
Other financial liability	4,085.76	3,615.83	125.67
Lease liability	230.91	10.09	31.14
Less: Cash and cash equivalents	(6,930.92)	(6,299.59)	(247.69)
Less : Other bank balances	-	-	(19.46)
Less: Current investments	(2,637.61)	-	-
Net adjusted debt (A)	(3,651.97)	(2,025.76)	258.98
Total equity capital (B) **	6,015.84	3,017.64	349.16
Total debt and equity (C)=(A)+(B)	2,363.87	991.88	608.15
Gearing ratio (A)/(C)***	-	-	0.43

* Excludes borrowings that are classified as liability from equity. Refer note 20.

** Includes CCPS and OCPS amounting to Rs. 5,572.29 million as on 01 April 2021.

*** Disclosed as nil for year ended 31 March 2023 and 31 March 2022 since the same is negative as the company is funded majorly through own funds and equity investments.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets terms and conditions attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and 31 March 2022.

48 First-time adoption of Ind AS

These standalone financial statements for the year ended 31 March 2023, are the first standalone financial statements the Company has prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standard) Rules 2021. (Indian GAAP or Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended on 31 March 2023, together with the comparative year data as at and for the year ended 31 March 2022, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 01 April 2021, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 01 April 2021 and the financial statements as at and for the year ended 31 March 2022.

A Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) Deemed cost for Property, plant and equipment and intangible assets:

Ind AS - 101 permits a first-adopter a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the Financial Statements as at the date of the transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS - 38 'Intangible assets'.

Accordingly the Company has elected to measure all its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(ii) Classification and measurement of financial instruments:

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

(iii) Leases :

Ind AS - 116 is applied with modified retrospective approach, the company has measured the lease liability at the date of transition to Ind AS, where lease liability is measured at the present value of remaining lease payments. The company has adopted the second approach prescribed by Ind AS 116, wherein the value of Right to Use assets are recognised equal to value of the discounted lease liabilities as on the date of transition.

The Company also applied the available practical expedients wherein it:

- has used a single discount rate for leases.
- has elected to apply short term lease exemption to leases for which the lease term ends within 12 months of the date of initial application.
- has excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

B Mandatory exemptions availed:

Ind AS 101 also requires first-time adopters to apply mandatory exceptions for retrospective application of certain requirements under Ind AS for transition from the previous GAAP (IGAAP):

(i) Derecognition of financial assets and financial liabilities

Ind AS - 101 requires a first time adopter to apply the de-recognition provisions of Ind AS - 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS - 101 allows a first time adopter to apply the de-recognition requirements in Ind AS - 109 retrospectively from a date of the Company's choice, provided that the information needed to apply Ind AS - 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

(ii) Classification and measurement of financial assets

Ind AS - 101 requires a Company to assess classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Company has assessed the same accordingly.

(iii) Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

Ind AS estimates as at 01 April 2021, are consistent with the estimated as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss method (Simplified approach).

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

C Reconciliation of total equity between previous GAAP and Ind AS
1. Equity Reconciliation

Particulars	Notes	As at 31 March 2022	As at 01 April 2021
Equity as reported under previous GAAP		2,940.75	369.99
Ind AS adjustments			
Fair value adjustments			
Security deposits paid	(i)	(0.08)	(0.08)
Security deposits received	(ii)	0.19	-
Provision for expected credit loss	(iii)	(37.12)	(2.57)
Impact on ESOP and SAR	(vii)	133.35	4.23
Compulsory convertible preference shares(CCPS) and Optionally convertible preference shares(OCPS)	(v)	-	(5,572.29)
Leases	(iv)	(1.48)	-
Others		(17.97)	(22.40)
Total adjustments		76.90	(5,593.11)
Total Equity under Ind AS		3,017.64	(5,223.12)

2. Total comprehensive income reconciliation for the year ended 31 March 2022

Particulars	Notes	For the year ended 31 March 2022
Profit after tax as per previous GAAP		(3,357.46)
Ind AS adjustments		
Fair value adjustments		
Impact on account of Security deposit received	(ii)	0.19
Provision for expected credit loss	(iii)	(34.55)
Impact on ESOP and SAR	(vii)	131.03
Compulsory convertible preference shares(CCPS) and Optionally convertible preference shares(OCPS)	(v)	(5,408.41)
Fair value of the financial instruments	(viii)	(2,207.08)
Impact on account of leases (Ind-AS 116)	(iv)	(1.48)
Others		4.44
Net Profit/(Loss) after tax as per Ind AS		(10,873.30)
Other comprehensive income (net of tax)		-
Total comprehensive income/(Loss) as per Ind AS		(10,873.30)

