NKSC & Co.
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Accendere Knowledge Management Services Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Accendere Knowledge Management Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and 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.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. 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

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frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 this Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial control.

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

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

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the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

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

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

d. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

e. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;

f. On the basis of the written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164(2) of the Act;

i. We do not report on adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls in terms of section 143(3)(i) of the Act, since in our opinion and according to the information and explanations given to us, the said reporting is not applicable to the Company.

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j. 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, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

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

For **NKSC & Co.**
Chartered Accountants
ICAI Firm Registration No.020076N

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: May 29, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Accendere Knowledge Management Services Private Limited on the Ind AS financial statements for the year ended March 31, 2019]

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not have any immovable property. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.

(ii) The Company does not hold any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.

(iv) According to the information and explanation given to us, there are no loans, investments, guarantees and securities. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.

(vii) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

(a) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable except in case of advance tax as given below:

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Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Advance Tax	432,082	April 2018 to September 2018	September 15, 2018	Not yet paid

(b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institution or bank or government. There are no debenture holders. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) As the Company is private limited company, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Section 177 & 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

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(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For NKSC & Co.
Chartered Accountants
ICAI Firm Registration No. 020076N

NKSC & Co. DELHI Chartered Accountants

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: May 29, 2019

Accendere Knowledge Management Services Private Limited
Balance Sheet as at March 31, 2019
(All amounts are rupees in lacs, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2	-	-
Other intangible assets	3	7.32	14.66
Deferred tax assets (net)	4	9.19	13.29
Non-current tax assets	5	19.44	13.90
		35.95	**41.85**
Current assets			
Financial assets			
(i) Trade receivables	6	191.30	178.14
(ii) Cash and cash equivalents	7	0.36	0.28
(iii) Loans	8	2.79	1.99
Other current assets	9	7.86	6.46
Total		**202.31**	**186.87**
		238.26	**228.72**
EQUITY AND LIABILITIES			
Shareholders' funds			
Equity share capital	10	1.20	1.20
Other equity	11	17.09	(53.12)
		18.29	**(51.92)**
Non-current liabilities			
Provisions	12	6.27	4.71
		6.27	**4.71**
Current liabilities			
Financial liabilities			
(i) Borrowings	13	109.55	96.53
(ii) Trade payables	14		
- dues to micro and small enterprises		-	-
- dues to other than micro and small enterprises		60.29	151.13
(iii) Other financial liabilities	15	23.01	14.52
Other current liabilities	16	7.52	11.55
Provisions	17	0.05	0.03
Current tax liabilities	18	13.28	2.17
		213.70	**275.93**
Total		**238.26**	**228.72**

Summary of significant accounting policies 1

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

As per our report of even date.

For **NKSC & Co.**
Chartered Accountants
Firm Registration Number: 020076N

NKSC & Co. DELHI Chartered Accountants

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: May 29, 2019

For and on behalf of Board of Directors of
Accendere Knowledge Management Services Private Limited

Accendere Knowledge Management Services Pvt. Ltd.

Nikhil Mahajan
Director
DIN: 00033404

Place: New Delhi
Date: May 29, 2019

Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: May 29, 2019

Accendere Knowledge Management Services Private Limited

Statement of Profit and Loss for the year ended March 31, 2019

(All amounts are rupees in lacs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	19	382.38	277.60
Other income	20	0.01	0.21
Total revenue (I)		**382.39**	**277.81**
Expenses			
Employee benefit expenses	21	192.98	151.41
Finance cost	22	13.05	12.06
Depreciation and amortisation expense	23	7.35	7.84
Other expenses	24	75.44	71.93
Total expenses (II)		**288.82**	**243.24**
Profit before tax (I-II)		**93.57**	**34.57**
Tax expense			
-Current tax		22.52	7.73
- Earlier year tax adjustment		-	4.86
-Deferred tax charge/(benefit)	4	1.28	(13.80)
Total tax expenses		**23.80**	**(1.21)**
Profit after tax		**69.77**	**35.78**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of post employment benefit obligations		0.59	2.44
- Income tax related to above item		(0.15)	(0.63)
Other comprehensive income for the year		**0.44**	**1.81**
Total comprehensive income		**70.21**	**37.59**
Profit per equity share			
Nominal value of ₹ 10 each (Previous year ₹ 10 each)			
-Basic and Diluted	25	581.45	298.08

Summary of significant accounting policies 1

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

As per our report of even date.

