BASILIC FLY STUDIO LTD

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Phone
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North Main Road
Near Hard Rock Cafe
Pune Maharashtra - 411036.

Registered Address
Tower A, KRC Commerzone,
Mount Poonamallee Road Porur,
Chennai, Tamilnadu - 600116.
CIN : L92100TN2016PLC103861

September 06, 2024
Ref: NSE/49/2024-25

To,
The Manager
Listing Department,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C-1, Block G,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Symbol: BASILIC
ISIN: INE0OCC01013

Sub: Intimation for Notice of 8th Annual General Meeting and Annual Report for the financial year of 2023-24 of Basilic Fly Studio Limited

Ref: Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

This is to inform you that 8th Annual General Meeting of the Company to be held on Monday, 30th September 2024 at 11.30 a.m. (IST) through Video Conferencing/Other Audio-Visual Means.

Pursuant to Regulation 34(1) SEBI Listing Regulations, please find enclosed herewith the Annual Report of the Company for the Financial Year 2023-24. The same has been sent to the members of the Company only through electronic mode (e-mail) today.

The said Annual Report and Notice is also being made available on the Company's website at https://www.basilicflystudio.com/wp-content/uploads/2024/09/Basilic-Fly-Studio-Limited-AR24-V3-1.pdf.

You are requested to take the above information on record.
Thanking You

Yours faithfully,
For Basilic Fly Studio Limited

Swati Sharma
Digitally signed by Swati Sharma
Date: 2024.09.06 22:51:35 +05'30'

Swati Sharma
Company Secretary & Compliance Officer.

BASILIC FLY
STUDIO

DIVERSIFY, INNOVATE, EXPAND:

FROM LOCAL ROOTS TO GLOBAL HEIGHTS

Basilic Fly Studio Limited

ANNUAL REPORT 2023-24

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Disclaimer

The statements contained in this report are not historical facts they are statements of future expectations and other forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those in such statements. When used in this discussion, words like "plans,' 'expects,' 'anticipates,' 'believes,' 'intends,' 'estimates,' or similar expressions related to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements based on any new information, assumption, expectations, future event, subsequent development, or otherwise.

DIVERSIFY, INNOVATE, EXPAND:

FROM LOCAL ROOTS TO GLOBAL HEIGHTS

Basilic Fly Studio Limited has steadily evolved from its local origins, driven by a passion for creativity and innovation. The company's growth is rooted in its commitment to diversifying its services, embracing new technologies, and exploring new markets. With a focus on expanding its horizons and refining its craft, Basilic Fly Studio continues to build strong connections with clients around the world. By nurturing talent and fostering a culture of creativity, the studio is well-positioned to scale new heights and make a meaningful impact in the visual effects industry.

Company Overview

Unleashing Imagination, Elevating Reality

Basilic Fly Studio (BFS), established in 2016, is a premier visual effects (VFX) studio headquartered in Chennai, India, with subsidiaries in Canada and the UK. Specializing in creating captivating visual experiences, BFS leverages its extensive expertise to push the boundaries of creativity and technology. The studio delivers top-notch VFX solutions for movies, TV shows, web series, and commercials.

Known for its high-quality output and dedication to embracing the latest technology, BFS has emerged as a leading name in the VFX industry. The company's team of skilled artists has earned a reputation for excellence, serving clients from diverse sectors and countries. BFS's work spans multiple platforms and end-uses, ensuring meticulous attention to detail in every project.

BFS has achieved remarkable milestones since its humble beginnings in an 800-square-foot workspace with a small team. Today, it stands as a hub for top industry talent from India and abroad. In September 2023, BFS reached a significant milestone by listing on the NSE Emerge platform.

Vision

To blaze new trails in the world of visual effects, driving the industry forward with our pioneering spirit, artistic vision, and unwavering commitment to delivering extraordinary visual experiences.

Mission

To be the vanguard of the VFX world, pioneering the art and science of visual effects with unmatched creativity, technical prowess, and a relentless pursuit of excellence.

Key Facts & Figures

10,200+
Projects

Worked For
2,050+
Series

8,125+
Commercials Completed

Worked For
930+
Movies

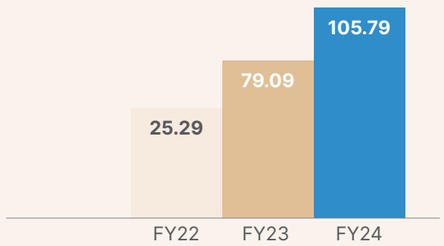
450+
Team Members

300+
Clients

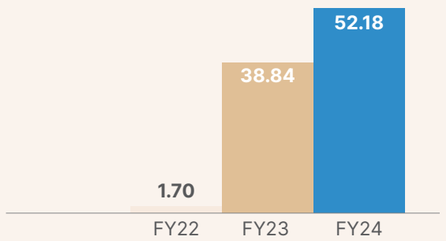
Presence - Offices in Chennai, Pune, London, and Vancouver

Financial Highlights

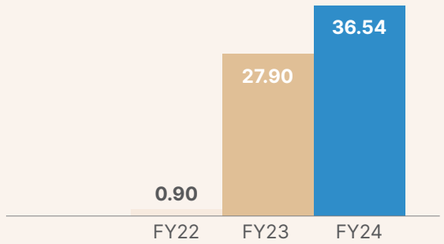
TOTAL INCOME



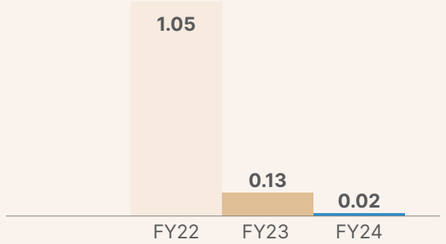
EBITDA



NET PROFIT

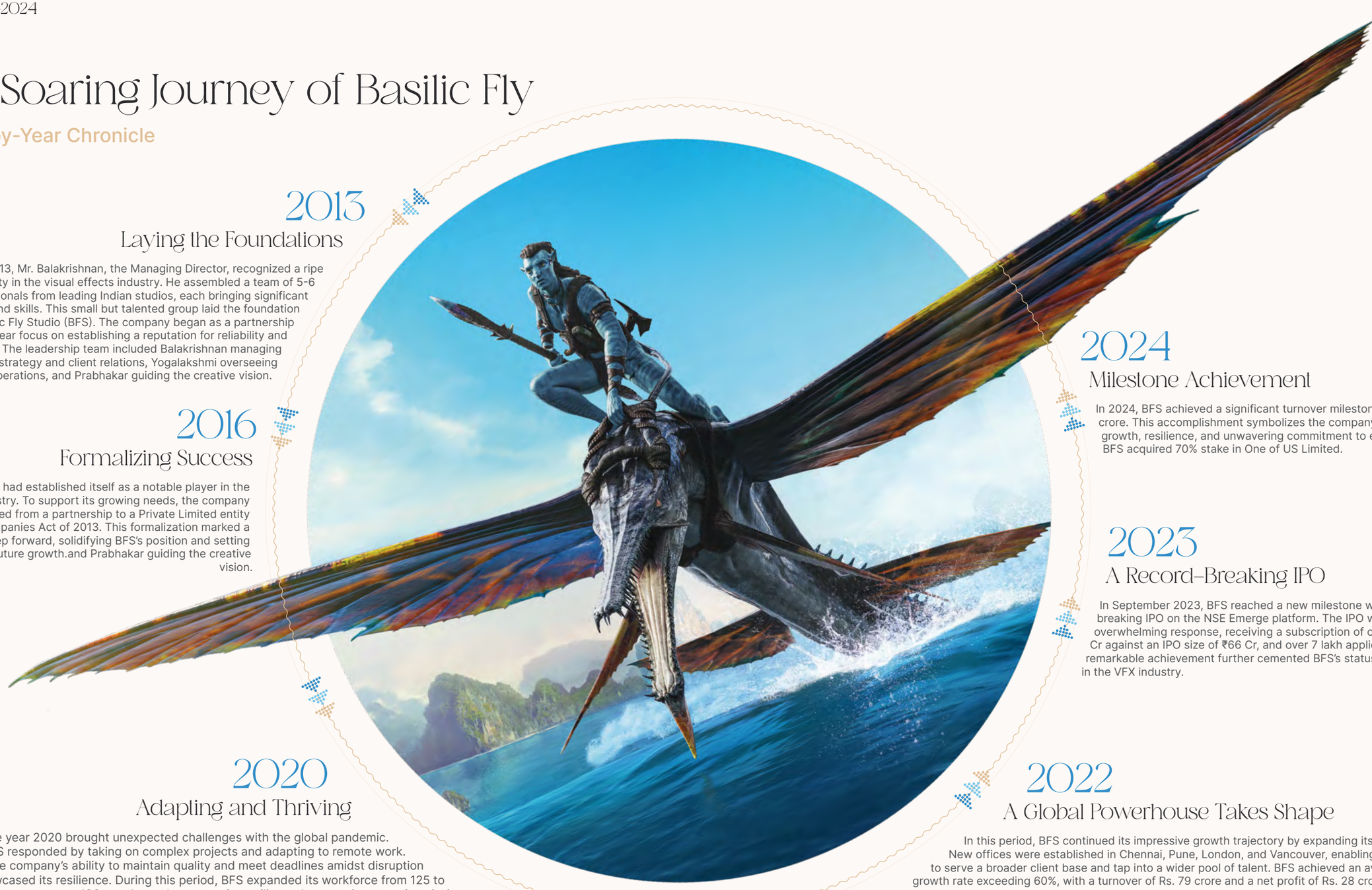


DEBT TO EQUITY



The Soaring Journey of Basilic Fly

A Year-by-Year Chronicle



2013
Laying the Foundations

In 2013, Mr. Balakrishnan, the Managing Director, recognized a ripe opportunity in the visual effects industry. He assembled a team of 5-6 VFX professionals from leading Indian studios, each bringing significant experience and skills. This small but talented group laid the foundation for Basilic Fly Studio (BFS). The company began as a partnership firm with a clear focus on establishing a reputation for reliability and excellence. The leadership team included Balakrishnan managing business strategy and client relations, Yogalakshmi overseeing operations, and Prabhakar guiding the creative vision.

2016
Formalizing Success

By 2016, BFS had established itself as a notable player in the VFX industry. To support its growing needs, the company transitioned from a partnership to a Private Limited entity under the Companies Act of 2013. This formalization marked a significant step forward, solidifying BFS's position and setting the stage for future growth.and Prabhakar guiding the creative vision.

2020
Adapting and Thriving

The year 2020 brought unexpected challenges with the global pandemic. BFS responded by taking on complex projects and adapting to remote work. The company's ability to maintain quality and meet deadlines amidst disruption showcased its resilience. During this period, BFS expanded its workforce from 125 to over 196 members, demonstrating agility and a commitment to its mission.

2022
A Global Powerhouse Takes Shape

In this period, BFS continued its impressive growth trajectory by expanding its global footprint. New offices were established in Chennai, Pune, London, and Vancouver, enabling the company to serve a broader client base and tap into a wider pool of talent. BFS achieved an average annual growth rate exceeding 60%, with a turnover of Rs. 79 crore and a net profit of Rs. 28 crore. The company's success and global reach positioned it as a leading VFX powerhouse.

2023
A Record-Breaking IPO

In September 2023, BFS reached a new milestone with a record-breaking IPO on the NSE Emerge platform. The IPO was met with overwhelming response, receiving a subscription of over ₹14,000 Cr against an IPO size of ₹66 Cr, and over 7 lakh applications. This remarkable achievement further cemented BFS's status as a major player in the VFX industry.

2024
Milestone Achievement

In 2024, BFS achieved a significant turnover milestone of ₹100 crore. This accomplishment symbolizes the company's journey of growth, resilience, and unwavering commitment to excellence. BFS acquired 70% stake in One of US Limited.

Celebrates a Milestone with

Successful and Record-Breaking IPO Listing

Basilic Fly Studios Shines in FY 2023-24:

A Year of Iconic Movies, Groundbreaking Series, and Cutting-Edge Commercials

Blockbuster Movies:

Notable Series:

Commercials:

LEGO · vodafone · LANCÔME PARIS · Audi · TOYOTA · Lay's

Expands Global Reach with

Acquisition of BAFTA and Emmy Winning London VFX Studio, One of US Limited

Strategic Benefits

Expansion of Talent and Resources: This partnership expands the combined talent pool to over 900 artists, leveraging state-of-the-art technologies and proprietary tools.

Operational Efficiencies Synergies from the acquisition are expected to enhance operational efficiencies, cost savings, and market competitiveness.

Technological Advancements Focus on emerging technologies such as artificial intelligence (AI) to drive innovation and creative capabilities.

Market Diversification Strengthening presence in Europe and North America, aligning with BFS's strategic goal of regional diversification.

Basilic Fly Studio Limited acquires a 70% majority stake in One of US Limited, a BAFTA and Emmy-winning VFX studio based in London and Paris. This strategic acquisition strengthens BFS's global presence, merging two studios known for their innovation and exceptional quality in visual effects.

one of us

Wins

- BAFTA TV Awards 2022 Special, Visual & Graphic Effects – The Witcher
- BAFTA Craft Award 2018 Special, Visual and Graphic Effects – The Crown (S2)
- Emmy Creative Arts Award 2018 The Alienist

Nominations

- Emmy Award 2018 The Crown (S2)
- BAFTA Awards 2022 The Matrix Resurrections
- Emmy Awards 2022 The Man Who Fell To Earth for 'Episode One'

Collaborative Synergies

Future Direction

- Technological Focus: Commitment to advancing AI and other emerging technologies to enhance creative output.
- Regional Growth: Plans for expansion in Europe and North America, and opening two new dedicated facilities in India.
- Talent Development: Nurturing the next generation of VFX artists to set new industry standards.

Company Overview:

One of US Limited

Founded in London in 2004 by Rachael Penfold, Dominic Parker, and Tom Debenham, One of US Limited has built a reputation for creative excellence in film and TV. With expertise in all production stages and a bold design philosophy, the studio has won BAFTA TV Awards for The Crown and The Witcher and an Emmy for The Alienist. With a capacity for over 450 artists, One of US continues to be a trusted partner for filmmakers and creators worldwide.

BFS and One of US Limited have collaborated on many high-profile projects over the past five years, including:

Services:

Redefining Storytelling with Advanced Visual Effects

Previs or Previsualization

Previsualization, or previs, is the process of visualizing scenes or sequences in a film before actual filming. It is used in various creative fields like animation, performing arts, video game design, and photography.

Computer Graphic(CG)

Computer graphics in visual effects encompass computer-generated assets, FX, lighting, digital matte painting, environments, and compositing. They bring life to elements like explosions, lighting effects, immersive environments, and seamless integration of visual elements. These components work together to create stunning visual effects, enhancing storytelling and captivating audiences.

Onset Supervision

On-set supervision is crucial for projects involving visual effects. The VFX supervisor collaborates with the director and production team to understand the script's needs. This prevents costly re-shoots and facilitates effective collaboration between departments.

Final Compositing

Final compositing is the last step in the visual effects (VFX) pipeline where CGI, live-action footage, matte paintings, and effects are seamlessly blended into a single, cohesive image or sequence

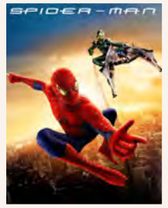
Completed the Annual Trusted Partner Network Assessment Process

Audited by multiple studios

BASILIC FLY STUDIO LTD

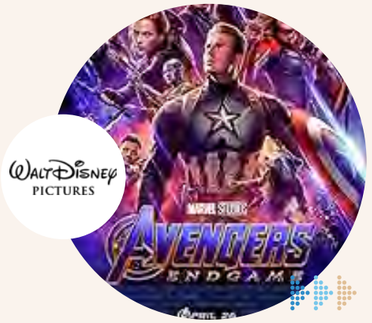
Cinematic Achievements:

Project Highlights



Pushing Boundaries & Crafting Visual Wonders :

Key Challenging Projects



Rating	IMDb	RT	G
	8.4	94%	94%

Box office-$2,799billion

Budget-$356-400mn

With over 2000 meticulously crafted shots, our unwavering commitment were on full display. From property and character recreations to electrifying trailer shots and seamless proxy removals, we tackled every challenge with boundless creativity.

Our work also included mesmerizing parallaxes, removing safety cables in breath-taking stunt sequences, and delicate prosthetic work for beloved characters like Mantis. The project was both challenging and exhilarating, bringing immeasurable joy to our team.

Rating	IMDb	RT	G
	7.4	91%	84%

Box office-$432mn

Budget-$150-200mn

Our company brought the martial arts and mystical power to life in Shang-Chi and the Legend of the Ten Rings. Through super tight skin rotomation, we infused mesmerizing vitality into the intricate rings.

Meticulous tracking enhanced the grace of action sequences, capturing the rhythm and flow of body movements. We faced the challenge of extending a villain's hand, employing precise tracking for realistic sword movements. The fusion of creative prowess and technical finesse elevated the film to new heights.

Rating	IMDb	RT	G
	8.2	96%	79%

Box office-$1.496billion

Budget-$170-177mn

Our company took on the challenge of capturing breath-taking acrobatic stunts in Top Gun: Maverick. We faced the interplay between a fast-moving camera and jets, pushing for unmatched realism. Through tracking techniques, we conveyed the velocity and intensity of these high-flying marvels.

Each shot demanded dedication, especially in capturing the mesmerizing movement of the jet's wings. Adapting our approach to each unique shot, we blended augmented environments, captivating backgrounds, and fully CG aircraft to amplify the pulse-pounding action.

Rating	IMDb	RT	G
	8.2	93%	96%

Box office-$1.922billion

Budget-$200mn

Our company delved into the enigmatic visage of Doctor Strange in Spider-Man: No Way Home. Through meticulous rotomation, we seamlessly blended the mystical arts with technical finesse.

Suit replacement posed a challenging task, requiring precise attention to avoid deformities or jarring anomalies. Our artistry embraced the challenge, intertwining creativity and technical prowess, breathing life into the visual tapestry of Spider-Man: No Way Home.

Rating	IMDb	RT	G
	4.2	5%	62%

Box office-$1079mn

Budget-$55mn

In 2013, BFS, an Indian VFX company, took on the challenge of delivering top-notch visual effects for a movie featuring the JOKER. Within three months, we brought over 350 captivating shots to life, embracing the pioneering Native Stereo technique.

As the sole Indian company on the project, we stood out among the other US-based companies involved.

Rating	IMDb	RT	G
	7.7	64%	86%

Box office-$2032mn

Budget-$350mn

our company crafted an extraordinary visual effects masterpiece in Avatar : The way of Water Our work involved tracking nuanced body movements, ensuring seamless integration with the story.

We faced the challenge of immersing ourselves in the intricate depths of this extraordinary tale, intertwining creative vision with technical finesse to bestow vibrant vitality upon The Whale.

Prioritizing Employee Growth

And Development with Comprehensive Learning Programs

BFS is dedicated to fostering an inclusive work culture that ensures equal opportunities for all employees, regardless of gender, race, religion, or sexual orientation. The company prioritizes employee welfare by investing in healthcare and training programs, while also maintaining a safe working environment. Additionally, BFS actively engages in corporate social responsibility through social welfare activities and community development initiatives, partnering with non-profit organizations.

Investing in Soft Skills for a Collaborative Environment

Cultivating Leaders, Shaping the Future

Staying Ahead of the Curve - Technical Upskilling

Embracing Versatility - Cross-Skilling for Broader Horizons

Innovation in Action

How BFS is Transforming VFX

At Basilic Fly Studio (BFS), innovation goes beyond technology; it's about shaping the future of VFX. BFS's key initiatives include:

R&D: Shaping the Future

BFS's dedicated R&D division explores the potential of Augmented Reality (AR), Artificial Intelligence (AI), and Machine Learning (ML):

Integrate AR: Enable real-time interaction with 3D models for streamlined pre-production.

Implement AI Workflows: Automate tasks like rotoscoping, freeing artists for creative work.

Utilize ML: Enhance processes like color correction and lighting adjustments.

Strategic Partnerships: Driving Innovation

BFS collaborates with:

Tech Leaders: Gaining early access to advanced AI, AR, and cloud technologies.

Educational Institutions: Tapping into new talent and advancing VFX tools.

Content Creators: Ensuring innovations align with industry needs and enhance storytelling.

Transformation: Modernizing the VFX Pipeline

BFS modernizes workflows by:

Adopting Cloud Infrastructure: Providing scalable, flexible, and remote access to rendering power.

Automating Tasks: Freeing artists from repetitive work.

Leveraging Data: Optimizing workflows and anticipating project challenges.

Celebrating Wins:

Honouring Innovation and Creativity

Best VFX TV Series (International) - Warrior Nun 2

Best VFX Shot in TV Series (International) - Warrior Nun 2

Best VFX Shot in Feature Film (International) - Antman Quantum Mania

Company Of The Year (Creative Media Solution 2022) At India Icons Awards

Most Prominent Company 2023, (Animation Category) At Nation Wide Awards

Times Business Awards Bengaluru 2023

Outlook Business Excellence awards 2023

Board Of Directors

BALAKRISHNAN
Managing Director

SUNDARAM YOGALAKSHMI
Whole-Time Director

DURAISWAMI PRABHAKAR
Whole-Time Director

Nandhagopal Damodaran
Independent Director

Vengarai Seshadri Sowrirajan
Independent Director

Jitendra Kumar Pal
Independent Director

Our Team:

ZAMEER HUSSAIN A.K
COO & Global EVP

JENNIFER
GM Business Development

DAN LEVITAN
Executive VFX Supervisor

Swati Sharma
Company Secretary

Managing Director & CEO's Letter

Embracing Innovation and Redefining VFX Excellence on Global Scale

> Our revenue exceeded ₹100 crores in FY24 and our record-breaking IPO on the NSE Emerge platform heralded a new era of growth and opportunities for BFS!

Dear Shareholders,

I am immensely proud and grateful to present Highlights of Basilic Fly Studio Ltd. for FY 2023-24. This year has been a significant chapter in our journey, marked by remarkable achievements, steadfast resilience, and a clear vision for the future, underscored by successful strategic initiatives and a commitment to client-focused service excellence.

The past year has been transformative for BFS, punctuated by our successful IPO. Listing on the NSE Emerge platform in September 2023 with a record-breaking IPO subscription was a momentous occasion, marking a new era of growth and opportunities for BFS. The overwhelming response from investors helped to build the confidence in our company's vision, capabilities, and potential for future growth. We deeply appreciate our shareholders' support and trust.

One of our major recent accomplishments was the acquisition of a 70% stake in the BAFTA and Emmy-winning VFX studio One of Us Limited, based in London and Paris. This strategic partnership unites two leaders in visual effects, combining BFS's global ambitions with One of Us's legacy of creative excellence. Over the past five years, our studios have collaborated on significant projects like "Bridgerton" and "Fantastic Beasts: The Secrets of Dumbledore." This acquisition enables us to deepen our collaboration, foster innovation, and expand our presence in Europe and North America. With a combined talent pool of over 900 artists, cutting-edge technology, and a shared commitment to creativity and excellence, we aim to set new standards in the VFX industry, leveraging emerging technologies such as AI.

> **With the acquisition of BAFTA and Emmy-winning One of Us, we bring together a formidable talent pool of over 900 artists and cutting-edge technology to redefine the future of visual effects across the globe.**

Also, during FY24, BFS upheld its dedication to excellence and innovation across various sectors in the VFX industry. Among our standout projects are iconic titles like "Wonka", "Mission Impossible", "Genie", "Loki Season 2", and commercials for brands such as Vodafone, LEGO, Audi, and Lay's, featuring the memorable "Messi 1000 Goats" campaign, among many others.

Our team's exceptional talent and creativity have been recognized at the VAM Awards 2024 with three major accolades, including Best VFX TV Series (International) and Best VFX Shot in both a TV series and a feature film. These awards celebrate our unwavering dedication to pushing the boundaries of visual effects on the global stage.

I appreciate our dedicated team whose commitment drives our success. We are achieving promising outcomes with a workforce of over 500 employees, including remote overseas staff, and strategic investments in senior-level talent globally. These experienced professionals strengthen our relationships with studios and directors, significantly expanding our industry influence.

Despite the disruptions caused by strikes in the international market, we remained steadfast in our operations. Following the Writers and Actors strikes from May 2023 in Hollywood, the industry came to a standstill, impacting numerous productions and causing delays in schedules. These disruptions rippled across the entertainment industry, affecting VFX companies like ours. The resolution of these issues has been instrumental in facilitating industry recovery. Despite the global downturn in demand in 2023, the Indian VFX sector demonstrated resilience with a commendable 10% growth. Looking forward, this segment is projected to expand at a robust CAGR of 17.5% to reach ₹185 billion by 2026 as per EY report.

The anticipated growth of the Indian VFX industry aligns well with our strategic objectives. Despite a modest 6% growth in the animation and VFX industry in 2023, largely influenced by external factors such as the Hollywood writers' strike disrupting global production pipelines, India's rise as a global entertainment investment hub presents significant opportunities for us.