3. Cash flow reconciliation for the year ended 31 March 2022

Particulars	Previous GAAP*	Adjustments [#]	Ind AS
Net cash flows from operating activities	86.93	(19.37)	67.56
Net cash flows used in investing activities	(71.03)	43.25	(27.78)
Net cash flows from financing activities	6,036.00	(23.88)	6,012.12
Cash and cash equivalents at the beginning of the year	247.69	-	247.69
Cash and cash equivalents at the end of the year	6,299.59	0.00	6,299.59

D Notes to reconciliations between Indian GAAP and Ind AS

(i) Security deposits paid

Under previous GAAP, interest free security deposits are carried at their transaction value. Under Ind AS 109, these deposits are initially recognised at fair value and subsequently measured at amortised cost at the end of each reporting period. Accordingly, the difference between transaction value and fair value of these deposits is recognised as Right-of-use-assets and is amortised over the period of lease term or agreement of deposit respectively. Further, interest is accrued on the present value of these security deposits. On transition date the company has adjusted retained earnings towards fair value of security deposits by Rs. (0.08) million.

(ii) Security deposits received

Under previous GAAP, interest free security deposits received from customers are carried at their transaction value. Under Ind AS 109, these deposits are initially recognised at fair value and subsequently measured at amortised cost at the end of each reporting period. Accordingly, the difference between transaction cost and fair value is recognised as deferred income and charged over the period of the agreement on a straight-line basis. Further, interest expense is recognised on the amortised cost of the security deposits over the agreement period. During the year March 31, 2022 the company has further adjusted Rs. 0.19 million to the retained earning towards increase in fair value of security deposits.

(iii) Provision for expected credit loss

Under previous GAAP, the Company has created provision for impairment of receivables based on the incurred loss model. Under Ind AS, impairment loss has been determined as per Expected credit loss (ECL) model. On transition date the company has adjusted retained earnings towards incremental expected credit loss by Rs. (2.57) million and during the year March 31, 2022 the company has further adjusted Rs. (34.55) million to the retained earning towards increase in fair value of security deposits.

(iv) Leases

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Pursuant to application of Ind AS, for operating leases other than those for which the company has opted for short term or low value exemptions, the company has recorded a right-of-use assets and lease liabilities. Right-of-use assets is amortised over the lease term or useful life of the leased assets whichever is lower and lease liabilities is subsequently measured at amortised cost and interest expense is recognised. As the company has opted the modified retrospective approach (i.e. lease liabilities-ROU) and the lease liability is measured at present value of remaining lease payments as at the date of transition. Accordingly on adoption of Ind AS-116, on transition date there is no impact against retained earning and during the year ended March 31, 2022, the company has recognised Rs. (1.48) million in the statement of profit and loss.

(v) Compulsorily convertible preference shares (CCPS) and optionally convertible preference shares (OCPS)

Under the previous GAAP, Compulsorily convertible preference shares (CCPS) and optionally convertible preference shares (OCPS) issued to the investors were classified as equity and carried at transaction value. The terms of the instrument provided the holder an option to convert the instrument at any time and also a right to put back the instrument to the Company on non completion of an 'Initial Public Offering'. On such occurrence, the Company will be obliged to buyback CCPS and OCPS at a price equal the fair value of equity shares at redemption. The instrument is assessed to be a financial liability with an embedded derivative liability in the form of settlement option. At initial recognition it is recorded at its fair value and difference between its fair value and the carrying amount as per previous GAAP is recognised in the retained earnings. The company has recorded a fair market value adjustment of Rs 2,900.44 million to retained earnings as at April 01, 2021. In the year March 31, 2022 the company has accounted fair value loss of Rs 5,408.41 million on account of fair valuation of CCPS & OCPS.

(vi) Remeasurement of post employee benefits expense

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability which is recognised in other comprehensive income in the respective periods.

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

(vii) ESOP/SAR Cross-Charge

Under Ind AS, the grant of a share-based payment by a parent to a subsidiary increases the value of the parent's direct or indirect investment in the subsidiary. Therefore, the parent recognised the share-based payment as the investment in the subsidiary.

(viii) Fair value of the financial instruments

The company has issued Bonus CCPS to all the shareholders of the Company. Subsequent to the issue, shareholders approved certain changes to the terms of these CCPS resulting in differential fixed conversion ratios. Basis such terms, certain shareholders of the company were entitled for additional equity shares on such conversion by diluting certain incoming investors and achievement of valuation related milestones. These Bonus CCPS are considered as financial instruments and fair value on the date of issuance is accounted at fair value through the standalone statement of profit and loss. The fair value of these additional equity shares is arrived based on the independent valuation performed by registered valuer.

E Material recompanying

Appropriate adjustments have been made in these standalone financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirement of Ind AS.