For **NKSC & Co.**
Chartered Accountants
Firm Registration Number: 020076N

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: May 29, 2019

For and on behalf of Board of Directors of
Accendere Knowledge Management Services Private Limited

Nikhil Mahajan
Director
DIN: 00033404

Place: New Delhi
Date: May 29, 2019

Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: May 29, 2019

Accendere Knowledge Management Services Private Limited
Cash Flow Statement for the year ended March 31, 2019
(All amounts are rupees in lacs, unless otherwise stated)

		For the year ended March 31, 2019	For the year ended March 31, 2018
A	**Cash flow from operating activities**		
	Net profit before tax	93.57	34.54
	Adjustments for:		
	Depreciation and amortization	7.35	7.84
	Fixed assets written off	-	1.12
	Bad debts	-	4.09
	Finance cost (excluding interest on delayed payment of income tax and statutory liabilities)	12.86	11.57
	Interest on delayed payment of income tax and statutory liabilities	0.19	0.49
	Other comprehensive income	0.44	2.44
	Operating profit before working capital changes	**114.41**	**62.09**
	Adjustments for (increase) / decrease in operating assets:		
	Trade receivables	(13.16)	(16.21)
	Current financial asset-loans	(0.81)	(1.70)
	Other current assets	(1.39)	(1.55)
	Adjustments for increase / (decrease) in operating liabilities:		
	Long term provisions	1.56	1.26
	Trade payables	(90.84)	17.47
	Other current financial liabilities	8.49	(36.49)
	Other current liabilities	(4.04)	(4.23)
	Short term provisions	0.01	-
	Cash generated from operations	**14.23**	**20.64**
	Taxes paid	(14.12)	(5.55)
	Net cash generated from operating activities	**0.11**	**15.09**
B	**Cash flow from investing activities:**		
	Capital expenditure on fixed assets	-	-
	Investment in fixed deposits (net)	-	-
	Net cash flow generated from/(used in) Investing activities	-	-

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Accendere Knowledge Management Services Pvt. Ltd.

Accendere Knowledge Management Services Private Limited
Cash Flow Statement for the year ended March 31, 2019
(All amounts are rupees in lacs, unless otherwise stated)

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		For the year ended March 31, 2019	For the year ended March 31, 2018
C	**Cash Flow from financing activities:**		
	Finance cost paid	(13.05)	(12.07)
	Repayment of short-term borrowings	-	(155.16)
	Short term borrowings taken	13.02	151.59
	Net cash flow used in financing activities	**(0.03)**	**(15.64)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**0.08**	**(0.53)**
	Cash and cash equivalents (Refer note 7)		
	-at beginning of the year	0.28	0.81
	-at end of the year	**0.36**	**0.28**

Foot notes :

Reconciliation between the opening and closing balances in the balance sheet for liabiliies and financial assets arising from financing activities.

Particulars	March 31, 2018	Cash flows	Non cash changes- Fair value changes	Non cash changes- Fair value changes
Short-term borrowings	96.53	13.02	-	-

(i) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.

(ii) Notes to the Financials Statements are integral part of the Cash Flow Statement.

As per our report of even date.

For **NKSC & Co.**
Chartered Accountants
Firm Registration Number: 020076N

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: May 29, 2019

For and on behalf of the Board of Directors of
Accendere Knowledge Management Services Private Limited

Nikhil Mahajan
Director
DIN: 00033404

Place: New Delhi
Date: May 29, 2019

Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: May 29, 2019

Accendere Knowledge Management Services Private Limited
Statement of changes in equity for the year ended March 31, 2019
(All amounts are rupees in lacs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Balance as at April 1, 2017	1.20
Change in equity share capital during the year	-
Balance as at April 1, 2018	1.20
Change in equity share capital during 2018-19	-
Balance as at March 31, 2019	**1.20**

B. Other Equity

Particulars	Attributable to owners of the Company			
	Reserves & Surplus		Remeasurement of defined benefit plans	Total attributable to to owners of the company
	General reserve	Retained Earnings		
Balance as at April 1, 2017	-	(90.71)		**(90.71)**
Profit for the year	-	35.78		**35.78**
Other comprehensive Income		-	1.81	**1.81**
Balance as at April 1, 2018	-	**(54.93)**	**1.81**	**(53.12)**
Profit for the year	-	69.77	-	**69.77**
Other comprehensive Income	-	-	0.44	**0.44**
Balance as at March 31, 2019	-	**14.84**	**2.25**	**17.09**