Through effective management and strategic planning, we navigated these challenges and ensured minimal impact on our projects and client commitments. Our proactive measures to tackle industry disruptions, including venturing into new markets, languages, and geographies, have not only enhanced our resilience but have also positioned us for sustained growth and leadership in the global VFX arena.

During industry-wide downturns, BFS delivered consistent organic growth, driven by our team's dedication, creativity, and adaptability. We prioritised investing in our employees through a robust Learning & Development program to enhance their skills, also achieving a 100% participation rate. Despite the challenges, we utilised this period to train our team, preparing for an anticipated increase in projects as the industry rebounds and returns to normalcy.

> **Our dedicated team and strategic hires drove our success in FY24, completing numerous projects across movies, series, and commercials, showcasing our versatility and expertise!**

Our team's dedication and our strategic hires are key to our continued success and innovation in the ever-evolving VFX industry. During FY24, we completed 200+ numerous projects across 30+ movies, 50+ series, and 125+ commercials, that highlight our versatility and expertise. We achieved remarkable growth across key financial metrics. Surpassing the ₹100 Cr mark in FY24, total revenue surged by 33.75%, and we reported a PAT of ₹37 Crores with 31% YoY growth. EPS stood at ₹17.85.

> **The Indian VFX sector showed 10% growth in 2023, projected to reach ₹185 billion by 2026 with Basilic Fly well-positioned to lead and capitalize on emerging opportunities.**

It has been a transformative year for Basilic Fly, and looking ahead, we remain committed to driving innovation, excellence, and sustainable growth. Our focus includes advancing technologies, expanding through investments in cutting-edge firms, and fostering strategic collaborations. The recent acquisition strengthens our position in Europe and North America, enabling us to leverage their legacy of creative excellence and attract high-profile projects.

Basilic Fly is well-positioned to capitalize on these opportunities, nurturing talent through mentorship and skill-building initiatives to reinforce our leadership in innovation. Our exploration into virtual reality, innovative storytelling, AI, cloud computing, and real-time rendering technologies aims to streamline workflows and enhance efficiencies, keeping us at the forefront of industry trends.

With a strong foundation, a skilled team, and a clear direction, we are ready to seize new opportunities and consistently deliver value. Reflecting on past challenges while embracing our vision for the future, we are set to capitalize on emerging trends and continue our growth trajectory.

I extend my heartfelt thanks to our dedicated employees, supportive stakeholders, and everyone who has contributed to our success.

With Regards
Mr. Balakrishnan
Managing Director & CEO

Financial Highlights

(In Crore)

Particulars	FY22	FY23	FY24
Revenues	25.16	78.67	102.67
Other Income	0.13	0.43	3.12
Expenditure	23.59	40.25	53.61
EBITDA	1.7	38.84	52.18
EBITDA Margin (%)	6.75	49.26	49.33
Interest	0.09	0.78	0.52
Depreciation	0.28	0.56	1.05
PBT	1.33	37.5	50.61
PBT Margin (%)	5.26	47.42	47.84
Tax	0.42	9.6	14.07
PAT	0.91	27.9	36.54
PAT Margin (%)	3.61	35.28	34.54
Fixed Assets	1.12	2.32	1.92
Investments	0	0	0
Non Current Assets	6.4	10.2	3.1
Current Assets	8.19	40.91	138.03
Total Assets	15.71	53.44	143.05
Equity	1	17	23.24
Reserve & Surplus	2.94	14.67	99.9
Net Worth	3.94	31.67	123.55
Long Term Borrowings	3.09	2.53	0.56

Corporate Information

BOARD OF DIRECTORS

Mr. BALAKRISHNAN
Managing Director (DIN: 06590484)

Mrs. SUNDARAM YOGALAKSHMI
Whole Time Director (DIN: 07323404)

Mrs. RAJARATHINAM THIRIPURASUNDARI
Non-Executive Director (DIN: 07323583)

Mr. DURAISWAMI PRABHAKAR
Whole Time Director (DIN: 09831080)

Mr. JITENDRA KUMAR PAL
Independent Director (DIN: 08567622)

Mr. VENGARAI SESHADRI SOWRIRAJAN
Independent Director (DIN: 00434044)

Mr. NANDHAGOPAL DAMODARAN
Additional Independent Director
(DIN: 10697520)

BANKERS

HDFC BANK LIMITED

CFO

Mr. MURUGACHETTIAR RAMESH

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. SWATI SHARMA

STATUTORY AUDITORS

L.U. KRISHNAN & CO.
Chartered Accountants

OFFICES

Registered / Corporate Office
Tower A, KRC Commerzone
Mount Poonamallee Road Porur,
Chennai, Tamil Nadu – 600116

Pune Office
S NO 83, 16th Floor Smartworks North Main Road
Near Hard Rock Cafe Pune Maharashtra – 411036

London Office
73 Cornhill, London, EC3V 3QQ, United Kingdom

Vancouver Office
1010 – 1030 West Georgia Street Vancouver
BC V6E 2Y3 Canada

Telephone No. : +91 44 6172 7700
Website : www.basilicflystudio.com
E-mail Address : info@basilicfly.com

CIN NO.: L92100TN2016PLC103861
Listing: National Stock Exchange of India Limited
ISIN for Demat: INE0OCC01013

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
Unit no. 9 Shiv Shakti Ind. Estt J .R. Boricha marg Lower
Parel (E) Mumbai 400 011.
Telephone No.: +91 22 4970 0138 / +91 8850425703
E-mail Address: support@purvashare.com

ANNEXURE - I

Management Discussion & Analysis

Economy Overview

Global Economy

During the global disinflation of 2022–23, economic activity remained unexpectedly resilient despite central banks raising interest rates to restore price stability. By late 2023, inflation rates in advanced economies had decreased to 2.3% from a peak of 9.5% in mid-2022, and emerging markets saw a drop to 9.9% from 13.7%. However, inflation persisted above target levels in many economies due to ongoing challenges such as the COVID-19 pandemic, geopolitical tensions, and weak productivity growth.

Global real GDP grew by a cumulative 6.7% during 2022 and 2023, surpassing earlier forecasts, driven by strong private consumption and increased government spending. Nonetheless, high government debt, weak consumer sentiment, and elevated energy prices moderated the expansion. Lower-income countries faced higher-than-expected inflation due to international price pass-through effects and currency depreciation, which led to slower growth and negative supply shocks.

The outlook for 2024 and 2025 remains cautiously optimistic, with growth projected at 3.2% and 3.3%, respectively. Despite this, persistent global inflation, particularly in services, poses challenges for monetary policy normalization. World trade is expected to recover to 3.25% annually, supported by rising commodity prices. Policymakers are advised to focus on structural reforms, improving labor supply, and addressing demographic challenges, while global issues like climate change will require collaborative, rather than trade-distorting, approaches.

Source: IMF

Indian Economy

India's economic performance in fiscal year 2023 to 2024 was remarkable, with an impressive 8.15% year-over-year GDP growth, surpassing market expectations. This marks three consecutive years of exceeding growth estimates, driven by strong domestic demand, ongoing government reforms, and capital expenditure. The optimism is underscored by Deloitte's pre-budget survey, highlighting high confidence in continued robust growth, supported by improvements in manufacturing, exports, and rural economic recovery. Projections for fiscal year 2024 to 2025 suggest a GDP growth range of 7.0% to 7.2%, with expectations of improved global economic conditions contributing to this positive outlook.

In the fourth quarter of fiscal 2023 to 2024, India's economy showed significant progress, including a 7.8% GDP growth rate and notable improvements in private consumption, exports, and manufacturing. Exports surged by 8.1% YoY, driven by high-value manufactured goods, while manufacturing saw an 8.9% growth. Despite these gains, investment momentum slowed, and the fiscal deficit narrowed to 5.63% of GDP, better than earlier estimates. Private consumption growth remained modest at 4.03% due to inflation and slow agriculture sector growth, but the overall economic performance exceeded both government and Reserve Bank of India estimates.

Looking ahead, India's economic outlook remains positive, with expectations of continued strong growth in the coming fiscal year. Key factors include domestic policy continuity, reduced geopolitical uncertainties, and a global economic recovery. Inflation pressures are expected to ease, though risks remain, particularly from food prices and supply-demand imbalances. The government's recent budget focuses on enhancing agriculture productivity, job creation, and support for small enterprises, which is anticipated to address existing challenges and foster sustained consumer spending and economic growth.

Source: Deloitte

Industry Overview

Global VFX Industry

he global Visual Effects (VFX) industry, valued at approximately US$ 10.0 billion in 2023, is projected to grow to US$ 18 billion by 2032, reflecting a CAGR of 6.7% from 2024 to 2032. This growth is driven by several key factors:

1. Demand for High-Quality Content: There is a significant increase in demand for visually engaging and immersive content across films, TV shows, advertisements, and digital media. This includes the use of VFX to create impressive visuals in movies and compelling advertising campaigns.
2. Rise of Streaming Platforms and Digital Media: The proliferation of streaming services and digital media channels, coupled with the widespread availability of high-speed internet and smart devices, has led to a greater focus on high-quality content production. Content creators are increasingly adopting VFX to enhance their offerings and attract viewers.
3. Technological Innovations: Advances in VFX tools, such as improved rendering capabilities, real-time VFX solutions, and AI integration, are enhancing the quality and efficiency of VFX production. Innovations like motion capture, facial recognition, and cloud-based workflows are also contributing to the growth of the market.
4. Growth in VR and AR: The rising popularity of virtual reality (VR) and augmented reality (AR) experiences is further boosting the VFX market, as these technologies require advanced visual effects to create immersive experiences.
5. Expansion in the Gaming Industry: The demand for VFX in gaming, to offer realistic and engaging experiences, is also fuelling market growth.

Source: Imarcgroup

France and UK Enhance Tax Incentives for International Productions: Major Rebates and Reliefs Announced

The TRIP (Tax Rebate for International Productions), granted by the French National Center for Cinema (CNC), offers a 30% tax rebate on qualifying expenditures incurred in France, or up to 40% if VFX-related expenses exceed €2M. To qualify, a project must be a work of fiction, shoot at least 5 days in France, and spend a minimum of €250,000 on French expenses, while passing a cultural test. Eligible French production services companies must manage production and technical operations under a contract with a non-French company. The rebate covers salaries, technical services, travel, and depreciation, capped at €30 million per project. VFX-heavy projects, meeting specific criteria, can receive the higher rebate rate. The rebate is collected through annual tax returns, with any excess over corporate tax due refunded by the French State.

Source: filmfrance.net

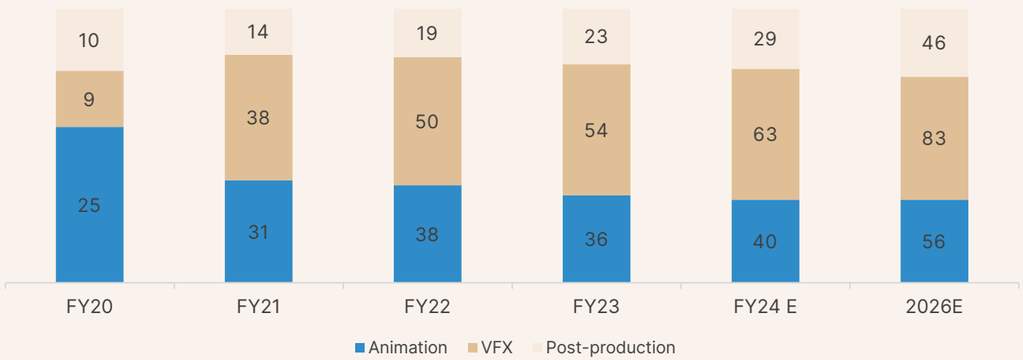
The UK government has introduced a 40% tax relief for films budgeted up to £15 million as part of a new 'indie tax credit' to boost the domestic production sector. Announced by Chancellor Jeremy Hunt in the March 6 Spring budget, this relief aims to rejuvenate the independent film industry. Starting in April 2025, visual effects will also see a tax credit increase to 39%, with a 40% relief on business rates for studio facilities in England. This move comes amid growing concerns from industry bodies about the need for enhanced support to help UK independents compete against major US studios. The revised incentive reflects long-standing lobbying efforts and seeks to address the imbalance between indie productions and high-budget inward investment projects.

Source: screendaily.com

Indian VFX Industry

In 2023, the Indian VFX industry faced significant challenges and opportunities due to a combination of international disruptions and evolving market dynamics. Strikes by the Writers Guild of America (WGA) and SAG-AFTRA caused delays and cancellations, impacting Indian studios heavily reliant on international projects. This led many studios to seek domestic collaborations and explore new markets. Concurrently, tightening OTT budgets, as seen with Disney+ and Netflix, reflected a cautious approach to content spending. Despite these hurdles, the domestic market remained resilient, with a surge in VFX integration in mid to large-scale Indian films like 'Animal' and 'Project K.' The increasing use of CGI in commercials also provided new revenue streams, while advancements in AI, machine learning, and real-time rendering transformed VFX processes, enhancing efficiency and creativity. However, while interest in virtual production grew, the adoption remained slow due to challenges such as high costs, integration with traditional filmmaking, and developing necessary asset libraries. Overall, the Indian VFX industry adapted to a changing environment, balancing international setbacks with domestic growth and technological advancements. **The Indian VFX segment grew 10%**

The Indian VFX segment grew 10%



Recent Trends and Performance:

Animation: The Indian animation industry contracted by 5% in 2023, reaching INR 36 billion, due to a slowdown in local demand and significant delays caused by mergers and global strikes. The reduction in ad revenue for major broadcasters and funding cuts for new projects further impacted the sector. However, studios diversified into VFX and feature films to navigate these challenges and sought new global opportunities.

VFX: The VFX segment grew by 10% in 2023, reaching INR 54 billion. Despite global demand slowdowns and industry strikes in the US affecting outsourcing volumes, domestic demand thrived. The segment saw a boost from increased VFX usage in advertising and the early stages of virtual production, though ROI timeframes and costs remain concerns.

Post-production: This segment saw significant growth of 20% in 2023, driven by content localization and the rise of AI technologies in dubbing. The expansion of OTT platforms and the increasing demand for localized content contributed to this growth.

Growth Projections: The Indian animation and VFX sector is expected to grow at a CAGR of 17.5% by 2026, reaching INR 185 billion.

Growth Drivers:

- Production Resumption: Production is anticipated to return to regular pace by mid-2024, alleviating past project delays.
- Government Incentives: Incentives such as cost reimbursements up to 30% are expected to attract foreign collaborations and boost competitiveness.
- US Market Demand: The surge in US demand for adult animation presents new outsourcing opportunities.
- Industry Partnerships: Increased partnerships for co-production and financing, along with efforts to bridge the talent gap through educational collaborations, will drive future growth.

Source: EY Report

Review of operations

Business Overview

Basilic Fly Studio, headquartered in Chennai, India, with subsidiaries in Canada and the UK, stands at the forefront of the visual effects (VFX) industry. Renowned for its exceptional visual experiences, BFS has earned a distinguished reputation for pushing the boundaries of creativity and technology in VFX for movies, TV shows, web series, and commercials.

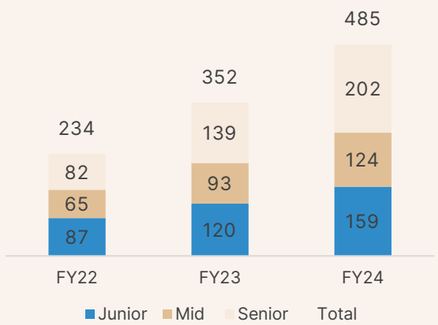
The studio is recognized for its high-quality output and commitment to adopting the latest technologies, reflecting its status as a prominent name in the VFX sector. Its talented team of artists, known for their excellence, caters to a diverse range of clients globally, ensuring meticulous attention to detail in every project.

A significant milestone was achieved in September 2023 when BFS was listed on the NSE Emerge platform. The IPO saw an overwhelming response with over 7 lakh applications and a record-breaking subscription of ₹14,000+ crore against an IPO size of ₹66 crore, underscoring the company's growth trajectory and robust market confidence.

BFS's growth strategy includes expanding its operational footprint both domestically and internationally. Plans are underway to establish new facilities in Hyderabad and Salem, while also targeting international markets in Eastern Europe and South Korea. Strategic investments in technology, infrastructure, and talent acquisition are pivotal in enhancing service offerings and maintaining a competitive edge. BFS is also investing in cutting-edge VFX techniques such as AI, machine learning, and real-time rendering to drive future growth and efficiency.

Operational Performance

Over the years, BFS has grown into a vibrant hub for top industry talent, completing over 10,000 projects that include 900 movies, 2,000 series, and 8,000 commercials.



Serving more than 300 clients worldwide, the company operates from offices in Chennai, Pune, London, and Vancouver, with a dedicated team of around 500 members.

Financial Highlights

BFS has made notable strides in its financial performance, driven by its commitment to innovation and operational efficiency. The company's financial highlights for FY24 reflect its continued growth and ability to adapt to the evolving demands of the global VFX industry. These explains BFS's potential for sustained success in the years to come.

(₹ in crores)

Particulars	FY23	FY24
Net Sales	78.67	102.67
Other Income	0.43	3.12
Total Income	79.09	105.79
Total Expenditure	40.25	53.61
EBIDTA	38.84	52.18
PAT	27.90	36.54

In FY24, BFS achieved a remarkable milestone, surpassing the ₹100 crore revenue threshold, underscoring its impressive growth trajectory. The company reported a Total Income of ₹106 crores, a significant increase from ₹79 crores in FY23, representing a robust year-on-year growth of 34%, fuelled by substantial revenue expansion across diverse geographical markets. The company's ability to scale its operations and capture more market share is evident from this significant revenue expansion.

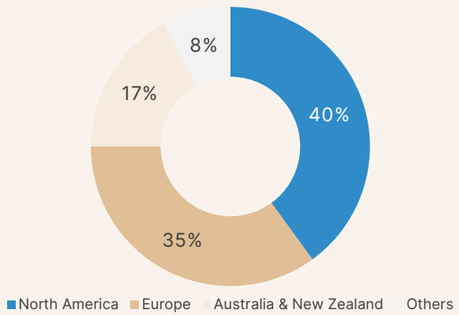
Operational Efficiency and Profitability:

The EBITDA for FY24 was ₹52 crores, reflecting a 34% rise from the previous fiscal year and demonstrating the company's strong operational efficiency and effective cost management. Net Profit After Tax also saw an upward trend, reaching ₹37 crores. The EBITDA Margin for FY24 was 49%, and the PAT Margin stood at 36%, highlighting the company's solid profitability and operational excellence.

Expense Management and Strategic Investment:

The company has managed its expenses effectively. Employee costs increased from ₹12.49 crore in FY22 to ₹17.56 crore in FY23, and further to ₹29.45 crore in FY24, reflecting the company's growth and investment in talent. Other expenses rose moderately from ₹11.10 crore in FY22 to ₹22.69 crore in FY23, and then to ₹24.15 crore in FY24.

Geographical Revenue Breakup for FY24



Geographical Revenue Distribution and Market Presence:

The geographical revenue distribution for FY24 underscores BFS's strong and diverse market presence, with North America leading at 40% and Europe at 35%. This robust performance in established markets highlights the high demand for BFS's visual effects services. Australia & New Zealand contribute 17%, reflecting steady growth, while the 8% from other markets demonstrates BFS's entry into emerging regions.

The recent acquisition is poised to significantly enhance BFS's capabilities and market presence in the UK. This strategic move is expected to drive growth and further bolster the company's position in the global market, positioning BFS to better capitalize on new opportunities and strengthen its competitive edge.

This stability suggests that the company is well-positioned to sustain its growth momentum while managing its costs effectively. The increase in employee costs aligns with its strategic focus on expanding its talent base to drive further innovation and productivity. Overall, the financial performance of Basilic Fly Studio indicates a solid foundation for future growth, supported by a strategic approach to scaling operations, enhancing efficiency, and maintaining strong margins in a competitive industry.

Ratio Analysis

Ratio	FY23	FY24
EBITDA (%)	49.11	49.33
Net Profit (%)	35.28	34.54
ROE (%)	88.09	29.67
ROCE (%)	106.51	40.72
Book Value (Total Assets-Liability excluding equity) (₹)	18.63	52.99
Fixed Asset Turnover Ratio	33.97	53.48
Debt to Equity (Times)	0.13	0.02
Interest Coverage Ratio (Times)	49.28	97.77
Current Ratio (Times)	2.42	8.68

Opportunities & Threats

Opportunities

Expanding Market Demand: The growing demand for high-quality visual effects across films, TV shows, web series, and commercials presents a significant growth opportunity for BFS. The rise in streaming platforms and digital media channels further fuels this demand.

Technological Advancements: Innovations in VFX technology, including AI, real-time rendering, and VR/AR, provide opportunities for BFS to enhance its service offerings and maintain a competitive edge. Investing in cutting-edge techniques can attract new clients and projects.

International Expansion: BFS's presence in international markets such as Eastern Europe and South Korea open up new avenues for growth. These expansions can tap into new client bases and markets. Also, collaborations with other VFX studios, technology providers, or content creators can lead to new project opportunities and enhance BFS's market position. Strategic partnerships can also provide access to new technologies and markets.

Expansion into Gaming Sector: BFS is strategically expanding into the gaming sector, where demand for advanced visual effects is on the rise. By capitalizing on this growing interest, BFS can tap into a lucrative market and enhance its service portfolio to include high-impact visual effects for gaming, thus driving additional revenue and market presence.

Enhanced Opportunities in the UK: With the recent acquisition, BFS is well-positioned to capitalize on new project opportunities and enhanced market presence in the UK. The tax rebate incentives introduced in the UK will further bolster BFS's growth prospects in the region, creating favourable conditions for expanded operations and increased profitability.

Threats

Industry Disruptions: The global VFX industry faces ongoing disruptions due to strikes and other industry-wide challenges. Such events can impact project timelines, increase costs, and create uncertainties in revenue streams. Recent Hollywood strikes have already shown how these disruptions can ripple through the industry.

Intense Competition: The VFX industry is highly competitive, with numerous players vying for market share. BFS faces competition from other established studios and emerging players, which could impact its ability to secure new contracts and maintain market share.

Technological Disruptions: Rapid changes in technology could potentially disrupt existing VFX processes and require constant investment in new tools and training. Failure to keep up with technological advancements might affect BFS's competitive position.

Geopolitical Risks: Geopolitical tensions and trade barriers can impact international operations and client relationships. Political instability in key markets may pose risks to BFS's global expansion plans.

Fluctuating Demand in Key Markets: Variability in demand for VFX services in key regions, such as North America and Europe, could affect BFS's revenue stability. Market dynamics and shifting client preferences may lead to revenue volatility.

Risk Management

BFS employs a comprehensive risk management framework to mitigate potential threats and safeguard its operational and financial stability. The company actively monitors industry-wide disruptions, such as strikes and geopolitical tensions, which can impact project timelines and cost structures. BFS employs strategic diversification in its project portfolio and geographical presence to reduce reliance on any single market or client. The company also invests in ongoing training and technology upgrades to stay ahead of technological disruptions, ensuring it can adapt to rapid changes in the VFX industry. Additionally, BFS maintains a robust risk assessment process to identify and address potential issues early, safeguarding its growth trajectory and market position.

In addressing competition and market volatility, BFS leverages its strong reputation for innovation and quality to differentiate itself from other players in the VFX industry. The company focuses on strategic partnerships and collaborations to enhance its market reach and operational capabilities. BFS's proactive approach includes establishing contingency plans and maintaining flexible operational processes to respond effectively to fluctuations in demand and shifting client preferences. By adopting these measures, BFS aims to minimize risks and sustain its competitive edge, ensuring long-term resilience and growth.

Outlook

Looking ahead, BFS is well-positioned for continued success, supported by its strategic expansion plans and technological investments. The company's entry into new markets, such as Eastern Europe and South Korea, along with its recent acquisition in the UK, provides promising growth opportunities. The favorable tax incentives in the UK are expected to enhance BFS's profitability and operational efficiency, contributing to a robust performance in the coming years. The company's commitment to innovation, particularly in AI and real-time rendering, is likely to attract new clients and drive future revenue growth.

The global VFX industry's positive outlook, coupled with BFS's strategic initiatives, bodes well for the company's future. Continued demand for high-quality visual effects across various media and expanding opportunities in the gaming sector offer significant growth potential. BFS's focus on technological advancements and international market expansion positions it advantageously to capitalize on emerging trends and client needs. By leveraging its strengths and addressing potential challenges proactively, BFS is set to maintain its growth trajectory and achieve sustained success in the dynamic VFX landscape.