Amagi Media Labs Private Limited
Notes to standalone financial statements for the year ended 31 March 2023
(All amounts in Indian Rupees million, unless otherwise stated)

49. Ratio Analysis

Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% change	Reason
Current ratio	Current Assets	Current Liabilities	1.90	1.75	8.27%	Refer Note 2
Return on Equity ratio	Profit / (loss) after tax	Average Shareholder's Equity	(0.77)	9.85	-107.81%	On 01 April 2021, the company has classified the CCPS and OCPS as financial liability and hence the networth of the company was negative. Further, during the previous year, the company has recognised Changes in fair valuation of preference share amounting to Rs. 5,408.41 million and Fair value of financial instrument amounting to Rs. 2,207.08 million, resulting in increased loss.
Inventory Turnover ratio (in times)	Cost of goods sold = Purchases and change in inventory	Average Inventory	(0.00)	2.01	-100.00%	The company has provided 100% provision on the closing inventory during the current year.
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable (Trade Receivable + Unbilled Revenue)	2.50	4.01	-37.52%	Due to increase in receivables from related party balances during the current year which stand uncollected as at closing date.
Trade Payable Turnover Ratio	Purchases+ other expenses	Average trade payables	3.20	8.62	-62.81%	Due to increase in communication expenses and increase in Inter-company payable balance during the current year.
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	0.56	0.98	-43.17%	Due to Series F funding round, the current assets of the company has significantly increased.
Net Profit ratio	Profit after tax	Revenue from operations	(1.10)	(3.27)	-66.37%	During the previous year, the company has recognised Changes in fair valuation of preference shares amounting to Rs. 5,408.41 million and Fair value of financial instruments amounting to Rs. 2,207.08 million resulting in increased losses.
Return on Capital Employed	Profit before taxes and interest	Capital Employed = Net worth	(0.57)	(3.57)	-83.93%	On 01 April 2021, the company has classified the CCPS and OCPS as financial liability and hence the networth of the company was negative. Further, during the previous year, the company has recognised Changes in fair valuation of preference share amounting to Rs. 5,408.41 million and Fair value of financial instrument amounting to Rs. 2,207.08 million, resulting in increased loss.
Return on Investment	Income generated from invested funds	Average investment funds	0.07	-	100.00%	Due to Series F funding round, the company has invested additional cash into mutual fund.

Notes:

- 1) The Company does not have any borrowings as at 31 March 2023 and 31 March 2022 and accordingly, debt service coverage ratio and debt equity ratio are not applicable.
- 2) Variance less than +/- 25%.

50. Fair value of financial instruments

	For the year ended 31 March 2023	For the year ended 31 March 2022
Fair value of financial instruments	80.00	2,207.08
	80.00	2,207.08

The company has issued Bonus CCPS to all the shareholders of the Company. Subsequent to the issue, shareholders approved certain changes to the terms of these CCPS resulting in differential fixed conversion ratios. Basis such terms, certain shareholders of the company were entitled for additional equity shares on such conversion by diluting certain incoming investors and achievement of valuation related milestones. These Bonus CCPS are considered as financial instruments and fair value on the date of issuance is accounted at fair value through the standalone statement of profit and loss. The fair value of these additional equity shares is arrived based on the independent valuation performed by registered valuer.

51. The Company has entered into international transactions with its associated enterprises within the meaning of section 92A of the Income Tax Act, 1961. The Company is in the process of carrying out transfer pricing study, to comply with the requirements of the Income Tax Act, 1961 for the year ended 31 March 2023. The Company is of the view that all the aforesaid transactions have been made at arms' length terms.

Amagi Media Labs Private Limited**Notes to standalone financial statements for the year ended 31 March 2023**

(All amounts in Indian Rupees million, unless otherwise stated)

52. Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company is not a willful defaulter to any bank, financial institution or any other lender.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (ix) The Company do not have any transactions with companies struck off.

53. Daily backup of books of accounts

The company does not have its server physically located in India and also does not have system for daily backup of books of accounts in electronic mode in India. The management is taking steps to ensure that there is a backup server in India and process for daily backup is defined as required under applicable statute.

54. Events after reporting date:

There were no significant events identified after the balance sheet date.

55. Absolute amounts less than Rs 5,000 are appearing in the financial statements as "0.00" due to presentation in million.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm registration number: 101049W/E300004

Sd/-

per Rajeev Kumar

Partner

Membership number: 213803

For and on Behalf of the Board of Directors of

Amagi Media Labs Private Limited

CIN: U73100KA2008PTC045144

Sd/-

Baskar Subramanian

Director

DIN: 02014529

Place: Los Angeles, USA

Date: 27 September, 2023

Sd/-

Srividhya Srinivasan

Director

DIN: 02014532

Place: Los Angeles, USA

Date: 27 September, 2023

Sd/-

Kusum Gore

Company Secretary

Membership No: A41477

Place: Bengaluru

Date: 27 September, 2023

Sd/-

Vijay NP

Chief Financial Officer

Place: Los Angeles, USA

Date: 27 September, 2023

Place: Bengaluru

Date: 27 September, 2023