For **NKSC & Co.**
Chartered Accountants
Firm Registration Number: 020076N

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: May 29, 2019

For and on behalf of Board of Directors of
Accendere Knowledge Management Services Private Limited

Nikhil Mahajan
Director
DIN: 00033404

Place: New Delhi
Date: May 29, 2019

Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: May 29, 2019

Accendere Knowledge Mangement Services Private Limited
Notes to Ind AS Financial Statements for the year ended March 31, 2019

1A. Reporting Entity

Accendere Knowledge Management Services Private Limited ("the Company") was incorporated on September 19, 2008 under the Companies Act, 1956 with the object to provide consulting services to Universities, Colleges, Test Prep Institutions and Schools on integrating research into their education platforms and improving the research potential and output. The Company is a 100% subsidiary of CL Educate Limited with all equity shares held through nominee shareholders.

The accompanying Ind AS financial statements reflect the results of the activities undertaken by the Company during the year starting from April 01, 2018 to March 31, 2019.

1B. Basis of preparation.

(i) Statement of compliance:

These Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These Ind AS financial statements were authorised for issue by the Company's Board of Directors on May 29, 2019.

The accounting policies have been consistently applied by the Company for the financial years presented in the financial statements and are consistent with those used in the previous year.

(ii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

(iii) Functional and presentation currency

These Ind AS financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs, unless otherwise indicated.

(iv) Basis of measurement

The Ind AS financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

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Accendere Knowledge Management Services Pvt. Ltd.

(v) Use of estimates and judgements

In preparing these Ind AS financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Ind AS financial statements is included in the following notes:

- Note no. 33: classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the half year ending September 30, 2018 is included in the following notes:

- Note no 2: measurement of useful lives and residual values to property, plant and equipment
- Note no 3: measurement of useful lives of intangible assets
- Note no 32: measurement of defined benefit obligations and plan assets: key actuarial assumptions.
- Note no 33: impairment of financial assets.
- Note no 33: fair value measurement of financial instruments
- Note no 35: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.

(vi) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/ by the Company.

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

Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.

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Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1C. Significant accounting policies

(i) Revenue recognition

The Company derives its revenue from sale of educational and research services received from various universities/institutes.

Effective 1 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Ind AS 115 replaces Ind AS 18 Revenue, Ind AS 11 Construction Contracts and related interpretations. The Company has adopted Ind AS 115 using the cumulative effect method (without the practical expedient), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018). Under this transition method, the standard is applied retrospectively only to contracts that are not completed as at the date of initial application, and the comparative information is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 2 "Significant Accounting Policies" in the financial statements as at and for the year ended March 31, 2018 for the accounting policies that were in effect for revenue recognized prior to 1 April 2018. The adoption of the standard did not have any material impact on the financial statements of the Company.

Revenue from contracts with customers is recognised upon transfer of control of promised product or services to customer in an amount that reflect the consideration which the company expects to receive in exchange for those product or services. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/duties and discounts.

Revenue from related parties is recognized based on transaction price which is at arm's length.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Revenue in excess of invoicing are classified as Contract Assets while invoicing in excess of revenue are classified as Contract Liabilities.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contract involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while that those are distinct are accounted for prospectively, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Use of significant judgements in revenue recognition:

- At the time of entering into the agreement / raising an invoice, performance obligations in the contract are identified. The Company delivers services as per the tenure and terms & condition of the contract. Contracts are of differing natures and sometimes have one specific performance

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Accendere Knowledge Management Services Pvt. Ltd.

obligation, and on other occasions have multiple performance obligations. Contract Liability has been created towards unsatisfied or partially satisfied performance obligations.

- Contract fulfilment costs are generally expensed as incurred except for certain incentive costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of contract whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

(ii) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost net of recoverable taxes (wherever applicable), which includes capitalised borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Subsequent expenditure

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using straight line method and is recognised in the statement of profit and loss.

Depreciation has been calculated on straight line method at the useful lives, which are equal to useful lives specified as per schedule II to the Act.

The useful lives of the assets are as under:

Particulars	**Useful lives (in years)**
Tangible assets:	
Plant & Machinery	15
Computer equipment	3

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Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

(iii) Intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the company and where its cost can be reliably measured.

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the statement of profit and loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets:	**Useful lives (in years)**
Website	3

Amortisation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the statement of profit and loss.