Internal Control Systems & Their Adequacy

Basilic Fly Studio (BFS) has implemented a robust internal control system to ensure the integrity of its operations, financial reporting, and compliance with industry standards. This framework is designed to safeguard assets and manage risks associated with VFX production and project management. BFS regularly reviews and updates its internal controls to address new challenges and industry developments. The audit committee, supported by an internal audit team, oversees the effectiveness of these controls, ensuring they remain adequate and responsive to emerging risks. This ongoing scrutiny supports the studio's commitment to operational excellence, transparency, and regulatory compliance, reinforcing a culture of rigorous governance and financial accuracy.

Human Resource Development

Basilic Fly Studio (BFS) places a strong emphasis on the development and well-being of its employees, recognizing their crucial role in the company's success. The HR framework at BFS includes structured performance evaluations, a comprehensive training program, and continuous professional development opportunities. By fostering an inclusive and supportive work environment, BFS promotes employee engagement and satisfaction. As of the latest update, BFS's workforce has grown to around 500 employees, reflecting the company's dedication to recruiting and nurturing top talent. This strategic focus on human resource development ensures that BFS remains agile and competitive, aligning its workforce capabilities with the studio's growth objectives and industry trends.

Cautionary Statement

The Company's objectives, projections, outlook, expectations, estimates, and other information expressed in the Management Discussion and Analysis may be considered forward-looking statements under applicable securities laws and regulations. These statements are based on certain assumptions that the Company cannot guarantee. Several circumstances, some of which the Company may not have direct control over, could have a substantial impact on the Company's operations. As a result, actual results may differ materially from such projections, whether expressed or implied, because it would be beyond the Company's ability to successfully implement its growth strategy. The Company assumes no obligation or responsibility to update forward-looking statements or to publicly amend, modify, or revise them to reflect events or circumstances that occur after the date of the statement on the basis of subsequent development, information, or events. The Management of Basilic Fly Studio Limited (BFS, or the Company) presents below an analysis of its performance during the year under review, i.e., accounting year ended 31st March, 2024 (for the period April 1, 2023 up to March 31, 2024).

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Eight Annual General Meeting of Basilic Fly Studio Limited, will be held on Monday, September 30, 2024, at 11.30 A.M. (IST) through Video Conferencing (VC/OAVM) at the registered office of the Company to transact the following business:

ORDINARY BUSINESS:

1. **ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS**

   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.

2. **ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

   To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of Auditors thereon.

3. **APPOINTMENT OF MR. BALAKRISHNAN (DIN: 06590484) AS A "DIRECTOR", LIABLE TO RETIRE BY ROTATION, WHO HAS OFFERED HIMSELF FOR RE-APPOINTMENT**

   To appoint a director in place of Mr. Balakrishnan (DIN: 06590484), Managing Director, who retires by rotation and being eligible, offers himself for reappointment, as a "Director" of the Company.

   The Shareholders are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provision of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of shareholders of the company, be and is hereby accorded for the appointment of Mr. Balakrishnan (DIN: 06590484), as a "Director", who shall be liable to retire by rotation.

SPECIAL BUSINESS:

4. **REGULARIZATION OF ADDITIONAL DIRECTOR MR. NANDHAGOPAL DAMODARAN (DIN:10697520) AS INDEPENDENT DIRECTOR, NOT LIABLE TO RETIRE BY ROTATION**

To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to provisions of Sections 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013("the Act") read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, including any other Rules made there under and regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 including any statutory enactment, re-enactment or modifications thereof from time to time, and in accordance with the Article of Association of the Company, and subject to approval of the shareholders in the ensuing Annual General Meeting, Mr. Nandhagopal Damodaran (DIN: 10697520) who was appointed as Additional Director of the company by the Board of Directors at its meeting held on 12th July 2024 pursuant to Section 161 of the Companies Act 2013 and as recommended by the Nomination and Remuneration Committee and whose term of office expires at this Annual General Meeting and in respect of whom the company has received a notice in writing from him proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years commencing from 30/09/2024, whose period of office will not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of Board of Directors

Sd/-
Swati Sharma
Company Secretary & Compliance Officer

Chennai
September 06, 2024

NOTICE OF ANNUAL GENERAL MEETING

Notes:

a. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated September 25, 2023, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("Act") read with Rules made there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the registered office of the Company.

b. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the business under item no. 3 of the Notice is Annexed hereto. Further, additional information with respect to item no. 3 is also annexed hereto as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ('the Listing Regulations').

c. In view of the outbreak of COVID-19 pandemic, social distancing measures are a pre-requisite and in terms of Ministry of Corporate Affairs ("MCA") in continuation to previous Circular No. 20/2020 dated 5th May 2020, Circular No. 02/2021 dated 13th January 2021, Circular No. 21/2021 dated 14th December 2021, further extended the relaxation vide Circular dated 5th May 2022 ("MCA Circulars") and The Securities and Exchange Board of India ("SEBI") has also issued circular in continuation to previous Circular dated 12th May 2020, further extended the relaxation vide Circular dated 15th January 2021 and 13th May 2022, which does not require physical presence of the Members at common venue, in view of this, the Eight Annual General Meeting (AGM) is being conducted through Video Conference ("VC") at the Registered Office of the Company.

d. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.

e. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

f. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.

g. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

h. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

i. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.basilicflystudio.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

j. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection without any fee by the members during the AGM. Members seeking to inspect such documents can send an email to cs@basilicfly.com.

k. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Friday, 27th September 2024 at 09:00 A.M. and ends on Sunday, 29th September 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Monday 23rd September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday 23rd September 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

NOTICE OF ANNUAL GENERAL MEETING

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Type of shareholders	Login Method
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

NOTICE OF ANNUAL GENERAL MEETING

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID
	For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.

NOTICE OF ANNUAL GENERAL MEETING

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

NOTICE OF ANNUAL GENERAL MEETING

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csanisas@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Prajakta Pawle at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@basilicfly.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@basilicfly.com . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step **1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

NOTICE OF ANNUAL GENERAL MEETING

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@basilicfly.com. The same will be replied by the company suitably.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

By order of Board of Directors
Sd/-
Swati Sharma
Company Secretary & Compliance Officer

Chennai
September 06, 2024

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Statement under Section 102 of the Companies Act, 2013

Item no. 4

Mr. Nandhagopal Damodaran, on the recommendation of the Nomination and Remuneration Committee was appointed as an Additional Director in the capacity of a Non-Executive Independent Director with effect from 12th July 2024 by the Board of Directors in accordance with Article of the Article of Association and section 149(6), 161 and Schedule IV of the Companies Act 2013 ("the Act") and Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per section 161 of the Act, Mr. Nandhagopal Damodaran holds office up to the date of the ensuing AGM on 27th September 2024. The company has received requisite notice in writing under section 160 of the Act from him proposing his candidature as an independent director at the ensuing AGM liable to retire by rotation. Mr. Nandhagopal Damodaran has consented to the proposed appointment and declared qualified. Mr. Nandhagopal Damodaran possesses requisite knowledge, experience and skill for the position of Independent Director as per required criteria under the Act and rules & regulations made thereunder.

Based on the recommendation received from the Nomination and Remuneration Committee and in view of his knowledge, skills and invaluable expertise related to the industry of the company, it is proposed to appoint Mr. Nandhagopal Damodaran as an Independent Non-Executive Director of the Company in terms of Section 149 read with Section 152 of the Companies Act, 2013. In terms of Section 149 and 152 of the Companies Act, 2013, Mr. Nandhagopal Damodaran is not liable to retire by rotation. Mr. Nandhagopal Damodaran if appointed, will hold office for a consecutive term of 5 years commencing from 27th September 2024.

The terms and conditions of appointment of Mr. Nandhagopal Damodaran as an Independent Director is available for inspection by members at the Registered Office of the company on any working day during working hours between 9:30 AM to 6:30 PM.

Except Mr. Nandhagopal Damodaran, no other Director, Key Managerial personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution.

The Board of Directors recommend passing of the resolution set out in Item no. 4 of this notice.

By order of Board of Directors
Sd/-
Swati Sharma
Company Secretary & Compliance Officer

Chennai
September 06, 2024

Annexure A

The Statement of disclosure pursuant to Secretarial Standards 2 on Annual General Meeting and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, as amended, is as under:

Name of the Director: **Nandagopal Damodaran**

DIN: **10697520**

Date of Birth: **28/01/1973**

Qualification: **CMA and B.Com.**

Brief resume of Director: Strategic Leader - **CMA professional offering 30 years of experience in steering finance operations spread across geographical location having large infrastructure; manufacturing facilities, Solid Waste Management, Advertisement Sector and hands-on experience in Financial closure for New Projects, Formulating business strategies, Heading the financial functions, Budgeting & Forecasting, Costing & Cost controlling, Internal Auditing, Automation, Process implementation, Global reporting, Automation through SAP, Automation through Tally PRIME, Peoples Leader & The Key Managerial Personal in a Public Limited Company etc. A strategic planner with proficiency in streamlining business processes, defining continuous improvement processes & building powerful teams that can conquer any obstacles.**

Expertise in specific functional area: **Finance**

Date of first appointment in the current designation: **12th July 2024**

Shareholding of the company: **N/A**

Directorships in other companies: **Taiyo Feed Mill Private Limited.**

Inter-se relationship between Directors and other Key Managerial Personnel: **None**

Number of Meetings of the Board attended: **One**

Details of Remuneration last drawn: **N/A (Appointed as Independent Director of the company first time)**.

Name of listed entities in which the Director also holds the directorship and the membership of Committees of the Board: **None**

Name of listed entities (other than the company) in which the Director holds chairmanship in Committees: **None**

Names of other public companies in which the Director also holds the directorship and the membership of Committees of the board: **None**

Name of other public companies in which the Director holds Directorship: **N/A**

Name of other public companies in which the Director holds Chairmanship in Committees: **N/A**

Name of other public companies in which the Director holds membership in Committees – **N/A**

ANNEXURE – B

Details of Directors seeking re-appointment at the Eight Annual General Meeting to be held on September 30, 2024 (Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard–2 on General Meetings)

Name of the Director: **Mr. Balakrishnan**

Director Identification No.: **06590484**

Date of Birth: **23/07/1985**

Age: **39 years**

Date of first appointment on the Board: **January 28, 2016**

Relationship with Directors and Key Managerial Personnel: **Relative (Spouse) of Mrs. Sundaram Yogalakshmi and Relative (Mother) of Mrs. Rajarathinam Thiripurasundari**

Qualifications: **Master's degree in Electronics Media from Anna University.**

Terms and Conditions of Re-appointment: **In terms of Section 152(6) of the Companies Act, 2013, Mr. Balakrishnan who was re-appointed as Managing Director at the Extra Ordinary General Meeting held on December 29, 2022, is liable to retire by rotation.**

Remuneration last drawn as director (including sitting fees, if any) (FY2023-24): **10,00,000 per month which will be coming round to 1,20,00,000 per annum**

Number of meetings of the Board attended during the financial year 2023-2024: **11 out 11**

Directorships of other Boards as on March 31, 2024: **None**

Membership / Chairmanship of Committees of other Boards as on March 31, 2024: **Refer Note 2.**

Listed entities from which the Director has resigned in the past three years: **None**

Number of equity shares held in the company as of March 31, 2024: **10,533,250 shares**

NOTES:

1. The Directorship, Committee Memberships and Chairmanships do not include positions in foreign companies, unlisted companies and private companies, position as an advisory board member and position in companies under Section 8 of the Companies Act, 2013.
2. Information pertaining to remuneration, terms and conditions of re-appointment and the number of Board Meetings attended during the financial year 2023-24, wherever applicable, have been provided in the Corporate Governance Report forming part of the Annual Report

BOARD'S REPORT

To,
The Members
BASILIC FLY STUDIO LIMITED
CIN: L92100TN2016PLC103861
TOWER A, KRC COMMERZONE,
MOUNT POONAMALLEE ROAD, PORUR,
CHENNAI, TN 600116 INDIA

Your directors have pleasure in presenting the 08th Board's Report of our Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March 2024.
FINANCIAL HIGHLIGHTS:

(Amount in ₹ Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	10,030.05	7022.73	10,266.97	7866.74
Other Income	288.47	28.40	311.62	42.66
Total Revenue	**10,318.52**	**7051.13**	**10,578.59**	**7909.40**
Employee Benefit Expenses	2,909.84	1752.53	2,945.22	1755.92
Other Direct Expenses	2,102.43	1550.03	2,187.82	2175.18
Finance Costs	49.40	75.01	52.30	77.67
Depreciation & Amortization Expenses	101.03	56.03	104.84	56.03
Other Expenses	137.88	74.89	227.52	94.29
Total Expenses	**5,300.58**	**3508.49**	**5,517.70**	**4159.09**
Profit/ (Loss) before Tax	**5,017.94**	**3542.64**	**5,060.89**	**3750.31**
Current Tax	1,325.47	925.45	1,334.24	987.06
Deferred Tax	-32.59	-26.87	-32.59	-26.87
Provision for earlier tax	105.41	-	105.41	-
Profit/ Loss After Tax	**3,619.65**	**2644.06**	**3,653.83**	**2790.12**
Profit / Loss for period before Minority Interest from continuing operations	**-**	**-**	**3653.83**	**2790.12**
Minority Interest		**-**	**2.10**	**16.09**
Profit / Loss for period from continuing operations	**3,619.65**	**2644.06**	**3,651.72**	**2774.03**
Earning per Share (In Rs.)				
(Basic & Diluted)	**17.69**	**15.55**	**17.85**	**16.32**

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

In today's vibrant and rapidly evolving business landscape, the strategic allocation and utilization of resources are pivotal to driving sustainable growth and success. By effectively leveraging human capital, financial assets, and technological infrastructure, organizations can not only minimize waste but also maximize productivity. Our dedicated focus on resource management, especially in optimizing employee costs, has led to robust profit margins. This disciplined approach has consistently delivered strong net profits, aligning with last year's achievements. Our steadfast commitment to operational

BOARD'S REPORT

efficiency ensures long-term financial stability and sets the stage for continued success.

Maintaining Momentum in a Challenging Market:

Despite facing international downturns within the VFX industry, Basilic Fly Studio Limited has demonstrated resilience, achieving consistent revenue in line with previous years. Notably, this fiscal year saw a revenue spike, showcasing the effectiveness of our proactive strategy of operational diversification. By strategically entering new market segments and genres, we successfully mitigated the impact of external challenges and capitalized on growth opportunities.

Financial Performance Highlights:

- Standalone Basis:

Sl. No.	PARTICULARS	Current Year 2023-24 (in Lakhs)	Previous Year 2022-23 (in Lakhs)	INCREASE / (DECREASE)
1.	Total income	10,318.52	7,051.13	46.00 %
2.	Total expenditure	5,300.58	3,508.48	51.00 %
3.	Net Profit	3,619.65	2,644.06	36.90 %

Our ability to achieve such strong financial results, even with increased investment in our future capabilities, reflects the resilience of our business model and our strategic focus on driving sustainable growth. We remain confident in our trajectory and are committed to continuing to enhance shareholder value as we move forward.

Strategic Outlook:

Building upon this year's resilience, Basilic Fly Studio Limited remains confident in its ability to navigate dynamic market conditions. We are dedicated to fostering continuous innovation and strategic expansion, thereby ensuring that our company retains its position as a leader within the VFX industry.

Consolidated Performance and International Expansion:

- Consolidated Basis:

Sl. No.	PARTICULARS	Current Year 2023-24 (in Lakhs)	Previous Year 2022-23 (in Lakhs)	INCREASE / (DECREASE)
1.	Total income	10,578.59	7,909.40	33.75 %
2.	Total expenditure	5517.70	4159.09	32.67 %
3.	Net Profit	3651.72	2774.02	31.64 %

The Company anticipates a substantial increase in both revenue and profit from its overseas operations through its subsidiaries located in Vancouver and London.

The Company is well-positioned for sustained growth and success, driven by our commitment to innovation, strategic expansion, and operational excellence. We remain focused on delivering value to our stakeholders while adapting to evolving market dynamics.

BOARD'S REPORT

Stock Exchange Listing:

This fiscal year has been a remarkable one for the Company, highlighted by our successful listing on the national stock exchange's SME platform. This strategic achievement perfectly aligns with our vision for accelerated growth and opens the door to exciting new investment opportunities. By entering the capital markets, we have strengthened our financial foundation, empowering us to pursue ambitious expansion plans. With these enhanced resources, we are poised to invest in Advanced technology, expand our talent pool, and explore new market avenues, all while continuing to deliver exceptional visual effects for our clients.

IPO Highlights

IPO Oversubscription: 286.61 times

Retail Individual Investor (RII) Subscription: 415.22 times
Qualified Institutional Buyer (QIB) Subscription: 116.34 times
Non-Institutional Investor (NII) Subscription: 549.44 times

Welcoming Industry Leaders:

The Directors are glad to announce the addition of two exceptional individuals who will greatly enhance both our creative and operational capabilities:

1. **VFX Supervisor:**

   Mr. Dan Levitan is a seasoned VFX Supervisor with a prolific career spanning over three decades in the visual effects industry. His extensive experience includes working on more than 85 feature films, over 100 television series episodes, and a variety of national commercials and special venue projects. Mr. Dan has held key decision-making roles at major studios and companies such as Disney, DreamWorks, Warner Bros, Paramount/CBS, Hammerhead, Cinesite, FuseFX, and Psyop.

   In his role as Executive Visual Effects Supervisor in the Company, Mr. Dan brings his comprehensive knowledge and expertise in overseeing every aspect of VFX production, from pre-production and script analysis to final shot delivery. His portfolio includes work on high-profile projects like Ambulance, Hacks, and The Hangover series, showcasing his ability to manage complex visual effects challenges across various media.

   Mr. Dan's leadership and innovative approach to VFX will be instrumental in advancing the creative objectives at the company, ensuring the delivery of cutting-edge visual effects for top-tier film and TV productions.

2. **Chief Operating Officer (COO):**

   Mr. Zameer Hussain as the Global EVP and Chief Operating Officer (COO) of the Company. His leadership will seamlessly blend artistic vision with strategic execution, fueling innovation and driving growth across our organization. With over two decades of experience in the visual effects (VFX) and creative sectors, Mr. Zameer is renowned for his visionary leadership. He has consistently nurtured a culture of continuous learning while mentoring teams to realize their full potential. Throughout his distinguished career, Mr. Zameer has played a pivotal role in major productions such as The Dark Tower, Pirates of the Caribbean: Dead Men Tell No Tales, and X-Men: Apocalypse. His work with top-tier VFX companies like ILM, Iloura, Double Negative, and MPC underscores his extensive expertise and profound impact on the industry.

   Mr. Zameer's professional journey is defined by a unique blend of creative ingenuity and effective management, making him an ideal fit for this role. He has not only delivered breathtaking visual effects for high-profile projects but has also led large teams of artists with finesse, ensuring the successful completion of each project. His hands-on involvement and deep industry knowledge reflect his unwavering commitment to excellence.

   The addition of these industry luminaries not only enhances the company's capabilities but also solidifies its commitment in delivering exceptional visual effects experiences to the clients. The entire technical team looks forward for their contribution as the Company continues to strive for excellence in all its future endeavors.

BUSINESS OUTLOOK; FISCAL 23-24

The Company has soared to remarkable heights in FY24, reaffirming its leadership in the visual effects industry. Throughout the fiscal year, Basilic Fly delivered an

BOARD'S REPORT

impressive array of projects, spanning blockbuster films, binge-worthy series, and impactful commercials for renowned brands. The studio's diverse portfolio brought to life a captivating range of narratives, each characterized by stunning visuals and compelling storytelling.

Film Highlights:

- The Zone of Interest: A compelling drama exploring themes of morality and human nature set against a historical backdrop.
- Rebel Moon: A visually stunning sci-fi epic directed by Zack Snyder, featuring a new galaxy and an ensemble cast in a battle against a tyrannical empire.
- Heart of Stone: An action-packed thriller with a strong female lead, focusing on espionage and high-stakes missions.
- Blue Beetle: Captivated superhero fans with its engaging storyline, introducing a new hero to the cinematic universe.
- The Guardian of the Galaxy: Holiday Special: Provided Marvel enthusiasts with a charming and witty holiday-themed adventure featuring beloved characters.
- Franchise Success: Boosted the popularity of established franchises like "Mission Impossible" and "Wonka," continuing their legacy with new installments.
- Original Features: Demonstrated versatility with original films such as "Genie," "Heart of Stone," and "The Book of Clarence," each offering unique and fresh narratives.
- Series Success: - New Worlds and Favorites: Transported audiences to new realms with series like "Foundation 2" and "Constellation," while captivating established favorites such as "Loki" and "The Winter King" continued to enthrall viewers.
- Sequel Excitement: Kept audiences on the edge of their seats with highly anticipated sequels like "Invasion" Season 2 and the captivating Western setting of "Hondo."
- Critical Acclaim: Received critical acclaim for the successful sixth season of "The Crown."

Impact in Advertising:

- Signature Flair: Brought its distinctive style to commercials for leading brands, showcasing elegance in campaigns for Lancôme and technological innovation for Vodafone.
- Engaging Narratives: Crafted engaging narratives for brands like LEGO, Audi, and Lay's, resonating with audiences globally.

The Company concludes the fiscal year 2023-24 with a sense of immense pride in its achievements. The studio's unwavering dedication to quality and innovation has resulted in a year filled with spectacular releases that have left a lasting impression on audiences worldwide. With this momentum, Basilic Fly Studios is poised to continue pushing the boundaries of visual storytelling and captivating audiences for years to come.

VFX Industry Outlook: A Statement by the Board of Directors

The Board of Directors expresses optimism regarding the future of the VFX industry in fiscal year 2023-24, highlighting several significant factors driving its robust growth:

1. Surging Demand:
   - Across various sectors including film, television, advertising, gaming, and virtual reality, the demand for high-quality visual effects continues to rise steadily.
   - Evolving content consumption patterns necessitate captivating visuals, propelling the VFX industry forward.
2. Technological Leapfrogs:
   - Advancements in computer graphics, rendering capabilities, and real-time VFX solutions are revolutionizing VFX production.
   - These innovations empower studios to create immersive and realistic visual experiences, attracting new clients and market opportunities.
3. Streaming Powerhouse:
   - The rapid expansion of streaming platforms

BOARD'S REPORT

has revolutionized the entertainment industry, leading to a significant increase in the production of original content. This surge in content creation has, in turn, driven an unprecedented demand for VFX services, as streaming platforms strive to captivate audiences with visually stunning and immersive experiences.

- Streaming giants like Netflix, Amazon Prime, Disney+, and others are investing heavily in high-budget productions that often rely on extensive visual effects to bring complex narratives and fantastical worlds to life. This investment not only fuels the growth of the VFX industry but also pushes the boundaries of what is technically and creatively possible.
- The continuous release of new series and films on these platforms creates a steady stream of opportunities for VFX studios, ensuring a consistent demand for their expertise. As streaming services continue to expand globally, the VFX industry is poised to grow alongside them, benefiting from the evolving content landscape.

4. Globalized Landscape:

- The VFX industry is becoming more interconnected as studios across the globe collaborate on international projects. This cross-border collaboration allows for the sharing of expertise, technology, and creative resources, enhancing the quality and efficiency of VFX production.
- This globalization opens up new markets and enables VFX companies to broaden their client base by tapping into emerging economies with rapidly growing entertainment industries. As a result, VFX studios can gain access to diverse projects and opportunities, fostering growth and innovation within the industry.
- Additionally, the globalized nature of the VFX industry helps companies mitigate risks by diversifying their revenue streams across different regions and markets, making them more resilient to economic fluctuations in any single area.

5. Remote Revolution:

- The COVID-19 pandemic accelerated the transition to remote work, fundamentally changing the VFX industry's workforce dynamics.
- The adoption of remote collaboration tools and cloud-based workflows has enabled VFX artists to work from virtually anywhere. This shift has not only broadened talent acquisition by allowing studios to tap into a global pool of skilled professionals but also streamlined project management, facilitating seamless collaboration across different geographical locations.

While the outlook is promising, the industry faces challenges such as intense competition, tight production schedules, and margin pressures. Additionally, rising production costs and talent shortages in specialized areas may pose hurdles for some VFX studios.

The Board emphasizes confidence in our company's ability to navigate these challenges by remaining agile, embracing technological advancements, and adapting to the evolving market landscape. We are well-positioned to capitalize on the numerous opportunities within the VFX industry in fiscal year 2023-24.

ANNUAL RETURN:

The MCA, through its Notification dated March 5, 2021, amended the Companies (Management and Administration) Rules, 2014, relieving the Company from the obligation of attaching the extract of the annual return with the Board's report in Form No. MGT-9.

In compliance with Section 134(3)(a), the Annual Return of the Company, prepared as per Section 92(3) of the Act for the financial year ended March 31, 2024, is accessible on the Company's website at http://www.basilicflystudio.com.

LISTING ON STOCK EXCHANGES:

The Company's Equity shares were successfully listed on the National Stock Exchange (EMERGE) Platform on September 11, 2023, also known as the SME Platform.

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

The Directors of the Company have decided not to declare any dividend for the current financial year. This decision

BOARD'S REPORT

reflects the company's strategic focus on reinvesting profits to fuel future growth and expansion initiatives, thereby conserving resources for sustainable development.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND:

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

MEETINGS OF THE BOARD OF DIRECTORS:

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

During the Financial Year 2023-24, Eleven (11) Board meetings were convened and held which is summarized below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

S. No	Date of meeting	Balakrishnan Managing Director DIN: 06590484	Sundaram Yogalakshmi Whole Time Director DIN: 07323404	Duraiswami Prabhakar Whole-Time Director DIN: 098 31080	Rajarathinam Thiripurasundari Non- Executive Director DIN: 07323583	Vengarai Seshadri Sowriraj an Independent Director DIN: 00434044	Subramaniam Krishnan Independent Director DIN: 00583985	Jitendra Kumar Pal Independent Director DIN: 08567622
1	23.05.2023	✓	✓	✓	✓	✓	✓	✓
2	14.06.2023	✓	✓	✓	✓	✓	✓	✓
3	17.07.2023	✓	✓	✓	✓	✓	✓	✓
4	17.07.2023	✓	✓	✓	✓	✓	✓	✓
5	24.08.2023	✓	✓	✓	✓	✓	✓	✓
6	31.08.2023	✓	✓	✓	✓	✓	✓	✓
7	07.09.2023	✓	✓	✓	✓	✓	✓	✓
8	07.09.2023	✓	✓	✓	✓	✓	✓	✓
9	13.10.2023	✓	✓	✓	✓	✓	✓	✓
10	30.10.2023	✓	✓	✓	✓	✓	×	✓
11	19.02.2024	✓	✓	✓	✓	✓	×	✓

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that for the financial year ended March 31, 2024:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;

BOARD'S REPORT

b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and / or loss of the Company for that period;

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The directors had prepared the annual accounts on a going concern basis;

e) The directors had laid down internal financial control to be followed by the Company and that such internal financial control was adequate and operating effectively.

f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CEO AND CFO CERTIFICATION:

In accordance with Regulation 17(8) read with Part B of the Listing Regulations, the Chief Executive Officer (CEO)/ Managing Director (MD) and Chief Financial Officer (CFO) of the company have provided a certificate to the Board of Directors confirming the accuracy of the financial statements, cash flow statements for the Financial Year ended March 31, 2024, adequacy of internal control measures, and matters reported to the Audit Committee.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As per Regulation 34 of the SEBI (LODR) Regulations, 2015, the Management's Discussion and Analysis Report are included in this Report as "Annexure - I" for detailed review.

STATUTORY AUDITORS AND REPORT THEREON:

The Auditors of the Company, M/s. L.U. KRISHNAN & Co, Chartered Accountants, have been appointed as the statutory Auditor of the company until March 31, 2027 by the members at the Annual General meeting held on 30th September 2022. The Statutory Auditors have expressed an unmodified opinion on both the Standalone and Consolidated Financial Statements for FY 2023-24, without any qualifications, reservations, adverse remarks, or disclaimers. No fraud has been reported by the Statutory Auditors under Section 143(12) of the Act for the year under review.

RESOLUTION PASSED THROUGH POSTAL BALLOT:

During the year under review, no resolution was passed through postal ballot.

SECRETARIAL AUDITORS AND AUDITORS' REPORT:

Pursuant to Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s T P Shridar, Company Secretaries, has been appointed as the Secretarial Auditor for the Financial year 2023-24. The Secretarial Audit Report, received on April 25, 2024, contains an unmodified opinion without any qualifications, reservations, remarks, or disclaimers.

INTERNAL AUDITOR:

M/s KEK & Associates LLP, Chartered Accountants, have been appointed as the Internal Auditor of the Company for the FY 2023-24. The Internal Auditor has conducted the Internal Audit, and the Internal Audit report has been submitted to the company.

COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has complied with the applicable Secretarial Standards in accordance with Section 118(10) of the Companies Act, 2013, and MCA circulars issued from time to time.

RESPONSE TO AUDITOR'S REMARKS:

The Company Director has confirmed that there are no qualifications, reservations, or adverse remarks in the Independent Audit Report as presented by the Statutory Auditors/Practicing Company Secretary in the Secretarial Audit Report. All details, along with relevant notes to the accounts and accounting policies, are self-explanatory and do not require further comments.

COST AUDIT / COMPLIANCE:

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

BOARD'S REPORT

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

There were no loans, guarantees made by the Company under Section 186 of the Companies Act, 2013 during the Financial Year under review. The particulars of investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2023-24 are given in Note 10 of the Notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts, arrangements and transactions entered by the Company with related parties during FY 2023-24 (including any material modification thereof), were in the ordinary course of business and on an arm's length basis and were carried out with prior approval of the Board. Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is appended to the Board Report as Annexure- II

CORPORATE SOCIAL RESPONSIBILITY:

In compliance with the provisions of Section 135 of the Companies Act, 2013, read with rules made thereunder, the Board members, in their meeting dated 31/03/2023, formulated a CSR Policy and constituted a CSR Committee entrusted with overseeing CSR initiatives of the Company.

The CSR Committee comprises:

Name of the Member	Din No.	Designation in the Committee	Nature of Directorship
Mr. Jitendra Kumar Pal	08567622	Chairperson	Non-Executive Independent Director
Mr. Balakrishnan	06590484	Member	Managing Director
Mrs.Sundaram Yogalakshmi	07323404	Member	Whole-Time Director
Mr. Prabhakar D	09831080	Member	Whole-Time Director

In accordance with Section 135 of the Companies Act, 2013, the Company has triggered Corporate Social Responsibility (CSR) obligations for the financial year 2023-24 due to the net profit of Rs. 27.74 crore recorded during the previous financial year (2022-23). Consequently, the Company is required to comply with the provisions of Section 135 of the Companies Act, 2013.

Under the proactive guidance of Mrs. Thiripurasundari Rajarathinam, Non-Executive Director of the Company (DIN: 07323583), seamless execution of CSR initiatives was ensured. Her leadership and strategic vision played a pivotal role in steering the company towards impactful and meaningful contributions to society. Through these initiatives, the Company demonstrates unwavering dedication to corporate social responsibility, driving forward sustainable development objectives while simultaneously enriching shareholder value. By leaving a lasting and transformative mark on society, BFS reaffirms its commitment to shaping a brighter, more inclusive future for all.

The Statutory Auditor, M/s. L.U. KRISHNAN & Co, Chartered Accountants, bearing Firm Registration No.001527S, of the Company have Computed the Profits under the provision of Sec 198 of the Companies Act, 2013. Pursuant to Sec 135 (5) of the Companies Act, 2013, they informed that the company needs to spend Rs. 24.75 lacs towards CSR activities.

The company has disbursed the CSR amount of Rs. 24.75 lacs to the following trusts:

(Amount in Rupees)

S. NO	NGO	CSR Reg. No.	Fund' INR
1	Kalpavriksham Trust	CSR00059626	6,18,000.00
2	Maatram foundation	CSR00010847	1,88,000.00

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S. NO	NGO	CSR Reg. No.	Fund' INR
3	Sri Arunodayam Charitable Trust	CSR00001030	5,10,000.00
4	Akshaya trust	CSR00014993	4,00,000.00
5	Agaram Foundation	CSR00005650	4,79,000.00
6	Vidya Sagar	CSR00003082	2,80,000.00
	Total		**24,75,000.00**

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION:

There have been no material changes or commitments that have impacted the financial position of the Company between the close of FY 2023-24 and the date of this report, except for the following:

- **Initial Public Offering (IPO):** Shareholders authorized the company's IPO through an Extraordinary General Meeting (EGM) held on June 14, 2023. Subsequently, amendments were made to comply with listing requirements.

- **Draft Red Herring Prospectus (DRHP):** The Board of Directors approved the Draft Red Herring Prospectus (DRHP) on July 17, 2023. Following in-principle approval from the National Stock Exchange (NSE) for the DRHP, the Board finalized and filed the Red Herring Prospectus (RHP) with the NSE and other relevant authorities on August 31, 2023.

- **Final Prospectus Approval:** The Board approved the final Prospectus on September 7, 2023. The NSE granted final approval for listing the company's equity shares on the NSE SME platform on September 11, 2023.

- **Equity Shares Issuance:** The company issued its equity shares through an initial public offer of 68,40,000 equity shares of face value of ₹ 10 each for cash at a price of ₹ 97 per equity share, aggregating to ₹ 6634.8 lakh. This comprised a fresh offer of up to 62,40,000 equity shares aggregating to ₹ 6052.80 lakh and an offer for sale of 6,00,000 equity shares by the selling shareholders aggregating to ₹ 582.00 lakh.

- **Acquisition of Company:** The wholly owned subsidiary of our Company i.e., Basilic Fly Studio UK Private Limited has acquired a 70% stake in a leading visual effects studio with a focus on design and collaboration i.e., One of US Limited. It is also a Bafta & Emmy award-winning company with over 20 years in this industry with a strong presence in both the European and North American Film/TV industry.

  One of US Limited was incorporated and registered in England and Wales with company number 05313949, having office at 16 Tabernacle Street, London, England, EC2A 4DD. The Turnover of the Company as on December 31, 2023, is GBP 29.42 million.

  This acquisition has been a significant factor in the growth of our Company. It has been the prime factor for the global presence of the Company by merging two studios known for their innovation and exceptional quality in visual effects.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

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

BOARD'S REPORT

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

TECHNOLOGY ABSORPTION

(i)	the efforts absorption; made towards technology	Technology upgradation is constantly being undertaken to improve service quality and reduce costs. Training is also imparted to the company's personnel on the latest development of technology related to the business of the company.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported;	
	(b) the year of import;	
	(c) whether the technology been fully absorbed;	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv)	the expenditure incurred on Research and Development.	Your company does not have any research and development facility and has not incurred any expenditure towards research and development.

(C) Foreign exchange earnings and Outgo:

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

(Amount in Rupees)

Particulars	2023-24	2022-23
1) Earnings in foreign currency		
Income from consulting Service Overseas	99,77,21,639.00	70,22,72,944.11
2) Expenditure in foreign currency	1,60,14,701.40	65,29,641.37

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

The Company has framed a policy for management and mitigation of business risks which is reviewed on a periodical basis. Business risks and mitigation strategy are discussed in the Board meetings on a periodical basis.

BOARD'S REPORT

INFORMATION ABOUT HOLDING / SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

As defined under the Act, the company as on 31st March 2024, has two Subsidiary i.e., M/s Basilic Fly Studio Canada Ltd bearing Registration No.1313688, incorporated on (02/07/2021) & ,M/s Basilic Fly Studio UK Private Limited bearing Registration No.14029594 incorporated on (06/04/2022).There has been no material change in the nature of the business of the subsidiary. The consolidated financial statement has been prepared in accordance with the relevant accounting standards and a separate statement containing the salient features of the financial statement of its subsidiary pursuant to provision of Section 129(3) of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules 2014, in form AOC-1 is attached along with the financial statement of the company as Annexure-II.

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

(Amount in YTD.)

Particulars	31.03.2024	% of Contribution to the Overall Performance
Revenue From		
operation(gross)	2,14,62,977.64	2.14
Other Income	20,86,302.35	7.23
Total Revenue	**2,35,49,279.99**	**2.28**
Total Expenditure	**2,06,16,595.08**	**3.97**
Depreciation and amortizations	1,72,299.82	1.71
Profit/(Loss) before Tax	**27,60,385.09**	0.55
Current Tax	7,94,722.67	0.56
Deferred Tax	-	0.00
Profit/(Loss) after Tax	**19,65,662.43**	**0.54**

M/s Basilic Fly Studio Canada Ltd is engaged in the business of VFX Activity in the same line as its Parent Entity. For the year ended 31st March, 2024, the Company has earned a total income of **Rs. 2,35,49,279.99/-** and has made Profit/ (Loss) after Tax of the **Rs. 19,65,662.43 /-**. The financial and other details of the said Subsidiary for the Year ended 31-03-2024 are as under:

Further M/s Basilic Fly Studio UK Private Ltd is engaged in the business of VFX Activity in the same line as its Parent Entity. For the year ended 31st March, 2024, the Company has earned a total income of **Rs.8,98,87,286.85/-** and has made Profit/ (Loss) after Tax of the **Rs.12,41,723.60/-**. The financial and other details of the said Subsidiary for the Year ended 31-03-2024 are as under:

(Amount in YTD.)

Particulars	31.03.2024	% of Contribution to the Overall Performance
Revenue From Operation (gross)	8,98,74,265.07	8.75
Other Income	13,021.78	0.04
Total Revenue	8,98,87,286.85	8.50

BOARD'S REPORT

Particulars	31.03.2024	% of Contribution to the Overall Performance
Total Expenditure	8,84,54,054.43	16.34
Depreciation and amortizations	1,91,508.81	1.83
Profit/(Loss) before Tax	12,41,723.60	0.25
Current Tax	-	-
Deferred Tax	-	-
Profit/(Loss) after Tax	12,41,723.60	0.34

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

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee is applicable to all listed Company as at the end of the Financial Year, the Company got listed in NSE Stock exchange under SME Emerge platform. The Company had in its Board Meeting held on 31st March 2023 formulated the Nomination and Remuneration Committee of the Board and the Company has also devised the policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section. 178(3) of the Companies Act, 2013.

The Nomination and Remuneration Committee held Board meeting on 23rd May 2023 to accept the Resignation of Chief Financial Officer, Mr. Vijay Pichaimuthu (having PAN: ABOPV9998B) and approved the Appointment of Mr. M Ramesh (having PAN: AHWPR6977N) as the Chief Financial Officer of the Company.

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

The Managing Director and Whole-Time Directors of the Company do not receive any remuneration or commission from any of its Subsidiary Companies.

APPOINTMENT AND RESIGNATION OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

A. COMPOSITION OF THE BOARD OF DIRECTORS:

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

During the year under review, the composition of the Board has been changed by the Resignation of Independent Director Mr. Subramaniam Krishnan on 23rd October 2023. The resolution for the resignation of Mr. Subramaniam Krishnan has been passed by the Board of Directors through Resolution by Circulation. As on the date of the report, the Board comprises, 2 Independent, 1 Non- Executive and 3 Executive Directors.

The Board of Directors of the Company consists of Mr. Balakrishnan (DIN:06590484), Managing Director, Mrs. Sundaram Yogalakshmi (DIN:07323404), and Mr. Duraiswami Prabhakar (DIN: 09831080), Whole-time Directors, Mrs. Rajarathinam Thiripurasundari (DIN:07323583), Non- Executive Director, Mr. Vengarai Seshadri Sowrirajan (DIN:00434044) and Mr. Jitendra Kumar Pal (DIN: 08567622), are Independent Directors. The composition of the Board of Directors is in compliance with Section 149 of the Companies Act, 2013.

BOARD'S REPORT

During the year under review the company the following changes are made to the Board of Directors:

S.No	DIN/ PAN	Name of Director / KMP	Designation	Date of Resignation
1	00583985	Mr. Subramaniam Krishnan	Independent Director	23.10.2023

KEY MANAGERIAL PERSONNEL

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

Sr. No.	DIN/PAN	Name of Director/KMP	Designation
1.	06590484	Mr. Balakrishnan	Managing Director
2.	07323404	Mrs. Sundaram Yogalakhsmi	Whole-Time Director
3.	09831080	Mr. Duraiswami Prabhakar	Whole-Time Director
4.	FEEPS6714A	Ms. Swati Sharma	Company Secretary & Compliance Officer
5.	AHWPR6977N	Mr. M Ramesh	Chief Financial Officer

Note: The former Company Secretary Mr. Nikhil Midha resigned from the company as on 2nd July, 2024. Post his resignation the new Company Secretary was appointed w.e.f 5th July 2024

CHANGES IN DIRECTOR AND KEY MANAGERIAL PERSONNEL:

During the period under review the following changes have been made to the Board of Directors of the company:

- CFO Transition: Mr. Vijay Pichaimuthu (PAN: ABOPV9998B) resigned as Chief Financial Officer (CFO) on May 23, 2023. The Board accepted his resignation and appointed Mr. M Ramesh (PAN: AHWPR6977N) as the new CFO.

- Board Resignation: Independent Director Mr. Subramaniam resigned on October 23, 2023, due to personal reasons and commitments. The Board accepted his resignation through a resolution circulated on the same date.

There was no appointment of Additional, alternate Director to fill casual any vacancy during the year.

RECONCILIATION OF SHARE CAPITAL AUDIT:

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depository Participants) Regulations, 2018 [erstwhile: vide SEBI circular no. D$CC/ FIT TC/CIR-16/2002 dated December 31, 2002 read with Securities and Exchange Board of India (Depositories Participants) Regulations, 1996], a Company Secretary in practice carries out audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirm that the total issued/paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL. The said report, duly signed by practicing company secretary is submitted to stock exchange where the securities of the Company are listed within 30days of the end of each quarter and this Report is also placed before the Board of Directors of the Company.

CORPORATE GOVERNANCE REPORT:

As per Regulation 15 of SEBI (LODR) Regulations, 2015, the applicability with respect to Corporate Governance Report does not arise.

BOARD'S REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR):

The Business Responsibility and Sustainability Report (BRSR) pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is not applicable to the Company for the financial year ended as on 31st March 2024.

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

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

All the Independent Directors of the Company have submitted declarations pursuant to Section 149(7) of the Act, that each of them meets the criteria of independence as provided in Section 149(6) of the Act and they continue to comply with the Code of Conduct laid down under Schedule IV of the Act.

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

COMMITTEE OF THE BOARD

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

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

The composition and terms of reference of each of the above committee is provided below as on the report date:-

a) AUDIT COMMITTEE

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of Section 177 of the Act.

BOARD'S REPORT

As on March 31, 2024, the Committee comprises of two (2) Independent Directors and one(1) executive Director is as follows:-

Name of the Member	Din No.	Designation in the Committee	Nature of Directorship
Mr.Vengarai Seshadri Sowrirajan	00434044	Chairperson	Independent Director
Mr. Jitendra Kumar Pal	08567622	Member	Independent Director
Mr. Balakrishnan	06590484	Member	Managing Director

Mr. Nikhil Midha (former Company secretary of the company, resigned from company as on 2nd July 2024), Company Secretary acts as the Secretary of the Committee

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

The Audit Committee has held 7 meetings during the Financial Year 2023-24 which is summarized below. The Audit Committee has considered and recommended the Board on different matters which fall under its preview.

Date of meeting	Name of Directors			
	Subrama niam Krishnan Independ ent Director DIN: 00583985	Vengarai Seshadri Sowrirajan Independ ent Director DIN: 00434044	Jitendra Kumar Pal Independ ent Director DIN: 08567622	Balakrishnan Managin g Director DIN: 06590484
23.05.2023	✓	✓	✓	✓
14.06.2023	✓	✓	✓	✓
17.07.2023	✓	✓	✓	✓
17.07.2023	✓	✓	✓	✓
24.08.2023	✓	✓	✓	✓
07.09.2023	✓	✓	✓	✓
30.10.2023	×	✓	✓	✓

b) NOMINATION AND REMUNERATION COMMITTEE (NRC)

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

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

BOARD'S REPORT

As on March 31, 2024, the Committee comprises of three (3) Independent Directors and one (1) executive Director is as follows:-

Name of the Member	Din No.	Designation in the Committee	Nature of Directorship
Mr.Vengarai Seshadri Sowrirajan	00434044	Chairperson	Independent Director
Mr. Jitendra Kumar Pal	08567622	Member	Independent Director
Mrs.Rajarathinam Thiripurasundari	07323583	Member	Non-Executive Director
Mr. Balakrishnan	06590484	Member	Managing Director

Mr. Nikhil Midha (former Company secretary of the company, resigned from company as on 2nd July 2024), Company Secretary acts as the Secretary of the Committee

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

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

One meeting of the Nomination and Remuneration Committee was held during the year under review which is summarized below to consider and approve the Resignation of Mr. Vijay Pichaimuthu, Chief Financial Officer and to consider and recommend appointment of Mr. Ramesh M, as Chief Financial Officer.

Date of meeting	Name of Directors			
	Subrama niam Krishnan Independ ent Director DIN: 00583985	Vengarai Seshadri Sowrirajan Independ ent Director DIN: 00434044	Jitendra Kumar Pal Independ ent Director DIN: 08567622	Balakrishnan Managin g Director DIN: 06590484
23.05.2023	✓	✓	✓	✓

STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on March 31, 2023. As on 31.03.2024 the Stakeholders Relationship Committee comprises of two (2) Independent Directors and one (1) executive Director is as follows:-

Name of the Member	Din No.	Designation in the Committee	Nature of Directorship
Mr.Vengarai Seshadri Sowrirajan	00434044	Chairperson	Independent Director
Mr. Jitendra Kumar Pal	08567622	Member	Independent Director
Mr. Balakrishnan	06590484	Member	Managing Director

BOARD'S REPORT

Mr. Nikhil Midha (former Company secretary of the company, resigned from company as on 2nd July 2024), Company Secretary acts as the Secretary of the Committee.

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

One meeting of the Stakeholders Relationship Committee was held during the year which is summarized below to take note of IPO related Investor Grievances and redressal status of Investor grievances for the quarters ended 30th September 2023 and 30th December 2023.

Date of meeting	Name of Directors		
	Vengarai Seshadri Sowrirajan Independ ent Director DIN: 00434044	Jitendra Kumar Pal Independ ent Director DIN: 08567622	Balakrishnan Managin g Director DIN: 06590484
19.02.2024	✓	✓	✓

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

The composition of the CSR Committee as on 31.03.2024 is as follows:-

Name of the Member	Din No.	Designation in the Committee	Nature of Directorship
Mr. Jitendra Kumar Pal	08567622	Chairperson	Independent Director
Mr. Balakrishnan	06590484	Member	Managing Director
Mrs. Sundaram Yogalakshmi	07323404	Member	Whole Time Director
Mr. Duraiswami Prabhaka	09831080	Member	Whole Time Director

Mr. Nikhil Midha (former Company secretary of the company, resigned from company as on 2nd July 2024), Company Secretary acts as the Secretary of the Committee

One meeting of the Corporate Social Responsibility Committee was held during the year which is summarized below for the Constitution of CSR Execution Group consisting of Volunteers Nominated by the company for smoother execution of CSR Activities and to consider and recommend the Board of Directors CSR Expenditure for FY 2023-24.

Date of meeting	Name of Directors			
	Jitendra Kumar Pal Independ ent Director DIN: 08567622	Balakrishnan Managin g Director DIN: 06590484	Sundara m Yogalak shmi Whole Time Director DIN: 07323404	Duraiswa mi Prabhakar Whole Time Director DIN: 098 31080
13.10.2023	✓	✓	✓	✓

BOARD'S REPORT

RISK MANAGEMENT COMMITTEE (RMC)

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

The composition of the Risk Management Committee is as on 31.03.2024 follows:-

Name of the Member	Din No.	Designation in the Committee	Nature of Directorship
Mr.Vengarai Seshadri Sowrirajan	00434044	Chairperson	Independent Director
Mr. Balakrishnan	06590484	Member	Managing Director
Mrs. Sundaram Yogalakshmi	07323404	Member	Whole Time Director

No meeting of the Risk Management Committee was held during the financial year.

BOARD POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, mandates the formulation of certain policies for all listed companies. The corporate governance policies are available on the Company's website, at Investor Corner - Basilic Fly Studio Limited. The policies are reviewed periodically by the Board and are updated as needed.

Key policies that have been adopted by the Company are as follows:

VIGIL MECHANISM POLICY (Whistleblower Policy):

The Company has formulated the Whistleblower Policy in line with the mandated regulatory requirements – Sarbanes Oxley Act (SOX), 2002 & Companies Act, 2013 – which mandates listed companies to establish a "vigil mechanism" for reporting genuine concerns without fear of censure. All Employees and Directors of the Company who are associated with the company can raise concerns regarding malpractices and events which may negatively impact the company.

Details of the Vigil Mechanism Policy can be accessed through the Company's website at Investor Corner - Basilic Fly Studio Limited. This mechanism provides directors and employees with a platform to report their genuine concerns.

BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY POLICY

The policy outlines the Company's strategy to bring about a positive impact on society at large to eradicate hunger, poverty and malnutrition; promote preventive health care and sanitation and making available safe drinking water, promoting gender equality and empowering women.

The Companies vision on CSR policy are:

1. The Company completely endorses reliability. It is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs.

2. The Company is committed towards improving the quality of lives of people in the communities in which it operates because society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to the society through CSR activities is its moral duty.
3. The Company aims to fulfil the requirements laid down under the Companies Act, 2013 and act diligently to comply with all its Rules and Regulations on CSR.

Details of the CSR Policy of the Company can be accessed through the Company's website at Investor Corner - Basilic Fly Studio Limited.