(iv) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's or CGU's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(v) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(vi) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition or issue, except for an item recognised at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (OCI), or
- Fair value through profit and loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified to be measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features; prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

<u>Financial liabilities</u>

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

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iii. Offsetting

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

iv. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

v. Impairment of financial instruments:

The Company recognises loss allowances for expected credit losses on:

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI - debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for agreed credit period;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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Expected credit loss:

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if the default or it is past due for more than agreed credit period.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

- the financial asset is past due and not recovered within agreed credit period.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). Presentation of allowance for expected credit losses in the balance sheet.
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(vii) Employee Benefits

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, and bonus etc are recognised in the statement

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of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in statement of financial position.

Long term employee benefits

Defined contribution plan: Provident fund

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions.

Defined Benefit Plan: Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date. The plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service.

The present value of such obligation is determined by the projected unit credit method and adjusted for past service as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the other comprehensive income.

The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term benefits: Compensated absences

Benefits under the Company's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method. done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the statement of profit and loss.

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(viii) **Income tax**

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

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Minimum alternate tax

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

(ix) Contingent Liability, Contingent Asset and Provisions

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(x) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

(xi) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

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For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

(xii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.

Segment Earnings Before Interest, Tax and Depreciation ('EBITDA') is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The operating segments have been identified on the basis of the nature of products/services. Company deals in one business namely "Educational Research".

The Board of Director(s) are collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 31 for segment information.

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Accendere Knowledge Management Services Private Limited
Notes to the Ind AS financial statements for the year ending March 31, 2019
(All amounts are rupees in lacs, unless otherwise stated)

2. Property, plant and equipment

Particulars	Plant and machineries	Computers	Total
Balance as at April 1, 2017	0.41	1.69	2.10
Additions	-	-	-
Disposals	0.27	0.84	1.11
Balance as at March 31, 2018	**0.14**	**0.85**	**0.99**
Balance as at April 1, 2018	0.14	0.85	0.99
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**0.14**	**0.85**	**0.99**
Accumulated depreciation and impairment losses			
Balance as at April 1, 2017	0.12	0.36	0.48
Depreciation for the year	0.02	0.49	0.51
Disposals	-	-	-
Balance as at March 31, 2018	**0.14**	**0.85**	**0.99**
Balance at April 1, 2018	0.14	0.85	0.99
Depreciation for the year	-	-	-
Disposals	-	-	-
Balance as at March 31, 2019	**0.14**	**0.85**	**0.99**
Carrying amount (net)			
As at March 31, 2018	-	-	-
As at March 31, 2019	-	-	-

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Accendere Knowledge Management Services Pvt. Ltd.

Accendere Knowledge Management Services Private Limited

Notes to the Ind AS financial statements for the year ending March 31, 2019

(All amounts are rupees in lacs, unless otherwise stated)

3. Intangible assets

Particulars	Website	Total
Balance as at April 1, 2017	22.00	22.00
Additions	-	-
Disposals	-	-
Balance as at March 31, 2018	**22.00**	**22.00**
Balance as at April 1, 2018	22.00	22.00
Additions	-	-
Disposals	-	-
Balance as at March 31, 2019	**22.00**	**22.00**
Accumulated amortisation		
Balance as at April 1, 2017	0.01	0.01
Amortisation for the year	7.33	7.33
Disposals	-	-
Balance as at March 31, 2018	**7.34**	**7.34**
Balance as at April 1, 2018	7.34	7.34
Amortisation for the year	7.35	7.35
Disposals	-	-
Balance as at March 31, 2019	**14.69**	**14.68**
Carrying amount (net)		
As at March 31, 2018	**14.66**	**14.66**
As at March 31, 2019	**7.31**	**7.32**

Note: Includes internally generated Intangible Assets Rs. Nil (Previous Year Rs. Nil)

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Accendere Knowledge Management Services Private Limited
Notes to the Ind AS financial statements for the year ending March 31, 2019
(All amounts are rupees in lacs, unless otherwise stated)

4 Deferred tax (net)

	March 31, 2019	March 31, 2018
Deferred tax assets (net)	9.19	13.29
	9.19	**13.29**

Footnote:
Above amount includes Minimum Alternate Tax (MAT) amounting Rs. 4.76 lacs (March 31, 2018: Rs. 7.73 lacs)