DIVIDEND DISTRIBUTION POLICY

The Company has adopted the Dividend Distribution Policy in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, and shall act as guidance to the board or company during the recommendation or declaration of dividends. It establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The objective of this policy is to lay out the criteria and parameters that are to be considered by the Board of Directors of the company when deciding on the declaration or recommendation of a dividend from time to time. This policy is applicable to all dividends declared or recommended on the equity shares of the company, including interim dividends and final dividends.

Details of the Dividend Distribution Policy can be accessed through the Company's website at Investor Corner - Basilic Fly Studio Limited.

MATERIALITY POLICY

This Materiality Policy (herein after referred to as "Policy") has been formulated to define the materiality policy for identification of group companies, litigation and outstanding dues to creditors in respect of BASILIC FLY STUDIO LIMITED (herein after referred to as "Company") for the purposes of relevant disclosure in the Offer Document (defined herein below) pursuant to the requirements under Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) (SEBI ICDR Regulations").

Details of the Materiality Policy can be accessed through the Company's website at Investor Corner - Basilic Fly Studio Limited.

INTERNAL FINANCIAL CONTROLS:

Your Company has implemented an adequate system of internal control as mandated by Section 134(3)(q) of the Companies Act, 2013, read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014. This system is commensurate with the size, scale, nature, and complexity of the business, ensuring the safeguarding of all assets and investments against loss from unauthorized use or disposition.

These internal control systems provide reasonable assurance regarding the following:

- Provision of financial and operational information
- Safeguarding of Company assets
- Adherence to management policies
- Ensuring compliance with applicable laws and regulations

CODE OF CONDUCT

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

INVESTOR COMPLAINTS DURING THE YEAR

The Company received few complaints from the shareholders during the year which were resolved properly by the Company. Company has registered itself on SCORES and endeavors to resolve all investor complaints received

BOARD'S REPORT

through SCORES within the stipulated period of receipt of the complaint.

CODE FOR PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India ("SEBI") has, in pursuance of the powers conferred on it under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations"). These regulations are applicable to all the companies whose securities are listed on Stock Exchange(s) and all unlisted companies whose securities are proposed to be listed on Stock Exchange(s).

The Company, being a listed company, is required to conform to the minimum standards prescribed by the Code of Conduct ("Code") for the purpose of regulating, monitoring and reporting Trading by insiders. Accordingly, the Board of Directors of the Company at its meeting held on May 23, 2023 approved and adopted the Code.

The Regulations prohibit an Insider from Trading in the securities of a company listed on stock exchange on the basis of any Unpublished Price Sensitive Information.
The Code is also posted on the Website of the Company at Microsoft Word - BFS Code_of_Conduct_for_Insider_Trading[1] (basilicflystudio.com).

PARTICULARS OF EMPLOYEES:

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

According to Section 197(14) of the Act, no remuneration has received by any of the Executive Directors from the Company's subsidiary companies during FY 2023-24.

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

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

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

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The Company has received unsecured loans from Directors in the earlier years, and the outstanding balance stands as on March 31,2023 is Rs.10,50,959/-. The details of the same have been disclosed in Note No.3 (Long term Borrowings) of the Financial Statement. The relative of director from whom money is received have furnished to the company at the time of giving the money, a declaration in writing to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others.

CHANGE IN THE NATURE OF BUSINESS:

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

VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD REPORT.

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

BOARD'S REPORT

SHARES CAPITAL:

AUTHORIZED & PAID-UP SHARE CAPITAL:

The Company's authorized share capital remained unchanged at ₹25,00,00,000 throughout the year, divided into 2,50,00,000 Equity Shares of ₹10 each.

Following the IPO allotment on September 7, 2023, the Company's paid-up share capital increased from ₹17,00,00,000 (1,70,00,000 shares) to ₹23,24,00,000 (2,32,40,000 shares). These newly issued shares carry the same rights and privileges (pari-passu) as the existing equity shares.

No additional shares, instruments convertible into shares, shares with differential voting rights, or sweat equity were issued during the year.

BUY BACK OF SECURITIES:

The Company did not buy back any of its securities during the year under review.

SWEAT EQUITY:

No Sweat Equity Shares were issued by the Company during the year under review

BONUS SHARES:

No Bonus shares were issued by the Company during the year under review.

EMPLOYEES STOCK OPTION PLAN:

During the year ender review, the Company has not provided any Stock Option Scheme to the employees during the year under review.

DEMATERIALISATION OF SHARES

During the year ender review, all the shares of the company are held and traded in Dematerialized form only.
REGISTRARS AND SHARE TRANSFER AGENTS
Purva Sharegistry (India) Private Limited
CIN: U67120MH1993PTC074079
Address:- 9, Shiv Shakti Industrial Estate,
J.R.Boricha Marg Lower Parel (East),
Mumbai, 400011, Maharashtra, India,
Telephone No.022-23018261,
Email Id: support@purvashare.com

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

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

As of the current date, no shares of the company are held in Demat Suspense Account or Unclaimed Suspense Account.

STATEMENT OF DEVIATIONS / VARIATIONS:

During the year under review, there have been no deviations or variations in the utilization of IPO proceeds, in compliance with Regulation 32 of SEBI (LODR) Regulations, 2015, regarding certain terms of the Initial Public Offering (IPO) of the Company.

CREDIT RATING:

As the company's Equity shares are listed on the Stock Exchange, the applicability of Credit Rating is not relevant to the company.

ANNUAL EVALUATION OF THE BOARD, COMMITTEES, AND INDIVIDUAL DIRECTORS:

The Board of Directors has conducted an annual evaluation of its own performance, Board Committees, and individual directors, including Independent Directors, as required by the Companies Act, 2013.
Based on inputs from all directors regarding board composition, structure, effectiveness of board processes, information, and functioning, the evaluation of the Board's performance was conducted.

Similarly, the performance of the committees was evaluated by the Board after obtaining input from committee members on composition, effectiveness, and meeting procedures.
In a separate meeting of Independent Directors, the performance of Non-Independent Directors, the Board as a whole, and the Chairman of the Company were evaluated, considering the views of Executive directors and Non-Executive Directors.

BOARD'S REPORT

The Nomination & Remuneration Committee and the Board reviewed the performance of individual directors based on criteria such as their contribution to board and committee meetings, preparedness, meaningful contributions, and constructive inputs.

COMPLIANCE OFFICER DETAILS AND ADDRESS FOR CORRESPONDENCE

Ms. Swati Sharma, Company Secretary & Compliance Officer

(erstwhile: Mr. Nikhil Midha former Company Secretary resigned w.e.f 2nd July 2024)

Registered Office:
Tower A, KRC Commerzone
Mount Poonamallee Road, Porur
Chennai – 600116 Tamil Nadu
Phone No. 044 6172 7700

SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS / COURTS:
During the year under review, there were no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

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

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

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

Not Applicable
DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB- SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:
The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, in the year under review.

ACKNOWLEDGEMENT:

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

The Directors thank the Government of India, Governments of various States in India, Governments of various Countries, and concerned Government departments/ Regulatory Authorities for their co-operation. The Directors appreciate and value the contribution made by every member, employee, and their family of the Company.

For BASILIC FLY STUDIO LIMITED

Sd/-	**Sd/-**
BALAKRISHNAN	**SUNDARAM YOGALAKSHMI**
Managing Director	Whole-time Director
DIN:06590484	DIN:07323404

Place: Chennai
Date: September 02, 2024

CERTIFICATE OF CORRECTNESS OF FINANCIAL RESULTS

To
The Board of Directors
BASILIC FLY STUDIO LIMITED
TOWER A, KRC COMMERZONE
MOUNT POONAMMALLE ROAD
PORUR, CHENNAI 600116 IN
CIN: U92100TN2016PLC103861

Pursuant to Regulation 33(2) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that the financial results of the Company for the half year and year ended on 31 March, 2024 placed before the meeting do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

For BASILIC FLY STUDIO LIMITED

Sd/-
Balakrishnan
Managing Director
DIN: 06590484

Sd/-
Murugachettrar Ramesh
Chief Financial Officer
PAN: AHWPR6977N

CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO)/ MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
BASILIC FLY STUDIO LIMITED
TOWER A, KRC COMMERZONE
MOUNT POONAMMALLE ROAD
PORUR, CHENNAI 600116 IN
CIN: U92100TN2016PLC103861

Dear members of the Board,

1. We have reviewed the financial statements and the cash flow statement of the Company for the half year and year ended March 31, 2024 and to the best of our knowledge and belief-
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee –
   i. That there are no significant changes in internal control over financial reporting during the year;
   ii. That there are no significant changes in accounting policies during the year; and
   iii. That there are no instances of significant fraud of which we have become aware and that there is no involvement of the management or employee having a significant role in the Company's internal control system over financial reporting.

For BASILIC FLY STUDIO LIMITED

Sd/-
Balakrishnan
Managing Director
DIN: 06590484

Sd/-
Murugachettrar Ramesh
Chief Financial Officer
PAN: AHWPR6977N

Annexure– II

FORM NO. AOC.1
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

	Name of the Subsidiary	Basilic Fly Studio UK Private Limited	Basilic Fly Studio Canada Limited
1.	Date when Subsidiary was incorporated	06/04/2022	02/07/2021
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31/03/2024	31/03/2024
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Pound Sterling $	Canadian $
4.	Share capital	4,21,35,001	2,29,52,863
5.	Reserves & surplus	3,68,298	2,13,54,051
6.	Total assets	9,22,31,820	13,18,52,296
7.	Total Liabilities	4,97,28,521	8,75,453,82
8.	Investments	-	
9.	Turnover	8,98,74,265	2,36,91,456
10.	Profit before taxation	12,41,724	30,52,973
11.	Provision for taxation- Deferred Tax	-	-
12.	Profit after taxation	12,41,724	21,75,990
13.	Proposed Dividend	-	-
14.	% of shareholding	100%	90.630%

The following information shall be furnished: -
1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

For and on behalf of the Board
BASILIC FLY STUDIO LIMITED

Sd/-
BALAKRISHNAN
DIN: 06590484
Managing Director

Sd/-
SUNDARAM YOGALAKSHMI
DIN: 07323404
Whole-Time Director

Annexure– II

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1.	Latest audited Balance Sheet Date	N/A	N/A	N/A
2.	Shares of Associate/Joint Ventures held by the company on the year end	N/A	N/A	N/A
	No.			
	Amount of Investment in Associates/Joint Venture	N/A	N/A	N/A
3.	Description of how there is significant influence	N/A	N/A	N/A
4.	Reason why the associate/joint venture is not consolidated	N/A	N/A	N/A
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
6.	Profit / Loss for the year			
	i. Considered in Consolidation	NIL	NIL	NIL
	ii. Not Considered in Consolidation	NIL	NIL	NIL

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board
BASILIC FLY STUDIO LIMITED

Sd/-
BALAKRISHNAN
DIN: 06590484
Managing Director

Sd/-
SUNDARAM YOGALAKSHMI
DIN: 07323404
Whole-Time Director

Place: Chennai
Date: 2nd September 2024

Annexure– III

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1), rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2024.

(A) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year and other particulars are as follows:

(i) DIRECTORS

(Amount in ₹ Lakhs)

Sr. No.	Name of Directors/Key Managarial Personnel	Designation	Remuneration	Ratio of of remuneration to to median remuneration	% Increase in the remuneration (From Last Year)
1	BALAKRISHNAN	Managing Director & CEO	120.00	4.33% (520399)	120.00(same)
2	SUNDARAM YOGALAKSHMI	Whole Time Director	84.00	6.19% (520399)	84.00(same)
3	DURAISWAMI PRABHAKAR	Whole Time Director	30.00	17.33% (520399)	30.00(same)

(ii) KEY MANAGERIAL PERSONNEL

(Amount in Lakhs)

Sr. No	Name of Director/Key Managerial Personnel	Designation	Remuneration	Ratio of remuneration to Median remuneration	% increase in the remuneration (From Last Year)
5.	NIKHIL MIDHA	Company Secretary & Compliance Officer	18.52	**28.07% (520399)**	**18.52 (same)**
6.	RAMESH M	Chief Financial Officer	9.60	**54.17% (520399)**	**9.60 (same)**

Note 1: Non-Executive Directors are paid remuneration only by way of sitting fees. The remuneration package of the above Directors was approved by the Board of Directors, and which were also approved by the Members of the Company at the General Meeting. For the Computation of median remuneration of the employees of the Company for the Financial Year 2022-23, Gross Salary paid to each employee is taken into consideration.

Note 2: The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors of the Company other than payment of the sitting fees for attending meetings. During FY 2023-24, the Company did not advance any loan to any of its directors. Further, no loans and advances in the nature of loans to firms/companies in which directors are interested was given by the Company and its subsidiaries.

Note 3: Remuneration of the executive directors consists of a salary and other benefits. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the compensation payable to them, within the parameters approved by the shareholders, to the Board for their approval.

(iii) The percentage increase in the median remuneration of employees in the Financial Year: There is 58.91% increase in the median remuneration of employees in the Financial Year 2023-24. The median remuneration of FY 24 was down to Rs 520,399/- (483 employees) from Rs 333,636/- (341 employees) in FY 23

Annexure– III

(iv) The number of permanent employees on the rolls of Company: The number of permanent employees on the rolls of Company as on March 31, 2024, was 480

(v) Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: There have been 55.76% increase in the salaries of the employees other than the managerial personnel as compared to last year.

(vi) The key parameters for any variable component of remuneration availed by the directors; - Not Applicable

Explanation: For the purposes of this rule.-

(a) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;

(b) if there is an even number of observations, the median shall be the average of the two middle values.

(vii) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

(B) Particulars of the employees employed throughout the financial year and in receipt of remuneration aggregating Rs. One Crore and Two Lakhs or more per annum

Sr. No.	Name	Age	Designation	Remuneration Total (in Rs)	Qualification	Experience in years	Date of Joining	Last Employment
1.								
2.								

(C) Particulars of the employees employed for a part of the financial year and in receipt of remuneration aggregating Rs. Eight Lakhs Fifty Thousand or more per month

Sr. No.	Name	Age	Designation	Remuneration Total (in Rs)	Qualification	Experience in years	Date of Joining	Last Employment
1.								
2.								

(D) Employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month: There was no employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.

(E) Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: There was no employee employed throughout the financial year or part thereof, who was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Annexure– III

(F) Employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month: There are no employees who are posted outside India and in receipt of a remuneration of RS 60.00 lakh or more per annum or Rs 5.00 lakh or more a month.

Notes:

1. Remuneration comprises of salary, allowances & other perquisites as defined under income Tax Act, 1961 as paid during the year.
2. None of the above is a relative of any Director of the Company.
3. All appointments are permanent in nature.
4. None of the above employees, hold 2% or more Equity Shares of the Company either by himself or along with his spouse and dependent children.

Place: Chennai
Date: 2nd September 2024

For and on behalf of the Board of Director
For Basilic Fly Studio Limited

Sd/-
Balakrishnan
Managing Director
DIN-06590484

INDEPENDENT AUDITOR'S REPORT

To the Members of

Basilic Fly Studio Limited.,

(Formerly known as Basilic Fly Studio Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Basilic Fly Studio Limited** (the "Company"), which comprise the Balance Sheet as at 31March, 2024, the Statement of Profit and Loss, the Statement of cashflowsfor the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to asthe "Financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements for the year ended 31March, 2024 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31 March, 2024, its profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	Principal audit procedure performed
The company derives its revenues primarily from Sale of Visual effects (VFX) Service contracts. Revenue on time-and-material contracts are recognized as the related services are performed. Sales are shown net of sales returns, if any.	In view of the significance of the matter we applied the following audit procedures on selected specific and statistical samples of contracts, among others to obtain sufficient audit evidence: 1. Assessed the appropriateness of the revenue recognition is in accordance with the applicable accounting standard and accounting policies. 2. Verified the progress of each project in terms use of human resources and other resources and 3. Verified the contract with customers made in this regard and revenues accounted under proportionate Completion method.

INDEPENDENT AUDITOR'S REPORT

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

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

7. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

   If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

    i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

INDEPENDENT AUDITOR'S REPORT

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

16. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")**, issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in **"Annexure - A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. As required by Section 143(3) of the Act, we report that:

i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

iii. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

v. On the basis of written representations received from the directors as on 31st March 2024 taken on record by the board of directors, none of the directors are disqualified as on 31st March 2024 from being appointed as directors in terms of section 164(2) of the Act.

vi. With respect to the adequacy of the **internal financial controls** over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations which would impact its financial position.

b) The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

ix. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

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

xi. Based on our examination, which included test checks, the Company has used accounting software for maintaining itsbooks of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facilityand the same has operated throughout the year for all relevant transactions recorded in the software andthe audit trail feature has not been tampered with and as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g)of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements forrecord retention is not applicable for the financial year ended March 31, 2024.

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

Sd/-
P K Manoj
Partner
Membership No.207550
UDIN:24207550BKANNE7796

Place: Chennai
Date: 30 April 2024

ANNEXURE – A

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF BASILIC FLY STUDIO LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the period ended 31 March, 2024 we report that:

i. a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of Intangible Assets

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

c) According to the information and explanations given to us on the basis of our examination of the records of the Company, the Company do haveany immovable properties during the year.

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

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

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

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

iii. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, securedor unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

a) The company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entityand hence reporting under clause 3(iii)(a) is not applicable to the Company.

b) According to the information and explanations given to us, investment made are in the ordinary course of business andaccordingly in our opinion,are not prejudicial to the Company's interest.The Company has not provided any guarantees, given any security and the terms and granted any loans and advances in the nature of loans and guarantee.

c) The Company has not granted any loans or advances in the nature of loans and hence reporting under clauses 3(iii)(c), (d), (e)and (f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of records, the Company has not given any loans, or provided guarantees or securities, as specified under section 185 and 186 of the Companies Act, 2013.

v. The company has not accepted deposits and does nothave any unclaimed deposits within the meaning of sections 73 to 76 of the Act, 2013 and the Companies

ANNEXURE – A

(Acceptance of Deposits) Rules,2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records Section 148(1) of the Act. Accordingly, clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, salestax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities by the Company, though there have been delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there were no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, duty of custom, duty of excise, cess and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3 (viii) of the Order is not applicable.

ix. In respect of loans and other borrowings:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

d) On examination of the financial statements of the Company, Company has not raised any funds on short term basis which has been used for long-term purposes hence reporting under clause 3(ix)(d) of the Order is not applicable.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, hence reporting on clause 3(ix)(e) of the Order is not applicable. The Company does not hold any investment in any joint venture and associate.

f) The Company has not raised any loans on the pledge of securities held in its subsidiaries during the period and hence reporting on clause 3(ix)(f) of the Order is not applicable. The Company does not hold any investment in any joint venture and associate.

x. a) The Company has issued 62,40,000 Equity share of Rs.10.00 each at a premium of Rs.87.00 each by way of Initial Public Offer ("IPO") and got listed on Emerge Platform of National Stock Exchange of India Limited on 11th September, 2023.

b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) under Section 42 and 62 of theAct during the year. Accordingly, clause 3 (x)(b) of the Order is not applicable.

xi. a) According to the information and explanations given to us and on the basis of our examination of the books and records, no fraud by the Company or on the Company has been noticed or reported during the year.

ANNEXURE – A

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. Company is not a Nidhi company. Accordingly, Clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us, the transactions entered by the Company with the related parties are in compliance with Section177 and 188 of the Act where applicable and details of such transactions have been properly disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.

xiv. a) Our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have not considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause 3(xv) of the Order for reporting the provisions of section 192 of the Companies Act is not applicable.

xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a), & (b) of the Order is not applicable.

b) The Company is not a Core Investment Company and there is no core investment company within the group. Accordingly, paragraph 3(xvi) (c) & (d) of the Order is not applicable.

xvii. According to the information and explanations given to us, the company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and on the basis of our examination of the records, there are no amounts unspent in respect of corporate social responsibility towards ongoing or other than ongoing projects and hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Sd/-
P K Manoj
Partner
Membership No.207550
UDIN:24207550BKANNE7796

Place: Chennai
Date: 30 April 2024

ANNEXURE 'B'

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF BASILIC FLY STUDIO LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

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

We have audited the internal financial controls over financial reporting of **Basilic Fly Studio Limited (**the **"Company")** as of **March 31, 2024** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

(1) Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

ANNEXURE 'B'

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
P K Manoj
Partner
Membership No.207550
UDIN:24207550BKANNE7796

Place: Chennai
Date: 30 April 2024

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Balance Sheet as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars			Note No.	As at 31 Mar 2024	As at 31 Mar 20233
I.	EQUITY AND LIABILITIES				
1	**SHAREHOLDERS' FUNDS**				
	(a)	Share Capital	1	2,324.00	1,700.00
	(b)	Reserves and Surplus	2	9,808.09	1,320.99
	(c)	Money received against share warrants		-	-
2	**SHARE APPLICATION MONEY PENDING ALLOTMENT**			-	-
3	**NON-CURRENT LIABILITIES**				
	(a)	Long-Term Borrowings	3	56.01	252.58
	(b)	Deferred Tax Liabilities (Net)		-	-
	(c)	Other Long-Term Liabilities		-	-
	(d)	Long-Term Provisions	4	303.34	196.38
4	CURRENT LIABILITIES				
	(a)	Short-Term Borrowings	5	186.39	174.49
	(b)	Trade Payables	6		
		(A) Total outstanding dues of micro enterprises and small enterprises and		103.99	-
		(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,057.21	262.67
	(c)	Other Current Liabilities	7	321.05	371.44
	(d)	Short-Term Provisions	8	410.59	620.17
	TOTAL			**14,570.66**	**4,898.72**
II.	ASSETS				
1	**NON-CURRENT ASSETS**				
	(a)	Property, Plant & Equipment and Intangible Assets			
		(i) Property, Plant & Equipment	9	183.39	229.28
		(ii) Intangible Assets		-	-
		(iii) Capital Work-in-Progress		-	-
		(iv) Intangible Assets under development		-	-
	(b)	Non-Current Investments	10	628.85	207.51
	(c)	Deferred Tax Assets (Net)	11	63.99	31.40
	(d)	Long-Term Loans & Advances		-	-
	(e)	Other Non-Current Assets	12	245.64	989.32
2	CURRENT ASSETS				
	(a)	Current Investments		-	-
	(b)	Inventories		-	-
	(c)	Trade Receivables	13	6,289.93	1,983.79
	(d)	Cash & Bank Balances	14	4,247.70	536.13
	(e)	Short-Term Loans and Advances	15	-	-
	(f)	Other Current Assets	16	2,911.17	921.29
	TOTAL			**14,570.66**	**4,898.72**
	Company overview & Significant Accounting Policies		23		
	Other notes to accounts		24		

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

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director

Sd/-
Sundaram Yogalakshmi
Director
DIN: 06590484

Sd/-
Murugachettiar Ramesh
Chief Financial Officer
DIN: 07323404

Sd/-
Nikhil Midha
Company Secretary
Mem No: F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796
Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

Statement of Profit and Loss

for the year ended March 31,2024

(Amount in ₹ Lakhs)

Particulars		Note No.	For the year ended 31-Mar-24	31-Mar-23
I	Revenue From Operations	17	10,030.05	7,022.73
II	Other Income	18	288.47	28.40
III	**Total Income (I+II)**		**10,318.52**	**7,051.13**
IV	**Expenses**			
	Employee Benefits Expense	19	2,909.84	1,752.53
	Other Direct Expenses	20	2,102.43	1,550.03
	Finance Costs	21	49.40	75.01
	Depreciation & Amortisation Expenses	9	101.03	56.03
	Other Expenses	22	137.88	74.89
	Total Expenses (IV)		**5,300.58**	**3,508.49**
V	**Profit Before Exceptional and Extraordinary Items and Tax (III-IV)**		**5,017.94**	**3,542.64**
VI	Exceptional Items		-	-
VII	**Profit before extraordinary items and tax (V-VI)**		**5,017.94**	**3,542.64**
VIII	Extraordinary items		-	-
IX	**Profit before tax (VII-VIII)**		**5,017.94**	**3,542.64**
X	Tax Expense:			
	(1) Current Tax		1,325.47	925.45
	(2) Deferred Tax		(32.59)	(26.87)
	(3) Provision for earlier tax		105.41	-
	Total Tax Expenses		**1,398.29**	**898.58**
XI	**Profit (Loss) for the period from continuing operations (IX-X)**		**3,619.65**	**2,644.06**
XII	Profit (Loss) for the period from discontinuing operations		-	-
XIII	Tax expenses of discontinuing operations		-	-
XIV	**Profit (Loss) for the period from discontinuning operations (after tax) (XII-XIII)**		-	-
XV	**Profit/(Loss) For The Period (XI+XIV)**		**3,619.65**	**2,644.06**
XVI	**Earnings per equity share before extraordinary items: (In Rs.)**			
	Basic and Diluted		**17.69**	**15.55**
XVII	**Earnings per equity share after extraordinary items: (In Rs.)**			
	Basic and Diluted		**17.69**	**15.55**
Company overview, Significant Accounting Policies & Other notes on accounts		**23 & 24**		

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director
DIN: 06590484

Sd/-
Sundaram Yogalakshmi
Director
DIN: 07323404

Sd/-
Murugachettiar Ramesh
Chief Financial Officer

Sd/-
Nikhil Midha
Company Secretary
Mem No : F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796
Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

Statement of Cash Flow

for the year ended March 31,2024

(Amount in ₹ Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
A	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	Net Profit Before Tax	5,017.94	3,542.64
	Adjustments for:		
	Depreciation	101.03	56.03
	Sale of Property,Plant and Equipment	-	6.60
	Interest Expenses	49.40	75.01
	Interest Income	(238.87)	(28.40)
	Operating Profit before working capital changes:	**4,929.51**	**3,651.89**
	Adjustments for changes in working capital:		
	Increase/Decrease in Trade Receivables	(4,306.13)	(1,801.65)
	Increase/Decrease in Short Term Loans & Advances	-	-
	Increase/(Decrease)in Long term Provisions	106.96	132.64
	Increase/(Decrease)in Short term Provisions	4.30	8.73
	Increase/Decrease in Other Current assets	(1,989.88)	(812.74)
	Increase/Decrease in Trade and Other payables	898.53	106.43
	Increase/Decrease in Other Current Liabilities	(50.39)	(117.02)
	Increase/Decrease in Other Non-Current assets	(71.30)	(50.52)
	Cash generated from operations	**(478.41)**	**1,117.75**
	Income Taxes paid	(1,644.76)	(317.67)
	Cash flow before extraordinary item	**(2,123.17)**	**800.08**
	Extraordinary items relating to Operating Activity	-	-
	NET CASH FROM OPERATING ACTIVITES (A)	**(2,123.17)**	**800.08**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Interest Received	238.87	28.40
	Bank deposits	(3,365.55)	(368.44)
	Property,Plant and Equipment purchased including Intangible Assets	(55.13)	(179.94)
	Increase/(Decrease) in Other Non-Current Investments	(421.34)	(0.01)
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(3,603.16)**	**(519.99)**
C	**CASH FLOWS FORM FINANCING ACTIVITES**		
	Interest paid	(49.40)	(75.01)
	Proceeds from issue of equity shares	5,491.45	-
	Increase/(Decrease) in Long-Term Borrowings	(196.56)	(56.48)
	Increase/(Decrease) in Short-Term Borrowings	11.89	70.31
	NET CASH USED IN FINANCING ACTIVITIES (C)	**5,257.37**	**(61.18)**
	Effect of Exchange Difference		
	Exchange difference on Realized (Loss)/Gain	-	-
D	**NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)**	**(468.95)**	**218.91**
	Opening Cash and Cash Equivalents	536.13	317.22
	CLOSING CASH AND CASH EQUIVALENT- Refer Note No.31 in Other Notes to Accounts	67.17	536.13

Company overview,Significant Accounting Policies & Other Notes on accounts - Note no: 23 & 24
The accompanying notes 1 to 24 form an integral part of the financial statements

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director
DIN: 06590484

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Nikhil Midha
Company Secretary
Mem No : F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796

Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

Notes to Financial Statements as at March 31, 2024

Note: 1 Share Capital

(Amount in ₹ Lakhs)

Particulars		As at 31-Mar-2024 Number	As at 31-Mar-2024 Amount	As at 31-Mar-2023 Number	As at 31-Mar-2023 Amount
a)	Number and amount of equity shares authorised@	25,000,000	2,500	25,000,000	2,500.00
b)	(i) Number and amount of equity shares Issued, Subscribed and Paid-Up	23,240,000	2,324	17,000,000	1,700.00
	(ii) Number and amount of equity shares Subscribed but not fully Paid-Up	-	-	-	-
	Total of b (i) and (ii)	**23,240,000**	**2,324**	**17,000,000**	**1,700.00**
c)	**Par value per Equity share (in ₹ each)**		**10.00**		**10.00**

Note: @Authorised capital increased from 10,00,000 equity shares to 2,50,00,000 equity shares with effect from 29-12-2022 vide resolution passed in the Extraordinary General Meeting.

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

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Shares outstanding at the beginning of the year	17,000,000.00	1,000,000.00
Shares issued during the year	6,240,000.00	16,000,000.00
Shares bought back during the year	-	-
Shares outstanding at the end of the year	**23,240,000.00**	**17,000,000.00**

During the Financial year 2023-24, The Company has made the initial public offer aggregates to 68,40,000 shares of a face value Rs.10 each comprising of a fresh issue aggregating to 62,40,000 equity shares and an offer for sale aggregating to 6,00,000 equity shares by the Company's promoters selling shareholders.

During the Financial year 2022-23, the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10 each in the ratio of 16 shares for every 1 share vide resolution dated 29-12-2022 passed at the Extraordinary General Meeting.

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

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

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

The Company has no shares held by its holding company or its ultimate holding company including subsidiaries or associates of the holding company or the ultimate holding company

Notes to Financial Statements as at March 31, 2024

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

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-2024		As at 31-Mar-2023	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Balakrishnan	10,533,250.00	45.32%	10,829,000.00	63.70%
Sundaram Yogalakshmi	3,383,900.00	14.56%	3,683,900.00	21.67%
Umesh Purushottam Chamdia	1,130,500.00	4.86%	1,130,500.00	6.65%
Aparna Samir Thakker	1,130,500.00	4.86%	1,130,500.00	6.65%

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

There is no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

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

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

Nil

b) Aggregate number and class of shares allotted as fully paid up bonus shares

During the Financial year 2022-23, the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10/- each in the ratio of 16 shares for every 1 share vide resolution dated 29-12-2022 passed at the Extraordinary General Meeting.

c) Aggregate number and class of shares brought back

Nil

j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

The Company has not issued any securities convertible into equity/preference shares.

k) Details of Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

The Company has no calls unpaid on shares during the reporting year.

l) Details of forfeited shares (amount originally paid-up)

The Company has not forfeited any shares during the reporting period.

Notes to Financial Statements as at March 31, 2024

m) Shareholding of Promoters

(Amount in ₹ Lakhs)

Promoter Name	Equity Shares held by promoters as at 31-Mar-2024				
	No. of Shares at the beginning of the year	% of total shares	No. of Shares at the end of the year	% of total shares	% Change during the year
1. Balakrishnan	10,829,000.00	46.60%	10,533,250	61.96%	(15.36) %
2. Sundaram Yogalakshmi	3,683,900.00	15.85%	3,383,900	19.91%	(4.05) %

The Initial public offer made during the financial year 2023-24 includes an offer for sale of such number of Equity Shares aggregating to 6,00,000 by the Promoter Selling Shareholder, which includes the Promoter of the Company.

Note: 2 Reserves and Surplus

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
(a) General Reserves		
Opening Balance	400.00	
Add: Additions during the year	-	2,000.00
Less: Transferred to Share Capital		(1,600.00)
Closing Balance	**400.00**	**400.00**
(b) Securities Premium		
Opening Balance	-	-
Add: Additions during the year	4,867.45	-
Less: Deduction during the year	-	-
Closing Balance	**4,867.45**	**-**
(c) Surplus		
Opening Balance	920.99	276.93
Add: Additions during the year	3,619.65	2,644.06
Less: Transferred to General Reserves	-	(2,000.00)
Closing Balance	4,540.64	920.99
Total	**9,808.09**	**1,320.99**

Notes to Financial Statements as at March 31, 2024

Note: 3 Long-Term Borrowings

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Secured		
a) Term Loans:		
i. From banks **(Refer Note 3.1 below)**	13.22	40.25
Unsecured		
a) Term Loans:	-	-
i. From banks **(Refer Note 3.2 below)**	22.29	181.32
ii. From Other Parties **(Refer Note 3.3 below)**	20.50	20.50
b) Loans and advances from related parties	-	10.51
Total	**56.01**	**252.58**

Note:

3.1. Disclosure about the nature of security and type of asset given as security (Banks)

Particulars	Rate of Interest	No of O/S Instalments	Starting Date	Outstanding (Amount in ₹ Lakhs)	Nature of Security / Pledge
Canara bank - Car Loan	9.40%	72 Months	15/03/2022	38.63	Vehicle

3.2. Disclosure about the nature and details of Unsecured Loans (Banks)

Particulars	Rate of Interest	No of O/S Instalments	Starting Date	Outstanding (Amount in ₹ Lakhs)	Nature of Security / Pledge
Deustche Bank - Phase II	14.00%	25 Months	3/30/2022	22.28	-
HDFC Bank - Term Loan	13.00%	23 Months	1/30/2022	26.07	-
IDFC First Bank - Phase II	14.00%	25 Months	3/29/2022	20.91	-
Standard Chartered Bank - Term Loan	14.00%	25 Months	3/30/2022	30.75	-
Axis Bank - Term Loan - Phase II	14.00%	25 Months	3/31/2022	18.83	-
Indusind Bank - Term Loan	15.00%	27 Months	6/4/2022	23.58	-
Kotak Mahindra Bank - Term Loan	14.50%	26 Months	5/23/2022	21.98	-
Yes Bank - Term Loan	15.00%	27 Months	5/25/2022	18.86	-

Notes to Financial Statements as at March 31, 2024

3.3. Disclosure about the nature and details of Unsecured Loans (Other than Banks)

Particulars	Rate of Interest	No of O/S Instalments	Starting Date	Outstanding (Amount in ₹ Lakhs)	Nature of Security / Pledge
Aditya Birla -Term Loan - Phase II	14.00%	25 Months	24/03/2022	2,050,221.00	-

Note: 4 Long-Term Provisions

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Provision for Employee Benefits	303.34	196.38
Total	**303.34**	**196.38**

Note: 5 Short-Term Borrowings

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Secured		
a) Current Maturities of Long-term borrowings **(Refer Note 3.1 of Notes to Balance Sheet)**	25.42	14.10
Unsecured		
a) Current Maturities of Long-term borrowings **(Refer Note 3.2 and 3.3 of Notes to Balance Sheet)**	160.97	160.40
Total	**186.39**	**174.49**

Note: 6 Trade Payables

I. Trade Payables relating to MSME

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) The principal amount and the interest due thereon, remaining unpaid to any supplier as at the end of accounting year		
Principal	103.99	-
Interest Due	-	-
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-

Notes to Financial Statements as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

II. Trade Payables ageing schedule

a) Trade Payables ageing schedule For the year ended 31-Mar-2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	103.99	-	-	-	103.99
(ii) Others	1,057.21	-	-	-	1,057.21
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub total					**1,161.20**
Undue- Considered Good					-
Unbilled Payables					-
Total					**1,161.20**

b) Trade Payables ageing schedule For the year ended 31-Mar-2023

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	262.67	-	-	-	262.67
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub total					**262.67**
Undue- Considered Good					-
Unbilled Payables					-
Total					**262.67**

Notes to Financial Statements as at March 31, 2024

Note: 7 Other Current Liabilities

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Interest accrued but not due on borrowings	2.22	4.66
b) Advance Received from Customers	-	50.40
c) Provision for Expenses	-	5.22
d) Statutory Dues Payable	57.25	96.00
e) Audit Fees Payable	11.25	8.10
f) Salary Payable	250.32	207.06
Total	**321.05**	**371.44**

Note: 8 Short-Term Provisions

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Provision for Employee Benefits	16.69	12.39
b) Provision for Taxation	393.91	607.79
Total	**410.59**	**620.17**

Note: 9 Depreciation & Amortisation Expenses

(Amount in ₹ Lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Depreciation on Tangible Assets	101.03	56.03
Total	**101.03**	**56.03**

Note: 10 Non-Current Investments

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
(Unquoted at cost)		
Investments in Equity Instruments		
In Subsidiaries		
a) Basilic Fly Studio Canada Ltd	207.50	207.50
(Invested in 100 equity shares at 0.01 CAD each, fully paid up, par value 0.01 CAD each)		
(Invested in 351914.05 equity shares at 1 CAD each, fully paid up, par value 1 CAD each)		

Notes to Financial Statements as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
b) Basilic Fly Studio UK Private Ltd	421.35	0.01
(Invested in 4,10,01,000 equity shares at 0.01 GBP each, fully paid up, par value 0.01 GBP each)		
Total	**628.85**	**207.51**

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Aggregate amount of unquoted investments	628.85	207.51
Total	**628.85**	**207.51**

Note: 11 Deferred Tax Assets (Net)

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) On account of Depreciation	(0.63)	(4.18)
b) On account of Employee Benefits	63.58	35.58
c) On account of Others	1.04	-
Total	**63.99**	**31.40**

Note: 12 Other Non-Current Assets

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Security Deposits	245.64	174.34
b) Bank Deposits with more than 12 months maturity	-	814.98
Total	**245.64**	**989.32**

Note: 13 Trade Receivables

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Trade receivable considered good – Secured	-	-
Trade receivable considered good – Unsecured	6,289.93	1,983.79
Trade receivable which have significant increase in credit risk	-	-
Trade receivable – credit impaired	-	-
Total Trade Receivables	**6,289.93**	**1,983.79**
Includes dues from subsidiaries	771.33	705.93

Notes to Financial Statements as at March 31, 2024

Ageing Schedule

I. Trade Receivables ageing schedule For the year ended March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	4,708.35	835.83	745.75	-	-	6,289.93
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
Sub total						**6,289.93**
Undue- Considered Good						-
Unbilled Receivables						-
Total:						**6,289.93**

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

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	993.63	990.17	-	-	-	1,983.79
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-

Notes to Financial Statements as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
Sub total						**1,983.79**
Undue- Considered Good						-
Unbilled Receivables						-
Total:						**1,983.79**

Note: 14 Cash & Bank Balances

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Cash & Cash Equivalents		
i) Balance with banks	67.05	536.09
ii) Cash in hand	0.13	0.04
b) Other Bank Balances	-	-
i) Bank Deposits with more than 3 months but less than 12 months maturity	4,180.53	-
Total	**4,247.70**	**536.13**

Note: 16 Other Current Assets

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Advance paid to suppliers	0.75	1.44
b) Pre-paid Expenses	1,200.42	76.52
c) IPO Expenses	-	49.54
d) Work-in-Progress	1,226.89	540.15
e) Staff Loans and Advances	21.56	19.47
f) GST Refund	461.54	234.18
Total	**2,911.17**	**921.29**

Notes to Financial Statements as at March 31, 2024

Note: 17 Revenue From Operations

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Sale of services:		
Local	52.83	-
Exports	9,977.22	7,022.73
Total	**10,030.05**	**7,022.73**

Note: 18 Other Income

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Interest Income	238.87	28.40
Foreign Exchange Gain or Loss	49.60	-
Total	**288.47**	**28.40**

Note: 19 Employee Benefits Expense

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Salaries & Wages	2,349.83	1,386.94
Contribution to Provident fund	102.11	50.78
Directors Remuneration	234.00	121.50
Provision for Gratuity	112.15	141.36
Staff Welfare	111.75	51.94
Total	**2,909.84**	**1,752.53**

Note: 20 Other Direct Expenses

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Artist Outsource Charges	428.03	450.81
Consultancy Charges	59.49	21.99
Electricity Charges	136.05	72.71
Office Rent	561.46	339.81
Hiring and Subscription Charges	639.45	380.47

Notes to Financial Statements as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Travelling Expenses	117.02	241.44
Communication Charges	68.61	37.06
Business Promotion Expenses	35.51	1.52
Legal and Professional Charges	56.80	4.21
Total	**2,102.43**	**1,550.03**

Note: 21 Finance Costs

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Interest Expenses	49.31	68.54
Other Borrowing costs	0.09	6.47
Total	**49.40**	**75.01**

Note: 22 Other Expenses

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Payment to Auditors	10.00	7.50
Director Sitting Fees	8.60	-
Foreign Exchange Loss	-	13.15
Insurance Expenses	16.99	13.02
Miscellaneous expenses	0.49	0.52
Office Maintenance	14.08	10.87
Postage & Telegram	0.45	0.13
Power & fuel	3.66	0.39
Printing and Stationery	4.68	6.01
Rates and Taxes	17.17	1.55
Repairs and Maintenance	28.21	7.59
Services Charges	1.02	3.33
Security Charges	7.78	4.23
Assets written off	-	6.60
CSR Expenses	24.75	-
TOTAL	**137.88**	**74.89**

Notes to Financial Statements as at March 31, 2024

Note: 23 Company Overview & Significant Accounting Policies

I Company Overview

Basilic Fly Studio Private limited (the "Company") is a Private limited company domiciled in India and was incorporated on 28th January 2016 vide Registration No.U92100TN2016PTC103861 under the provisions of the Companies Act, 2013. The registered office of the Company is situated at Tower A, KRC Commerzone, Mount Poonamallee Road, Porur, Chennai,Tamil Nadu 600116 India with operating units across the Country. Subsequently, company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 29.12.2022 and the name of the company was changed to **Basilic Fly Studio Limited** ('the Company") pursuant to issuance of Fresh Certificate of Incorporation dated 19.05.2023 Registrar of Companies, Chennai with Corporate Identification Number U92100TN2016PLC103861. The Company has by way of Initial Public Offer (IPO) and listed on Emerge Platform of National Stock Exchange of India Limited on 11th September, 2023 with Corporate Identification Number L92100TN2016PLC103861.

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

II Significant Accounting Policies

1 Basis of preparation:

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

2 Revenue recognition:

Sale of Service

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

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

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

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

b) Other Income

Revenue arising from the use by others of enterprise resources yielding interest, royalties and dividends should only be recognised when no significant uncertainty as to measurability or collectability exists. These revenues are recognised on the following bases:

(i) Interest : on a time proportion basis taking into account the amount outstanding and the rate applicable.

Notes to Financial Statements as at March 31, 2024

(ii) **Royalties :** on an accrual basis in accordance with the terms of the relevant agreement.

(iii) **Dividends from :** when the owner's right to receive payment is established by investments in shares.

3 Property Plant and Equipment including Intangible assets:

Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipment's purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

4 Depreciation & Amortisation:

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

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

Useful life of Property, Plant and Equipment's

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

5 Impairment of assets:

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

6 Use of estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and

Notes to Financial Statements as at March 31, 2024

disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipment's and intangible assets.

7 Foreign currency transactions:

Domestic Operation:

I . Initial recognition :

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

II . Measurement :

Foreign currency monetary items should be reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency should be reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency should be reported using the exchange rates that existed when the values were determined.

III . Treatment of Foreign exchange :

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

8 Employee Benefits:

A. Short - term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an liability at the present value of the defined benefit obligation at the balance sheet date.

Notes to Financial Statements as at March 31, 2024

B. Post-Employment benefits:

Defined benefit plan:

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

Defined contribution Plan:

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.The Company provides benefits such as provident fund contribution to its employees which are treated as defined contribution plans.

9 Taxes on Income:

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

A. Current Tax:

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

B. Deferred Tax:

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

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporarydifference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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.

Notes to Financial Statements as at March 31, 2024

10 Provisions and Contingent Liabilities:

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

11 Earnings Per Share:

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

12 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and Cheque in hand, balance with bank, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where it has a short maturity of three months or less from the date of acquisition.

13 Cash Flow Statement:

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

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

14 Investments:

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

Notes to Financial Statements as at March 31, 2024

Note: 24 Other notes to accounts

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

A. Contingent Liabilities

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Claims against the company not acknowledged as debt	-	-
Guarantees	-	-
Other money for which the company is contingently liable	-	-
Total	**-**	**-**

B. Commitments

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments (specify nature)	-	-
Total	**-**	**-**

2 Proposed Dividend Details:

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

3 The Company has issued 62,40,000 equity shares to the public having a face value of Rs.10 per share including share premium of Rs.87 per share aggregating to Rs. 6,052.80 Lakhsby way of Initial Public Offer (IPO) and got listed on Emerge Platform of National Stock Exchange of India Limited on 11th September, 2023.

I. The Company intends to utilise proceeds from IPO as per Object clause of the prospectus dated August 24, 2023

1. Expenditure for setup of Studio/Facility at Hyderabad and Salem
2. Expenditure for adding infrastructure to further strengthen the existing facilities/offices of the company located at Chennai and Pune.
3. Making investment through equity in the subsidiaries for expansion of workspace by acquiring new office space located at London and strengthen the existing facilities/offices located at Vancouver
4. General Corporate Purposes

Notes to Financial Statements as at March 31, 2024

I. The Net proceeds from the issue has been partly utilised for the following purpose:

(Amount in ₹ Lakhs)

Sl No	Objective of the Issue	Amount Alloted for the Object	Amount utilised till 31 March, 2024	Amount Unutilised till 31 March 2024	Deviation from objective (If any)
1	Capital Expenditure for Setting up of Studios	4,562.26	670.00	3,892.26	NA
2	General Corporate Purpose	1,237.64	1,237.64	-	NA
3	Issue Expenses	252.90	252.90	-	NA
Total		**6,052.80**	**2,160.54**	**3,892.26**	**NA**

4 In the opinion of the Board, the company has used borrowings from banks and financial institution only for the specific purpose for which it was taken at the balance sheet date.

5 In the opinion of the Board, all of the assets other than Property, Plant and Equipment and noncurrent investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

6 Details of Benami Property held

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

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

8 Wilful Defaulter

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

9 Relationship with Struck off Companies

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

10 Registration of charges or satisfaction with Registrar of Companies:

The Company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

11 Compliance with number of layers of companies:

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

Notes to Financial Statements as at March 31, 2024

12 Compliance with approved Scheme(s) of Arrangements:

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

13 Utilisation of Borrowed funds and share premium:

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

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

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

B. Where a company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

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

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

14 Payment to the Auditor:

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Auditor	10.00	7.50
Taxation Matters	-	1.50
Company Law Matters	-	-
Management Services	-	-
Other Services	-	-
Reimbursement Expenses	-	-
Total	**10.00**	**9.00**

15 Corporate Social Responsibility:

The Company is covered under section 135, amount of expenditure incurred on corporate social responsibility activities are as follows:

a. amount required to be spent by the company during the year is Rs.24.74 Lakhs

b. amount of expenditure incurred is Rs. 24.75 Lakhs

Notes to Financial Statements as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Paid in Cash	Yet to be Paid in Cash	Total
(i) Construction/ acquisition of any asset	4.00	-	4.00
(ii) On purposes other than (i) above	20.75	-	20.75
Total			**24.75**

c. shortfall at the end of the year out of the amount required to be spent by the Company during the year - Nil

d. total of previous years shortfall - Section 135 is not applicable for the previous financial years.

e. The reason for above shortfalls by way of a note - Not Applicable

f. The nature of CSR activities undertaken by the Company,

g. Details of related party transactions - Nil

h. The Company has not made any provision with respect to a liability incurred by entering into a contractual obligation.

16 Services Income

In case of Companies Rendering or Supplying Services:

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Gross income derived from services rendered or supplied		
VFX Service	10,030.05	7,022.73
Total	**10,030.05**	**7,022.73**

17 In the case of all concerns having works in progress

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Works in Progress - VFX Service	1,226.89	540.15
Total	**1,226.89**	**540.15**

18 (a) The Company has not set aside or proposed to be set aside any material amount to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance sheet is made up.

19 (a) The Company has not set aside any material amount to provisions made for meeting specific liabilities, contingencies or commitments.

Notes to Financial Statements as at March 31, 2024

20 (a) Dividends from subsidiary companies- Nil

(b) Provisions for losses of subsidiary companies-Nil

21 Value of Imports:

Value of imports calculated on C.I.F basis by the company during the financial year is as follows:

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Raw Materials	-	-
Components and Spare Parts	-	-
Capital Goods	-	-
Total	**-**	**-**

22 Foreign Currency earned and expended:

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
A. Foreign currency earned		
Export of Services	9,977.22	7,022.73
Royalty, know-how, professional and consultation fees	-	-
Interest and dividend	-	-
Other income, indicating the nature thereof	-	-
Total	**9,977.22**	**7,022.73**
B. Foreign currency expended		
Royalty	-	-
Know-how	-	-
Professional and Consultation Fees	-	0.86
Interest	-	-
Other Matters	-	-
Purchse of Software	80.52	13.69
Travelling Expense	79.63	50.75
Total	**160.15**	**65.30**

23 The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;-NIL

Notes to Financial Statements as at March 31, 2024

24 Undisclosed income:

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

25 Details of Crypto Currency or Virtual Currency:

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

26 Dues to Micro, Small and Medium Enterprises:

The principal amount remaining unpaid to the supplier regsitered under Micro, Small and Medium Enterprises Development Act, 2006 are not outstanding for more than 45 days as at the end of reporting date.