5 Non-current tax assets

	March 31, 2019	March 31, 2018
Advance income tax (Net of provision for Rs. Nil (March 31, 2018: Rs. Nil)	19.44	13.90
	19.44	**13.90**

6 Trade receivables

	March 31, 2019	March 31, 2018
Unsecured, considered good unless stated otherwise		
Unsecured, considered good	191.30	178.14
	191.30	**178.14**

Of the above, trade receivables from related parties are as below:

Total trade receivables from related parties (refer footnotes & note 30)	191.30	178.14
	191.30	**178.14**

1. For explanation on the Company credit risk management process (Refer Note no. 33)
2 Trade receivables are non interest bearing and are normally received in normal operating cycle.
3. No trade or other receivable are due from director or other officer of the Company and firms or private companies in which any director is a partner, a director or a member either jointly or severally with other persons except as stated above.
4. For terms and conditions of trade receivable owing from related parties, refer note 30

7 Cash and cash equivalents

	March 31, 2019	March 31, 2018
Balances with banks		
– on current accounts	0.36	0.28
	0.36	**0.28**

For explanation on the Company credit risk management process refer note 33

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(All amounts are rupees in lacs, unless otherwise stated)

8 Current financial asset-loans

	March 31, 2019	March 31, 2018
Unsecured, considered good unless stated otherwise		
Loans to employee	2.79	1.99
	2.79	**1.99**

For explanation on the Company risk management process refer note 33
Loans to employees are non-interest bearing and are normally received within a period of 12 months.

9 Other current assets

	March 31, 2019	March 31, 2018
Unsecured, considered good, unless otherwise stated		
Prepaid expenses	7.86	6.46
	7.86	**6.46**

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Accendere Knowledge Management Services Pvt. Ltd.

(All amounts are rupees in lacs, unless otherwise stated)

10 Equity share capital

a. The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity shares.

	31-Mar-19	31-Mar-18
Authorised shares		
20,000 (March 31, 2018: 20,000) equity shares of INR 10 each fully paid up	2.00	2.00
Issued, subscribed and fully paid-up		
12,000 (March 31, 2018) equity shares of INR 10 each fully paid up	1.20	1.20
	1.20	**1.20**

b. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year.

Particulars	31-Mar-19		31-Mar-18	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	12,000	1.20	12,000	1.20
Shares outstanding at the end of the year	**12,000**	**1.20**	**12,000**	**1.20**

c. Terms/rights attached to equity share

Voting
Each holder of equity shares is entitled to one vote per share held.

Dividends
The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed. The Company has not distributed any dividend in the current year and previous year.

Liquidation
In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

d. Details of shares held by holding/ ultimate holding company and/ or their subsidiaries/associates and shareholders holding more than 5% of equity shares of the Company

Particulars	Nature of Relationship	31-Mar-19		31-Mar-18	
		Number	% of Holding	Number	% of Holding
CL Educate Limited (refer note)	Holding Company	12,000	100%	12,000	100%

Note: Including one shareholder held by nominee of the Company.

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

e. No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back by the Company during the period of five years immediately preceding the reporting date.

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Accendere Knowledge Management Services Pvt. Ltd.

(All amounts are rupees in lacs, unless otherwise stated)

11 Other equity

	March 31, 2019	March 31, 2018
Surplus in the Statement of Profit and Loss		
Opening balance	(54.93)	(90.71)
Net profit for the year	69.77	35.78
Closing balance (a)	**14.84**	**(54.93)**
Other comprehensive income		
Opening balance	1.81	-
Add: Other comprehensive income for the year	0.44	1.81
Closing balance (b)	**2.25**	**1.81**
Total other equity (a+b)	**17.09**	**(53.12)**

12 Long term provisions

	March 31, 2019	March 31, 2018
Provision for gratuity (refer note 32)	4.65	2.99
Provision for leave encashment (refer note 32)	1.62	1.72
Total	**6.27**	**4.71**

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Accendere Knowledge Management Services Pvt. Ltd.

13 Current borrowings

	March 31, 2019	March 31, 2018
Unsecured loans, repayable on demand		
- from related parties (refer note 30)	109.55	96.53
	109.55	**96.53**

1. Loan from related parties represents interest bearing loan taken from holding company. It carries an interest rate ranges from 12.50% to 14.5% per annum.