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

A. List of Related Parties:

Name of Related Party	Relationship
Basilic Fly Studio UK Private Limited	Wholly Owned Subsidiary
Basilic Fly Studio Canada Limited	Subsidiary
Balakrishnan	Managing Director
Sundaram Yogalakshmi	Whole time director
Nikhil Midha	Company Secretary
Murugachettiar Ramesh	Chief Financial officer
Rajarathinam Thiripurasundari	Director (Appointed w.e.f 01-01-2023)
Duraiswami Prabhakar	Director
Vengarai Seshadri Sowrirajan	Independent Director
Jitendra Kumar Pal	Independent Director
Subramanium Krishnan	Independent Director (resigned w.e.f 23-10-2023)

B. Transaction with related Parties:

Particulars	Subsidiaries	Key Managerial Persons	Independent directors
Rendering of services (Sales)	-	-	-
	(892.97)	-	-
Manpower Services (Purchase)	898.74	-	-
	-	-	-

Notes to Financial Statements as at March 31, 2024

Particulars	Subsidiaries	Key Managerial Persons	Independent directors
Director remuneration	-	234.00	-
	-	(121.50)	-
Investment in Subsidiary	421.34	-	-
	-	-	-
Sitting Fees	-	2.20	6.40
	-	-	-
Salary	-	24.76	-
	-	(2.73)	-

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

C. Balances of Related Parties As at 31 March,2024

(Amount in ₹ Lakhs)

Particulars	Subsidiaries	Key Managerial Persons	Independent directors
Trade Receivable	771.33	-	-
Trade Payable	(705.88)	-	-
Director remuneration payable	690.73	17.12 (8.03)	-
Investment in Subsidiary	628.85 (207.51)	-	-
Sitting Fees Payable		-	0.36
Salary Payable	-	1.86 (1.02)	-

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

D. Material Transaction with related parties:

Particulars	Name of Related Party	Amount
Rendering of services (Sales)	Basilic Fly Studio Canada Limited	- (892.97)
Manpower Services (Purchase)	Basilic Fly Studio UK Private Limited	898.74 -
Investment in Subsidiary	Basilic Fly Studio UK Private Limited	421.34 -

Notes to Financial Statements as at March 31, 2024

E. Material Balance with related parties:

Amount in ₹ Lakhs)

Particulars	Name of Related Party	Amount
Trade Receivable Particulars	Basilic Fly Studio Canada Limited	771.33 (705.88)
Trade Payable	Basilic Fly Studio UK Private Limited	690.73 -
Investment in Subsidiary	Basilic Fly Studio UK Private Limited	421.35 (0.01)

F. Compensation of Key Management Personnel

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Short-term employee benefits	26.10	2.62
Post-employment benefits	0.86	0.11
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-

Notes to be disclosed

1. *Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2024, the Company has not recorded any loss allowances for transactions between the related parties.*

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

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

28 Income Taxes:

I. Minimum Alternate Tax Credit

The Company has opted the lower tax regime under section 115BAA of the Income Tax Act, 1961. Hence, there is no Minimum Alternate Tax credit recognised in the reporting year.

Notes to Financial Statements as at March 31, 2024

II. Current Tax

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Current Tax	1,325.47	925.45
Less: MAT Credit Entitlement	-	-
Net Current Tax	**1,325.47**	**925.45**

III. Details of Interest and Penalties during the year

1) Interest on Shortfall in payment of Advance Tax

Interest under Section 234B - Rs. 39.41 Lakhs

Interest under Section 234C - Rs. 43.96 Lakhs

2) Any Penalties levied under Income Tax Act - Nil

3) Short Provision of Taxes relating to earlier years is Rs. 105.41 Lakhs

29 Exchange Difference:

(Amount in ₹ Lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Exchange Difference Gain/(Loss)	49.60	(13.15)
Total	**49.60**	**(13.15)**

30 Employee Benefit (Incurred in India):

A. **Provident Fund -** The Company has contributed Rs.102.11 Lakhs for the year ended 2024 and Rs.50.78 Lakhs for the year ended 2023 towards the Employees Provident Fund.

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

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

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

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

Notes to Financial Statements as at March 31, 2024

(i) Reconciliation of Opening and closing balance of Gratuity Obligations:

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Net Liability as at the beginning of the period	208.76	67.40
Net Expenses in P/L A/c	112.15	141.36
Benefits Paid	(0.89)	-
Net Liability as at the end of the period	**320.02**	**208.76**

(No Fund is being maintained)

(ii) Expenses recognized during the year in Profit & Loss Account:

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Interest Cost	15.67	5.07
Current Service Cost	110.78	52.06
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	(14.30)	84.24
Net Expenses to be recognized in P&L	**112.15**	**141.36**

(iii) Changes in Benefit Obligations:

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Opening Defined benefit Obligation	208.76	67.40
Current service cost	110.78	52.06
Interest cost for the year	15.67	5.07
Actuarial losses (gains)	(14.30)	84.24
Benefits paid	(0.89)	-
Closing Defined benefit Obligation	**320.02**	**208.76**

Notes to Financial Statements as at March 31, 2024

(iv) Valuation Bases / Assumptions:

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Rate of discounting	7.20%	7.52%
Salary Escalation	7.00%	7.00%
Attrition Rate	10.00%	10.00%

Mortality rate during employment Indian -Indian Assured Lives Mortality (2012-14) Ultimate

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

The company is only making book provisions for the entire Gratuity Liability on the valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the company and asset values are taken as zero.

31 Cashflow Statement

(1) The Company has no significant amount of cash and cash equivalent balances held that are not readily available for use.

(2) The Company does not have undrawn borrowing facilities that may be available for future operating activities.

(3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.

(4) The Company is investing adequately in the maintenance of its operating capacity.

(5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

Additional Disclosures:

I. Components of Cash and Cash Equivalents:

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Cash on Hand	0.13	0.04
Cheque in hand	-	-
Balance with banks	67.05	536.09
Demand deposits with banks	-	-
Short term highly liquid investments	-	-
Bank Overdraft	-	-
Total	**67.17**	**536.13**

Notes to Financial Statements as at March 31, 2024

II. Amount Spent for CSR Activities

(Amount in ₹ Lakhs)

S. No	Particulars	Paid in Cash	Yet to be Paid in Cash	Total
(i)	Construction/ acquisition of any asset	4.00	-	4.00
(ii)	On purposes other than (i) above	20.75	-	20.75
	Total	**24.75**	**-**	**24.75**

32 Disclosures on Property, plant and equipment and Intangible Assets

I. Property, plant and equipment

1) The Company do have any restrictions on title, and property, plant and equipment pledged as security for liabilities.

2) There is no amount of expenditure recognised in the carrying amount of an item of property, plant and equipment in the course of its construction.

3) There is no contractual commitments for the acquisition of property, plant and equipment.

4) There is no amount of compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in the statement of profit and loss.

5) The Company has no assets that are retired from active use and held for disposal

6) There is no temporarily idle property, plant and equipment at the reporting date.

7) The Company has fully depreciated property, plant and equipment that is still in use.

8) The Company has not revalued any class of property, plant and equipment during the financial year.

9) The Company has no property, plant and equipment retired from active use and not held for disposal.

II. Intangible asset

1) The carrying amount and remaining amortization period of any individual intangible asset that is material to the financial statements of the enterprise as a whole-Nil

2) The Company do have any restrictions on title, and intangible assets pledged as security for liabilities.

3) There is no contractual commitments for the acquisition of intangible assets.

4) The Company has no fully amortised intangible asset that is still in use.

5) There is no acquisitions of intangible assets through business combinations.

Notes to Financial Statements as at March 31, 2024

33 Investments

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

a) profits and losses on disposal of current investments -Not Applicable

b) profits and losses on changes in the carrying amount of current investments -Not Applicable

c) profits and losses on disposal of long-term investments -Not Applicable

d) profits and losses on changes in the carrying amount of long- term investments -Not Applicable

II. The Company has no significant restrictions with regard to investments in subsidiaries on the right of ownership, realisability of investments or the remittance of income and proceeds of disposals.

34 Earnings Per Share

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
1. Profit attributable to equity shareholders before extraordinary items (A)	3,619.65	2,644.06
2. Profit attributable to equity shareholders after extraordinary items (B)	3,619.65	2,644.06
3. Weighted average number of equity shares outstanding during the year (C)	20,460,984	17,000,000
4. Effect of potential equity shares on employee stock options outstanding	-	-
5. Effect of any other items of potential Equity Shares eg.Convertible Debentures, Convertible Preference Shares	-	-
6. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (D)	20,460,984	17,000,000
7. Basic and Diluted earnings per share before extraordinary items of face value of ₹ 10	**17.69**	**15.55**
8. Basic and Diluted earnings per share after extraordinary items of face value of ₹ 10	**17.69**	**15.55**

Note:

During the Financial year 2022-23, the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10/- each in the ratio of 16 shares for every 1 share vide resolution dated 29-12-2022 passed at the Extraordinary General Meeting.

Notes to Financial Statements as at March 31, 2024

35 Ratios

(Amount in ₹ Lakhs)

S. No	Ratios	31-Mar-24	31-Mar-23	% Variance	Reason for Variation
a.	**Current Ratio** Current Assets / Current liabilities (Current Assets-Current Investments, Inventories, Trade Receivables, Cash and Bank Balances, Short Term Loans and Advances, Other Current Assets Current Liabilities-Short Term Borrowings, Trade Payables, Other Current Liabilities, Short term Provisions)	6.47	2.41	168.6%	Increase in Trade receivablesand increase in repayment of current borrowings
b.	**Debt-Equity Ratio** Total Debt / Shareholder's Equity (Total Debt-Long Term Debt + Short Term Debt Shareholder's Equity-Share Capital, Reserves and Surplus)	0.02	0.14	-85.9%	Prompt Repayment of existing debt and No additional debt was acquired during the year
c.	**Debt Service Coverage Ratio** Earnings available for debt service / Debt Service (Earnings available for debt service-Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc., Debt Service-Interest & Lease Payments + Principal Repayments)	22.09	67.15	-67.1%	Increase in earnings available to pay debt and repayment of borrowings
d.	**Return on Equity Ratio** (Net Profit After Taxes - Preference Dividend if any) / Average Shareholder's Equity Average Shareholder's Equity-(Opening Share Capital+Opening Reserves and Surplus+Closing Share Capital+Closing Reserves and Surplus)/2	0.48	1.56	-69.3%	Due to increase in equity because of public issue
e.	**Inventory Turnover Ratio** Cost of Goods Sold (or) Sales / Average Inventory Sales-Revenue from operations Average Inventory-(Opening Inventory+Closing Inventory)/2	-	-	-	-
f.	**Trade Receivables Turnover Ratio** Net Credit Sales / Average Trade Receivables Net Credit Sales -Gross Credit Sales - Sales Return Average Tarde Receivables-(Opening Trade Receivables + Closing Trade Receivables)/2	2.42	6.48	-62.6%	Efficient collection poicy and timely payment by customers

(Amount in ₹ Lakhs)

S. No	Ratios	31-Mar-24	31-Mar-23	% Variance	Reason for Variation
g.	**Trade Payable Turnover Ratio** Net Credit Purchases / Average Trade Payables Net Credit Purchases-Gross Credit Purchases - Purchase Return Average Trade Payables-(Opening Trade Payables + Closing Trade Payables)/2	2.95	7.40	-60.1%	Increase in Cashflow leads to ontime vendor payment
h.	**Net Capital Turnover Ratio** Net Sales / Average Working Capital Net Sales-Total Sales-Sales Return Average Working Capital-((Opening Current Assets - Opening Current Liabilities)+(Closing Current Assets - Closing Current Liabilities))/2	1.50	3.62	-58.6%	Working capital increase higher than the increase in revenue
i.	**Net Profit Ratio** Net Profit / Net Sales Net Profit- Profit after tax Net Sales-Total Sales-Sales Return	0.36	0.38	-4.1%	-
j.	**Return on Capital Employed** (Earning before interest and taxes / Capital Employed) * 100 Earning before interest and taxes-Profit before Taxes + Interest Capital Employed-Tangible Net Worth + Total Debt + Deferred Tax Liability	0.41	1.05	-61.0%	Due to increase in equity because of public issue
k.	**Return on Investment** Income generated from investments/ Total Investment*100	0.72	0.83	-12.6%	-

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

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

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director
DIN: 06590484

Sd/-
Sundaram Yogalakshmi
Director
DIN: 07323404

Sd/-
Murugachettiar Ramesh
Chief Financial Officer

Sd/-
Nikhil Midha
Company Secretary
Mem No : F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796
Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

INDEPENDENT AUDITOR'S REPORT

To the Members of

Basilic Fly Studio Limited.,

(Formerly known as Basilic Fly Studio Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Basilic Fly Studio Limited** (Hereinafter referred to the **"Holding Company")** and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated statement of Profit and Loss, the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, consolidated profit and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	How matter was addressed in our Audit
The Holding company derives its revenues primarily from Sale of Visual effects (VFX) Service contracts. Revenue on time-and-material contracts are recognized as the related services are performed. Sales are shown net of sales returns, if any.	In view of the significance of the matter we applied the following audit procedures on selected specific and statistical samples of contracts, among others to obtain sufficient audit evidence: • Assessed the appropriateness of the revenue recognition is in accordance with the applicable accounting standard and accounting policies. • Verified the progress of each project in terms use of human resources and other resources and • Verified the contract with customers made in this regard and revenues accounted under proportionate Completion method.

INDEPENDENT AUDITOR'S REPORT

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

5. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report along with Annexures but does not include the consolidated financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

   If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. The above information is not available to us as on the date of our report.

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

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

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

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

    i. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

    iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

    v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

14. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated

INDEPENDENT AUDITOR'S REPORT

in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

17. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs (266.07) lakhs as at March 31, 2024, total revenues of Rs 236.91 lakhs and net cash flows amounting to Rs (251.94) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

    Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and which have been audited by other auditors in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

18. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

19. As required by Section 143(3) of the Act, we report that:

    i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    v. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

    vi. With respect to the adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, reporting under this section is not applicable for subsidiaries, as all subsidiaries are not incorporated in India and for Holding Company refer to our separate report in **"Annexure B"** of the Standalone Auditor's Report included in this annual report.

INDEPENDENT AUDITOR'S REPORT

    vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

        a) The Group does not have any pending litigations which would impact its consolidated financial position of the Group.

        b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

        c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

    viii. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

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

    x. Based on our examination, which included test checks, the Holding Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and the audit trail feature has not been tampered with and as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024. However, reporting in respect of subsidiaries is not applicable as all subsidiaries of the Group are incorporated outside India.

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

Sd/-
P K Manoj
Partner
Membership No.207550
UDIN: 24207550BKANNH1564

Place: Chennai
Date: 30 April 2024

ANNEXURE "A"

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BASILIC FLY STUDIO LIMITED FOR THE YEAR ENDED 31 MARCH 2024

(Referred to in paragraph 18 under 'Report on Other Legal and Regulatory Requirements' section of our report)

a) In our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any qualifications or adverse remarks made by the auditors of subsidiary company in their auditor's report, included in the consolidated financial statements of the Company.

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

Sd/-
P K Manoj
Partner
Membership No.207550
UDIN: 24207550BKANNH1564

Place: Chennai
Date: 30 April 2024

Consolidated Balance Sheet as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Note No.	As at 31 Mar 2024	As at 31 Mar 2023
I. EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUNDS			
(a) Share Capital	1	2,324.00	1,700.00
(b) Reserves and Surplus	2	9,989.86	1,467.00
(c) Money received against share warrants			
2 Minority Interest	3	41.50	39.39
3 SHARE APPLICATION MONEY PENDING ALLOTMENT			
4 NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	4	56.01	252.58
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long-Term Liabilities		-	-
(d) Long-Term Provisions	5	303.34	196.38
5 CURRENT LIABILITIES			
(a) Short-Term Borrowings	6	186.39	174.49
(b) Trade Payables	7		
(A) Total outstanding dues of micro enterprises and small enterprises and		103.99	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		499.58	408.77
(c) Other Current Liabilities	8	381.77	429.91
(d) Short-Term Provisions	9	418.16	676.27
TOTAL		**14,304.59**	**5,344.78**
II. ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	10	191.96	231.59
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	-
(iv) Intangible Assets under development		-	-
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (Net)	11	63.99	31.40
(d) Long-Term Loans & Advances		-	-
(e) Other Non-Current Assets	12	245.64	989.32
2 CURRENT ASSETS			
(a) Current Investments			
(b) Inventories			
(c) Trade Receivables	13	5,309.83	1,546.21
(d) Cash & Bank Balances	14	4,477.18	1,017.55
(e) Short-Term Loans and Advances	15	391.82	-
(f) Other Current Assets	16	3,624.16	1,528.72
TOTAL		**14,304.59**	**5,344.78**
Company overview & Significant Accounting Policies	23		
Other notes to accounts	24		

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

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director

Sd/-
Sundaram Yogalakshmi
Director
DIN: 06590484

Sd/-
Murugachettiar Ramesh
Chief Financial Officer
DIN: 07323404

Sd/-
Nikhil Midha
Company Secretary
Mem No : F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796
Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

Consolidated Statement of Profit and Loss

for the year ended March 31,2024

(Amount in ₹ Lakhs)

	Particulars	Note No.	For the year ended 31-Mar-24	31-Mar-23
I	Revenue From Operations	17	10,266.97	7,866.74
II	Other Income	18	311.62	42.66
III	**Total Income (I+II)**		**10,578.59**	**7,909.40**
IV	**Expenses**			
	Employee Benefits Expense	19	2,945.22	1,755.92
	Other Direct Expenses	20	2,187.82	2,175.18
	Finance Costs	21	52.30	77.67
	Depreciation & Amortisation Expenses	10	104.84	56.03
	Other Expenses	22	227.52	94.29
	Total Expenses (IV)		**5,517.70**	**4,159.09**
V	**Profit Before Exceptional and Extraordinary Items and Tax (III-IV)**		**5,060.89**	**3,750.31**
VI	Exceptional Items		-	-
VII	**Profit before extraordinary items and tax (V-VI)**		**5,060.89**	**3,750.31**
VIII	Extraordinary items		-	-
IX	**Profit before tax (VII-VIII)**		**5,060.89**	**3,750.31**
X	**Tax Expense:**			
	(1) Current Tax		1,334.24	987.06
	(2) Deferred Tax		(32.59)	(26.87)
	(3) Provision for earlier tax		105.41	-
	Total Tax Expenses		**1,407.06**	**960.19**
XI	**Profit (Loss) for the period from continuning operations (IX-X)**		**3,653.83**	**2,790.12**
XII	Minority Interest		2.10	16.09
XIII	**Profit (Loss) for the period from continuning operations (XI-XII)**		**3,651.72**	**2,774.03**
XIV	**Profit (Loss) for the period from discontinuning operations**		-	-
XV	Tax expenses of discontinuing operations		-	-
XVI	Profit (Loss) for the period from discontinuning operations (after tax) (XIV-XV)		-	-
XVII	**Profit/(Loss) For The Period (XI+XIV)**		**3,651.72**	**2,774.03**
XVIII	**Earnings per equity share before extraordinary items: (In Rs.)**			
	Basic and Diluted		**17.85**	**16.32**
XIX	**Earnings per equity share after extraordinary items: (In Rs.)**			
	Basic and Diluted		**17.85**	**16.32**
	Company overview, Significant Accounting Policies & Other notes on accounts	**23 & 24**		

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director
DIN: 06590484

Sd/-
Sundaram Yogalakshmi
Director
DIN: 07323404

Sd/-
Murugachettiar Ramesh
Chief Financial Officer

Sd/-
Nikhil Midha
Company Secretary
Mem No : F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796
Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

Statement of Cash Flow

for the year ended March 31,2024

(Amount in ₹ Lakhs)

	Particulars	Year ended March 31, 2024	March 31, 2023
A	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	Net Profit Before Tax	5,060.89	3,750.31
	Adjustments for:		
	Depreciation	104.84	56.03
	Gain on Sale of Property plant and equipment	-	6.60
	Interest Expenses	49.31	68.54
	Interest Income	(239.00)	(28.41)
	Operating Profit before working capital changes:	**4,976.05**	**3,853.08**
	Adjustments for changes in working capital:		
	Increase/Decrease in Trade Receivables	(3,763.62)	(1,140.36)
	Increase/Decrease in Short Term Loans & Advances	(391.82)	-
	Increase/(Decrease)in Long term Provisions	106.96	132.64
	Increase/(Decrease)in Short term Provisions	4.30	8.73
	Increase/Decrease in Other Current assets	(2,095.45)	(1,355.69)
	Increase/Decrease in Trade and Other payables	194.80	216.87
	Increase/Decrease in Other Current Liabilities	(48.13)	(196.50)
	Increase/Decrease in Other Current Assets	(71.30)	(50.52)
	Cash generated from operations	**(1,088.22)**	**1,468.24**
	Income Taxes paid	(1,702.06)	(323.18)
	Cash flow before extraordinary item	**(2,790.28)**	**1,145.06**
	Extraordinary items relating to Operating Activity	-	-
	NET CASH FROM OPERATING ACTIVITES (A)	**(2,790.28)**	**1,145.06**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Interest Received	239.00	28.41
	Bank deposits	(3,365.55)	(368.44)
	Fixed assets purchased including Intangible Assets	(65.21)	(182.25)
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(3,191.76)**	**(522.28)**
C	**CASH FLOWS FORM FINANCING ACTIVITES**		
	Interest paid	(49.31)	(68.54)
	Proceeds from issue of equity shares Net	5,491.45	-
	Increase/(Decrease) in Long-Term Borrowings	(196.56)	(56.48)
	Increase/(Decrease) in Short-Term Borrowings	11.89	70.31
	NET CASH USED IN FINANCING ACTIVITIES (C)	**5,257.46**	**(54.71)**
	Effect of Exchange Difference		
	Exchange difference on Realized (Loss)/Gain	3.69	(1.20)
D	**NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)**	**(720.89)**	**566.88**
	Opening Cash and Cash Equivalents	1,017.55	450.67
	CLOSING CASH AND CASH EQUIVALENT- Refer Note No.17 in Other Notes to Accounts	**296.66**	**1,017.55**

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

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

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director
DIN: 06590484

Sd/-
Sundaram Yogalakshmi
Director
DIN: 07323404

Sd/-
Murugachettiar Ramesh
Chief Financial Officer

Sd/-
Nikhil Midha
Company Secretary
Mem No : F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796
Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

Notes to Financial Statements as at March 31, 2024

Note: 1 Share Capital

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-2024		As at 31-Mar-2023	
	Number	Amount	Number	Amount
a) Number and amount of equity shares authorised@	25,000,000.00	2,500.00	25,000,000.00	2,500.00
b) (i) Number and amount of equity shares Issued, Subscribed and Paid-Up	23,240,000.00	2,324.00	17,000,000.00	1,700.00
(ii) Number and amount of equity shares Subscribed but not fully Paid-Up	-	-	-	-
Total of b (i) and (ii)	**23,240,000.00**	**2,324.00**	**17,000,000.00**	**1,700.00**
c) Par value per Equity share (in ₹ each)		**-**		**-**

Note: @Authorised capital increased from 10,00,000 equity shares to 2,50,00,000 equity shares with effect from 29-12-2022 vide resolution passed in the Extraordinary General Meeting.

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

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Shares outstanding at the beginning of the year	17,000,000.00	1,000,000.00
Shares issued during the year	6,240,000.00	16,000,000.00
Shares bought back during the year	-	-
Shares outstanding at the end of the year	**23,240,000.00**	**17,000,000.00**

During the Financial year 2023-24, The Company has made the initial public offer aggregates to 68,40,000 shares of a face value Rs.10 each comprising of a fresh issue aggregating to 62,40,000 equity shares and an offer for sale aggregating to 6,00,000 equity shares by the Company's promoters selling shareholders.

During the Financial year 2022-23, the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10 each in the ratio of 16 shares for every 1 share vide resolution dated 29-12-2022 passed at the Extraordinary General Meeting.

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

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

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

Not Applicable

Notes to Financial Statements as at March 31, 2024

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

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-2024		As at 31-Mar-2023	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Balakrishnan	10,533,250.00	45.32%	10,829,000.00	63.70%
Sundaram Yogalakshmi	3,383,900.00	14.56%	3,683,900.00	21.67%
Umesh Purushottam Chamdia	1,130,500.00	4.86%	1,130,500.00	6.65%
Aparna Samir Thakker	1,130,500.00	4.86%	1,130,500.00	6.65%

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

There is no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

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

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

Nil

b) Aggregate number and class of shares allotted as fully paid up bonus shares

During the Financial year 2022-23, the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10/- each in the ratio of 16 shares for every 1 share vide resolution dated 29-12-2022 passed at the Members Meeting.

c) Aggregate number and class of shares brought back

Nil

j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

The Company has not issued any securities convertible into equity/preference shares.

k) Details of Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

The Company has no calls unpaid on shares during the reporting year.

i) Details of forfeited shares (amount originally paid-up)

The Company has not forfeited any shares during the reporting period.

Notes to Financial Statements as at March 31 ,2024

m) Shareholding of Promoters

(Amount in ₹ Lakhs)

Promoter Name	Equity Shares held by promoters as at 31-Mar-2024				
	No. of Shares at the beginning of the year	% of total shares	No. of Shares at the end of the year	% of total shares	% Change during the year
1. Balakrishnan	10,829,000.00	46.60%	10,533,250.00	61.96%	(15.36) %
2. Sundaram Yogalakshmi	3,683,900.00	15.85%	3,383,900.00	19.91%	(4.05) %

The Initial public offer made during the financial year 2023-24 includes an offer for sale of such number of Equity Shares aggregating to 6,00,000 by the Promoter Selling Shareholder, which includes the Promoter of the Company.

Note: 2 Reserves and Surplus

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
(a) General Reserves		
Opening Balance	400.00	
Add: Additions during the year	-	2,000.00
Less: Transferred to Share Capital		(1,600.00)
Closing Balance	**400.00**	**400.00**
(b) Securities Premium		
Opening Balance	-	-
Add: Additions during the year	4,867.45	-
Less: Deduction during the year (Bonus, others)	-	
Closing Balance	**4,867.45**	**-**
(c) Surplus		
Opening Balance	1,061.66	287.63
Add: Additions during the year	3,651.72	2,774.03
Less: Transferred to General Reserves	-	(2,000.00)
Closing Balance	**4,713.39**	**1,061.66**
(d) Foreign Currency Translation Reserve		
Opening Balance	5.33	6.53
Add: Additions during the year	3.69	(1.20)
Less: Deduction during the year		
Closing Balance	**9.02**	**5.33**
Total	**9,989.86**	**1,467.00**

Notes to Financial Statements as at March 31, 2024

Note: 3 Minority Interest

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
(a) Minority Interest		
Paid up Value (At Original Cost)	22.03	22.03
Add: Opening Share of Profit	17.36	1.27
Add: Additions during the year	2.10	16.09
Total	**41.50**	**39.39**

Note: 4 Long-Term Borrowings

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Secured		
a) Term Loans:		
i. From banks **(Refer Note 4.1 below)**	13.22	40.25
Unsecured		
a) Term Loans:		
i. From banks **(Refer Note 4.2 below)**	22.29	181.32
ii. From Other Parties **(Refer Note 4.3 below)**	20.50	20.50
b) Loans and advances from related parties	-	10.51
Total	**56.01**	**252.58**

Note:
4.1. Disclosure about the nature of security and type of asset given as security (Banks)

Particulars	Rate of Interest	No of O/S Instalments	Starting Date	Outstanding (Amount in ₹ Lakhs)	Nature of Security / Pledge
Canara bank - Car Loan	9.40%	72 Months	3/15/2022	38.63	Vehicle

4.2. Disclosure about the nature and details of Unsecured Loans (Banks)

Particulars	Rate of Interest	No of O/S Instalments	Starting Date	Outstanding (Amount in ₹ Lakhs)	Nature of Security / Pledge
Deustche Bank - Phase II	14.00%	25 Months	3/30/2022	22.28	-
HDFC Bank - Term Loan	13.00%	23 Months	1/30/2022	26.07	-

Notes to Financial Statements as at March 31, 2024

Particulars	Rate of Interest	No of O/S Instalments	Starting Date	Outstanding (Amount in ₹ Lakhs)	Nature of Security / Pledge
IDFC First Bank - Phase II	14.00%	25 Months	3/29/2022	20.91	-
Standard Chartered Bank - Term Loan	14.00%	25 Months	3/30/2022	30.75	-
Axis Bank - Term Loan - Phase II	14.00%	25 Months	3/31/2022	18.83	-
Indusind Bank - Term Loan	15.00%	27 Months	6/4/2022	23.58	-
Kotak Mahindra Bank - Term Loan	14.50%	26 Months	5/23/2022	21.98	-
Yes Bank - Term Loan	15.00%	27 Months	5/25/2022	18.86	-

4.3. Disclosure about the nature and details of Unsecured Loans (Other than Banks)

Particulars	Rate of Interest	No of O/S Instalments	Starting Date	Outstanding (Amount in ₹ Lakhs)	Nature of Security / Pledge
Aditya Birla -Term Loan - Phase II	14.00%	25 Months	24/03/2022	2,050,221.00	-

Note: 5 Long-Term Provisions

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Provision for Employee Benefits	303.34	196.38
Total	**303.34**	**196.38**

Note: 6 Short-Term Borrowings

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Secured		
a) Current Maturities of Long-term borrowings **(Refer Note 4.1 of Notes to Consolidated Balance Sheet)**	25.42	14.10
Unsecured		
a) Current Maturities of Long-term borrowings **(Refer Note 4.2 and 4.3 of Notes to Consolidated Balance Sheet)**	160.97	160.40
Total	**186.39**	**174.49**

Notes to Financial Statements as at March 31, 2024

Note: 7 Trade Payables

I. Trade Payables relating to MSME

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) The principal amount and the interest due thereon, remaining unpaid to any supplier as at the end of accounting year		
Principal	103.99	-
Interest Due	-	-
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

II. Trade Payables ageing schedule

a) Trade Payables ageing schedule For the year ended 31-Mar-2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	104	-	-	-	103.99
(ii) Others	411	88.57	-	-	499.58
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub total					**603.56**
Undue- Considered Good					-
Unbilled Payables					-
Total					**603.56**

Notes to Financial Statements as at March 31, 2024

b) Trade Payables ageing schedule For the year ended 31-Mar-2023

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	409	-	-	-	408.77
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub total					**408.77**
Undue- Considered Good					-
Unbilled Payables					-
Total					**408.77**

Note: 8 Other Current Liabilities

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Interest accrued but not due on borrowings	2.22	4.66
b) Advance Received from Customers	-	50.40
c) Provision for Expenses	-	43.49
d) Statutory Dues Payable	57.25	96.00
e) Audit Fees Payable	11.25	8.10
f) Salary Payable	303.15	225.91
g) Expense Payable	7.90	1.34
Total	**381.77**	**429.91**

Note: 9 Short-Term Provisions

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Provision for Employee Benefits	16.69	12.39
b) Provision for Taxation	401.47	663.88
Total	**418.16**	**676.27**

Notes to Financial Statements as at March 31, 2024

Note: 10 Depreciation & Amortisation Expenses

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Depreciation on Tangible Assets	104.84	56
Total	**104.84**	**56.03**

Note: 11 Deferred Tax Assets (Net)

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) On account of Depreciation	(0.63)	(4.18)
b) On account of Employee Benefits	63.58	35.58
c) On account of Others	1.04	-
Total	**63.99**	**31.40**

Note: 12 Other Non-Current Assets

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Security Deposits	245.64	174.34
b) Bank Deposits with more than 12 months maturity	-	814.98
Total	**245.64**	**989.32**

Note: 13 Trade Receivables

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Trade receivable considered good – Secured	-	-
Trade receivable considered good – Unsecured	5,309.83	1,546.21
Trade receivable which have significant increase in credit risk	-	-
Trade receivable – credit impaired	-	-
Total Trade Receivables	**5,309.83**	**1,546.21**

Notes to Financial Statements as at March 31 ,2024

Ageing Schedule

I. Trade Receivables ageing schedule For the year ended March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	4,327.29	163.50	819.04	-	-	5,309.83
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
Sub total						**5,309.83**
Undue- Considered Good						-
Unbilled Receivables						-
Total:						**5,309.83**

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

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	993.63	552.58	-	-	-	1,546.21
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statements as at March 31, 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
Sub total						**1,546.21**
Undue- Considered Good						-
Unbilled Receivables						-
Total:						**1,546.21**

Note: 14 Cash & Bank Balances

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Cash & Cash Equivalents		
i) Balance with banks	296.52	1,017.50
ii) Cash in hand	0.14	0.05
b) Other Bank Balances		
i) Bank Deposits with more than 3 months but less than 12 months maturity	4,180.53	-
Total	**4,477.18**	**1,017.55**

Note: 15 Short-Term Loans and Advances

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Unsecured, Considered good		
a) Loans and advances to related parties	391.82	-
Total	**391.82**	**-**

Notes to Financial Statements as at March 31, 2024

Note: 16 Other Current Assets

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Advance paid to suppliers	8.72	1.50
b) Pre-paid Expenses	1,901.91	683.89
c) IPO Expenses	-	49.54
d) Work-in-Progress	1,226.89	540.15
e) Staff Loans and Advances	21.56	19.47
f) GST Refund	465.08	234.18
Total	**3,624.16**	**1,528.72**

Note: 17 Revenue From Operations

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Sale of services:		
Local	52.83	-
Exports	10,214.13	7,866.74
Total	**10,266.97**	**7,866.74**

Note: 18 Other Income

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Interest Income	239.00	28.41
Foreign Exchange Gain or Loss	72.63	14.25
Total	**311.62**	**42.66**

Note: 19 Employee Benefits Expense

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Salaries & Wages	2,381.00	1,386.94
Contribution to Provident fund	102.11	50.78
Directors Remuneration	234.00	121.50
Provision for Gratuity	112.15	141.36
Staff Welfare	115.96	55.34
Total	**2,945.22**	**1,755.92**

Notes to Financial Statements as at March 31, 2024

Note: 20 Other Direct Expenses

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Artist Outsource Charges	428.03	491.53
Consultancy Charges	129.65	457.52
Electricity Charges	136.05	72.71
Office Rent	561.46	339.81
Hiring and Subscription Charges	640.43	512.98
Travelling Expenses	123.17	247.52
Communication Charges	68.61	37.06
Business Promotion Expenses	41.58	5.60
Legal and Professional Charges	58.82	10.44
Total	**2,187.82**	**2,175.18**

Note: 21 Finance Costs

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Interest Expenses	49.31	68.54
Other Borrowing costs	2.48	9.13
Bank Charges	0.52	-
Total	**52.30**	**77.67**

Note: 22 Other Expenses

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Payment to Auditors	10.00	7.50
Director Sitting Fees	8.60	-
Foreign Exchange Loss	-	15.72
Insurance Expenses	17.65	13.02
Miscellaneous expenses	0.49	0.52
Office Maintenance	103.06	27.70
Postage & Telegram	0.45	0.13
Power & fuel	3.66	0.39
Printing and Stationery	4.68	6.01

Notes to Financial Statements as at March 31 ,2024

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Rates and Taxes	17.17	1.55
Repairs to machinery	28.21	7.59
Services Charges	1.02	3.33
Security Charges	7.78	4.23
Assets written off	-	6.60
CSR Expenses	24.75	-
TOTAL	**227.52**	**94.29**

Note: 23 Company Overview & Significant Accounting Policies

I Company Overview

Basilic Fly Studio Private Limited Company (**"the Company"**) having CIN:U92100TN2016PTC103861 incorporated on 28th January 2016 under the provisions of the Companies Act 2013, and having its registered office at Tower A, KRC Commerzone, Mount Poonamallee Road, Porur, Chennai,Tamil Nadu 600116 India with operating units across the Country. Subsequently, company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 29.12.2022 and the name of the Company was changed to Basilic Fly Studio Limited ('the Company") pursuant to issuance of Fresh Certificate of Incorporation dated 19.05.2023 Registrar of Companies, Chennai with Corporate Identification Number U92100TN2016PLC103861. The Company has by way of Initial Public Offer (IPO) and listed on Emerge Platform of National Stock Exchange of India Limited on 11th September, 2023 with Corporate Identification Number L92100TN2016PLC103861.

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

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

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

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

II Significant Accounting Policies

1 Basis of preparation:

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

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

Notes to Financial Statements as at March 31, 2024

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

2 Basis of consolidation

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

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

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

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

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

3 Revenue recognition:

a) Sale of services:

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

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

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

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

b) Other Income

Revenue arising from the use by others of enterprise resources yielding interest, royalties and dividends should only be recognised when no significant uncertainty as to measurability or collectability exists. These revenues are recognised on the following bases:

(i) Interest : on a time proportion basis taking into account the amount outstanding and the rate applicable.

Notes to Financial Statements as at March 31, 2024

(ii) **Royalties :** on an accrual basis in accordance with the terms of the relevant agreement.

(iii) **Dividends from :** when the owner's right to receive payment is established by investments in shares.

4 **Property Plant and Equipment including Intangible assets:**

Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition.

Property Plant and Equipment's purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

5 **Depreciation & Amortisation:**

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

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

Useful lives of Property, Plant and Equipment's

BASILIC FLY STUDIO LIMITED

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

6 **Impairment of assets:**

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

Notes to Financial Statements as at March 31, 2024

7 **Use of estimates:**

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

8 **Foreign currency transactions:**

Domestic Operation:

I . **Initial recognition :**

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

II . **Measurement :**

Foreign currency monetary items should be reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency should be reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency should be reported using the exchange rates that existed when the values were determined.

III . **Treatment of Foreign exchange :**

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

9 **Employee Benefits:**

A. **Short - term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an liability at the present value of the defined benefit obligation at the balance sheet date.

Notes to Financial Statements as at March 31, 2024

B. Post-Employment benefits:

Defined benefit plan:

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

Defined contribution Plan:

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.The Company provides benefits such as provident fund contribution to its employees which are treated as defined contribution plans.

10 Taxes on Income:

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

A. Current Tax:

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

B. Deferred Tax:

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

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporarydifference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes to Financial Statements as at March 31, 2024

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.

11 Provisions and Contingent Liabilities:

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

12 Earnings Per Share:

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

13 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and Cheque in hand, balance with bank, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where it has a short maturity of three months or less from the date of acquisition.

14 Cash Flow Statement:

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

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

15 Investments:

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

Notes to Financial Statements as at March 31, 2024

16 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Note: 24 Other notes to accounts

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

A. Contingent Liabilities

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Claims against the company not acknowledged as debt	-	-
Guarantees	-	-
Other money for which the company is contingently liable	-	-
Total	**-**	**-**

B. Commitments

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments (specify nature)	-	-
Total	**-**	**-**

2 Proposed Dividend Details:

Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
A. Equity Shares:		
Dividend proposed	-	-
Dividend per Share	-	-
B. Preference Shares:		
Dividend proposed	-	-
Dividend per Share	-	-
Total Proposed Dividend	**-**	**-**

Notes to Financial Statements as at March 31, 2024

3 In the opinion of the Board, all of the assets other than Property, Plant and Equipment and noncurrent investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

4 Details of Benami Property held

The Group has no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

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

6 Wilful Defaulter

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

7 Relationship with Struck off Companies

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

8 (a) The Company has not set aside or proposed to be set aside any material amount to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance sheet is made up.

9 (a) The Company has not set aside any material amount to provisions made for meeting specific liabilities, contingencies or commitments.

10 Undisclosed income:

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

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

11 Dues to Micro, Small and Medium Enterprises:

The principal amount remaining unpaid by the Company to the supplier regsitered under Micro, Small and Medium Enterprises Development Act, 2006 are not outstanding for more than 45 days as at the end of reporting date.

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

A. List of Related Parties:

Name of Related Party	Relationship
Balakrishnan	Managing Director
Sundaram Yogalakshmi	Whole time director

Notes to Financial Statements as at March 31, 2024

Name of Related Party	Relationship
Nikhil Midha	Company Secretary
Murugachettiar Ramesh	Chief Financial officer
Rajarathinam Thiripurasundari	Director (Appointed w.e.f 01-01-2023)
Duraiswami Prabhakar	Director
Vengarai Seshadri Sowrirajan	Independent Director
Jitendra Kumar Pal	Independent Director
Subramanium Krishnan	Independent Director (resigned w.e.f 23-10-2023)

B. Transaction with related Parties:

Particulars	Key Managerial Persons	Independent directors
Director remuneration	234.00	-
	(121.50)	-
Sitting Fees	2.20	6.40
	-	-
Salary	24.76	-
	(2.73)	-

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

C. Balances of Related Parties As at 31 March,2024

Particulars	Key Managerial Persons	Independent directors
Director remuneration payable	17.12	-
	(8.03)	-
Sitting Fees Payable	-	0.36
	-	-
Salary Payable	1.86	-
	(1.02)	-

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

Notes to Financial Statements as at March 31, 2024

D. Material Transaction with related parties:

Particulars	Name of Related Party	Amount
Director remuneration	Balakrishnan	120.00
		(57.00)
Sitting Fees	Jitendra Kumar Pal	2.60
		-
Sitting Fees	Vengarai Seshadri Sowrirajan	2.40
		-
Sitting Fees	Rajarathinam Thiripurasundari	2.20
		-
Salary	Nikhil Midha	15.16
		(2.73)

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

E. Material Balance with related parties:

Particulars	Name of Related Party	Amount
Director remuneration payable	Balakrishnan	9.00
		(4.00)

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

F. Compensation of Key Management Personnel

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Short-term employee benefits	26.10	2.62
Post-employment benefits	0.86	0.11
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-

Notes to be disclosed

1. *Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2024, the Group has not recorded any loss allowances for transactions between the related parties.*

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

Notes to Financial Statements as at March 31, 2024

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

13 Reconciliation of Foreign Exchange fluctuation Reserve:

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Opening Balance	5.33	6.53
Net Additions/(Deletions) during the year due to foreign Exchange Fluctuations	3.69	(1.20)
Total	**9.02**	**5.33**

14 Income Taxes:

I. Minimum Alternate Tax Credit

The Company has opted the lower tax regime under section 115BAA of the Income Tax Act, 1961. Hence, there is no Minimum Alternate Tax credit recognised in the reporting year.

II. Current Tax

Particulars	As at	
	31-Mar-24	31-Mar-23
Current Tax	1,334.24	987.06
Less: MAT Credit Entitlement	-	-
Net Current Tax	**1,334.24**	**987.06**

III. Details of Interest and Penalties

1) Interest on Shortfall in payment of Advance Tax

Interest under Section 234B - Rs. 39.41 Lakhs

Interest under Section 234C - Rs. 43.96 Lakhs

2) Any Penalties levied under Income Tax Act - Nil

3) Short Provision of Taxes relating to earlier years is Rs. 105.41 Lakhs

15 Exchange Difference:

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Exchange Difference Gain/(Loss)	72.63	(1.47)
Total	**72.63**	**(1.47)**

Notes to Financial Statements as at March 31, 2024

16 Employee Benefit (Incurred in India):

A. Provident Fund - The Company has contributed Rs.102.11 Lakhs for the year ended 2024 and Rs.50.78 Lakhs for the year ended 2023 towards the Employees Provident Fund.

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

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

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

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

(i) Reconciliation of Opening and closing balance of Gratuity Obligations:

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Net Liability as at the beginning of the period	208.76	67.40
Net Expenses in P/L A/c	112.15	141.36
Benefits Paid	(0.89)	-
Net Liability as at the end of the period	**320.02**	**208.76**

(No Fund is being maintained)

(ii) Expenses recognized during the year in Profit & Loss Account:

(Amount in ₹ Lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Interest Cost	15.67	5.07
Current Service Cost	110.78	52.06
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	(14.30)	84.24
Net Expenses to be recognized in P&L	**112.15**	**141.36**

Notes to Financial Statements as at March 31, 2024

(iii) Changes in Benefit Obligations:

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Opening Defined benefit Obligation	208.76	67.40
Current service cost	110.78	52.06
Interest cost for the year	15.67	5.07
Actuarial losses (gains)	(14.30)	84.24
Benefits paid	(0.89)	-
Closing Defined benefit Obligation	**320.02**	**208.76**

(iv) Valuation Bases / Assumptions:

Particulars	As at 31-Mar-24	As at 31-Mar-23
Rate of discounting	7.20%	7.52%
Salary Escalation	7.00%	7.00%
Attrition Rate	10.00%	10.00%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

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

The company is only making book provisions for the entire Gratuity Liability on the valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the company and asset values are taken as zero.

17 Cashflow Statement

(1) The Company has no significant amount of cash and cash equivalent balances held by the enterprise that are not readily available for use.

(2) The Company does not have undrawn borrowing facilities that may be available for future operating activities.

(3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.

(4) The Company is investing adequately in the maintenance of its operating capacity.

(5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

Notes to Financial Statements as at March 31, 2024

Additional Disclosures:

I. Components of Cash and Cash Equivalents:

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Cash on Hand	0.14	0.05
Cheque in hand	-	-
Balance with banks	296.52	1,017.50
Demand deposits with banks	-	-
Short term highly liquid investments	-	-
Bank Overdraft	-	-
Total Components of Cash and Cash Equivalents:	**296.66**	**1,017.55**

18 Disclosures on Property, plant and equipment and Intangible Assets

I. Property, plant and equipment

1) The Company do have any restrictions on title, and property, plant and equipment pledged as security for liabilities.

2) There is no amount of expenditure recognised in the carrying amount of an item of property, plant and equipment in the course of its construction.

3) There is no contractual commitments for the acquisition of property, plant and equipment.

4) There is no amount of compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in the statement of profit and loss.

5) The Company has no assets that are retired from active use and held for disposal.

6) There is no temporarily idle property, plant and equipment at the reporting date.

7) The Company has fully depreciated property, plant and equipment that is still in use.

8) The Company has not revalued any class of property, plant and equipment during the financial year.

9) The Company has no property, plant and equipment retired from active use and not held for disposal.

10) The Group has taken depreciation for the subsidiaries assets (including intangible assets) as per their respective laws prevailing in the country for the purpose of consolidation.

Notes to Financial Statements as at March 31, 2024

II. Intangible asset

1) The carrying amount and remaining amortization period of any individual intangible asset that is material to the financial statements of the enterprise as a whole-Nil

2) The Company do have any restrictions on title, and intangible assets pledged as security for liabilities.

3) There is no contractual commitments for the acquisition of intangible assets.

4) The Company has no fully amortised intangible asset that is still in use.

5) There is no acquisitions of intangible assets through business combinations.

19 Earnings Per Share

(Amount in ₹ Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
1. Profit attributable to equity shareholders before extraordinary items (A)	3,651.72	2,774.03
2. Profit attributable to equity shareholders after extraordinary items (B)	3,651.72	2,774.03
3. Weighted average number of equity shares outstanding during the year (C)	20,460,984	17,000,000
4. Effect of potential equity shares on employee stock options outstanding	-	-
5. Effect of any other items of potential Equity Shares eg.Convertible Debentures, Convertible Preference Shares	-	-
6. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (D)	20,460,984	17,000,000
7. Basic and Diluted earnings per share before extraordinary items of face value of ₹ 10	**17.85**	**16.32**
8. Basic and Diluted earnings per share after extraordinary items of face value of ₹ 10	**17.85**	**16.32**

Note:

During the Financial year 2022-23, the Company has issued 1,60,00,000 bonus equity shares with face value of Rs. 10/- each in the ratio of 16 shares for every 1 share vide resolution dated 29-12-2022 passed at the Members Meeting.

Notes to Financial Statements as at March 31, 2024

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

A. Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2024:

(Amount in ₹ Lakhs)

S. No	Name of the Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss	
		As % of Consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	**Parent:**				
	Basilic Fly Studio Limited	92.32 %	11,406.64	123.66 %	4,518.39
2	**Subsidiary:**				
	Basilic Fly Studio UK Pvt Ltd	(2.15) %	-265.69	(24.26) %	-886.33
	Basilic Fly Studio Canada Ltd	9.49 %	1,172.91	0.54 %	19.66
3	**Minority Interest:**				
	Subsidiary:				
	Basilic Fly Studio Canada Ltd	0.34 %	41.50	0.06 %	2.10
	Total	**100.00 %**	**12,355.36**	**100.00 %**	**3,653.83**

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

(Amount in ₹ Lakhs)

S. No	Name of the Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss	
		As % of Consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	**Parent:**				
	Basilic Fly Studio Limited	65.04 %	2,085.47	70.14 %	1,956.85
2	**Subsidiary:**				
	Basilic Fly Studio UK Pvt Ltd	0.07 %	2.27	-	-
	Basilic Fly Studio Canada Ltd	33.66 %	1,079.25	29.29 %	817.18
3	**Minority Interest:**				
	Subsidiary:				
	Basilic Fly Studio Canada Ltd	1.23 %	39.39	0.58 %	16.09
	Total	**100.00 %**	**3,206.39**	**100.00 %**	**2,790.12**

Notes to Financial Statements as at March 31, 2024

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

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

For and on behalf of the Board of Directors of
BASILIC FLY STUDIO LIMITED

As per our report of even date attached
For L.U.KRISHNAN & CO
Chartered Accountants
Firm's Registration.No: 001527S

Sd/-
Balakrishnan
Director
DIN: 06590484

Sd/-
Sundaram Yogalakshmi
Director
DIN: 07323404

Sd/-
Murugachettiar Ramesh
Chief Financial Officer

Sd/-
Nikhil Midha
Company Secretary
Mem No : F10213

Sd/-
P K Manoj
Partner
Membership Number: 207550
UDIN: 24207550BKANNE7796

Place: Chennai
Date: 30-04-2024

Place: Chennai
Date: 30-04-2024

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Basilic Fly Studio Limited

S NO 83, 16th Floor Smartworks
North Main Road Near Hard Rock Cafe
Pune Maharashtra – 411036

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