2. For explanation on the Company liquidity risk management process refer note 33.

14 Trade payables

	March 31, 2019	March 31, 2018
Trade payable		
- dues to micro and small enterprises (refer note 29)	-	-
- dues to other than micro and small enterprises		
to related parties (refer note 30)	47.57	151.13
to others	12.72	-
	60.29	**151.13**

Footnote:

1. Trade payables are non interest bearing and are normally settled in normally settled in normal trade cycle.
2. For explanation on the Company liquidity risk management process refer note 33.

15 Other current financial liabilities

	March 31, 2019	March 31, 2018
Employee related payables	23.01	14.52
	23.01	**14.52**

1. For explanation on the Company liquidity risk management process refer note 33.

16 Other current liabilities

	March 31, 2019	March 31, 2018
Statutory dues payable	7.52	11.55
	7.52	**11.55**

17 Short term provisions

	March 31, 2019	March 31, 2018
Provision for gratuity (refer note 32)	0.02	0.00
Provision for leave encashment (refer note 32)	0.03	0.03
	0.05	**0.03**

18 Current tax liabilities (net)

	March 31, 2019	March 31, 2018
Provision for tax (net of advance tax Rs. 12.92 Lacs March 31, 2018: Rs. 5.55 Lacs)	13.28	2.17
	13.28	**2.17**

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Accendere Knowledge Management Services Pvt. Ltd.

Accendere Knowledge Management Services Private Limited
Notes to the Ind AS financial statements for the year ending March 31, 2019
(All amounts are rupees in lacs, unless otherwise stated)

19 Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations		
Sales & Services (Refer note i)	382.38	277.60
	382.38	**277.60**

Note:

i For related party transactions refer note 30

ii There is no impact of adoption of Ind AS-115 "Revenue from Contract with customers" on Company's revenue recognition. Neither any contract asset nor contract liability has been created out of this recognition.

20 Other income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Miscellaneous income	0.01	0.21
	0.01	**0.21**

21 Employee benefit expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salary, wages, bonus and other benefits	183.43	136.19
Contribution to provident and other funds (Refer note 32)	6.74	5.97
Gratuity expenses (refer note 32)	2.27	1.95
Leave encashment expenses (refer note 32)	0.37	1.75
Staff welfare expenses	0.17	5.55
	192.98	**151.41**

22 Finance cost

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Interest expenses		
- On loan from related party (refer note 30)	12.86	11.57
Interest on delay in payment of statutory dues	0.19	0.49
	13.05	**12.06**

23 Depreciation and amortisation expenses

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Depreciation of tangible assets (Refer Note 2)	-	0.51
Amortisation of intangible assets (Refer Note 3)	7.35	7.33
	7.35	**7.84**

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Accendere Knowledge Management Services Pvt. Ltd. ★

Accendere Knowledge Management Services Private Limited

Notes to the Ind AS financial statements for the year ending March 31, 2019

(All amounts are rupees in lacs, unless otherwise stated)

24 Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Travelling and conveyance expense	29.70	33.66
Legal & Professional Charges (Refer note 28)	14.27	16.51
Infrastructure Charges	3.00	-
Business promotion expenses	9.23	8.73
Communication expenses	0.03	0.92
Sales incentive	9.61	6.00
Insurance	-	0.02
Rates and taxes	0.02	0.52
Bad Debts	-	4.09
Fixed assets written off	-	1.12
Repair and maintenance-others	-	0.13
Printing and stationery	0.02	-
Bank charges	0.03	0.23
Grant for Research Projects	9.53	-
	75.44	**71.93**

25 Disclosure as per Ind AS 33 on 'Earnings per Share'

	March 31, 2019	March 31, 2018
Basic and diluted earnings per share		
Basic and diluted earnings per share (Refer footnote a & b) (in Rs.)	581.45	298.08
		-
Nominal value per share (in Rs.)	10.00	10.00
(a) Profit attributable to equity shareholders		
Profit for the year	69.77	35.77
Profit attributable to equity shareholders	**69.77**	**35.77**
	No of shares	**No of shares**
(b) Weighted average number of shares used as the denominator		
Opening balance of issued equity shares	12,000	12,000
Effect of shares issued during the year, if any	-	-
Weighted average number of equity shares for Basic and Diluted EPS	**12,000**	**12,000**

At present, the Company does not have any dilutive potential equity share.

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Accendere Knowledge Management Services Pvt. Ltd.

(All amounts are in Rupees lacs, unless otherwise stated)

26 Contingent liabilities

There are no contingent liabilities as at March 31, 2019 and March 31, 2018.

27 Commitments

There are no capital or other material commitments as at March 31, 2019 and March 31, 2018 .

28 Payment to Auditor (excluding goods & service tax)(included in legal and professional charges):

	March 31, 2019	March 31, 2018
Statutory audit	3.00	2.50
	3.00	**2.50**

29 Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

	March 31, 2019	March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.		
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the Interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	-	-

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Accendere Knowledge Management Services Pvt. Ltd.

(All amounts are in Rupees lacs, unless otherwise stated)

30 Related Party Disclosure

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

(a) List of related parties

(i) Related parties where control exists:

Relationship	Name of related party
Holding Company	CL Educate Limited

(ii) Other related parties with whom transactions have taken place:

Relationship	Name of related party
Fellow subsidiaries	1. G.K. Publications Private Limited, India 2. CL Media Private Limited, India

(iii) Key Management Personnel	1. Mr. Satya Narayanan R 2. Mr. Gautam Puri 3. Mr. Nikhil Mahajan

(b) Details of related party transactions are as below:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
1. Sale of services		
CL Media Private Limited	316.49	277.60
2. Finance cost		
a. Interest on borrowing		
CL Educate Limited	12.86	11.57
5.Reimbursement of expense by related parties		
CL Educate Limited	3.00	-
6. Borrowings taken from related party		
CL Educate Limited	32.24	141.18
7. Conversion of interest into borrowings		
CL Educate Limited	11.58	10.42
7. Loan repayment		
CL Educate Limited	30.80	145.11

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Accendere Knowledge Management Services Pvt. Ltd.

Accendere Knowledge Management Services Private Limited

Notes to the Ind AS financial statements for the year ending March 31, 2019

(All amounts are in Rupees lacs, unless otherwise stated)

Terms and conditions of transactions with the related parties

(1) The terms and conditions of the transactions with related parties were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

(2) All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash .None of the balances are secured.

3) For the year ended March 31, 2019 the Company has not recorded any impairment of receivables relating to amounts owed by related party amounting Rs. 191.30 Lacs (March 31, 2018: Rs. 178.14). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(C) Balance outstanding with or from related parties as at:

	As at March 31, 2019	As at March 31, 2018
1. Trade receivables		
CL Educate Limited	0.27	1.27
CL Media Private Limited	191.03	176.87
	191.30	**178.14**
2. Current borrowings		
CL Educate Limited	109.55	96.53
	109.55	**96.53**
3. Trade payables to related parties:		
CL Media Private Limited	-	92.51
G.K. Publications Private Limited	-	5.72
	-	**98.23**
4. Other current financial liabilities		
CL Educate Limited	49.54	46.30

31 Disclosure as per Ind AS 108 on 'Operating segments'

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.The Company's board reviews the results of "Educational Research" on a quarterly basis. The company's board of directors uses Earning Before Interest, Tax and Depreciation ('EBITDA') to assess the performance of the operating segments. Accordingly, there is only one Reportable Segment for the Company which is "Educational Research", hence no specific disclosures have been made.

Entity wide disclosures

Information about products and services

Company deals in one business namely "Educational Research". Therefore product wise revenue disclosure is not applicable.

Information about geographical areas

Company operates under single geographic location, there are no separate reportable geographical segments.

Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 per cent or more of an entity's revenues:

Customer	March 31, 2019	March 31, 2018
CL Media Private Limited	316.49	277.60

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Accendere Knowledge Management Services Pvt. Ltd.

(All amounts are in Rupees lacs, unless otherwise stated)

32. Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

A. Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and EDLI, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

	March 31,2019	March 31, 2018
Contribution to provident fund (Refer note 21)	6.74	5.85

B. Defined benefit plan:

Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. The following table set out the status of the defined benefit obligation

	March 31, 2019	March 31, 2018
Net defined benefit liability		
Liability for Gratuity	4.67	2.99
Total employee benefit liabilities (refer note 12 & 17)	**4.67**	**2.99**
Non-current	4.65	2.99
Current	0.02	0.00

B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	March 31, 2019			March 31, 2018		
	Defined benefit obligation	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**	**Defined benefit obligation**	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**
Balance at the beginning of the year	2.99	-	2.99	3.48	-	3.48
Included in profit or loss				-		
Current service cost	2.03	-	2.03	1.68	-	1.68
Interest cost (income)	0.23	-	0.23	0.27	-	0.27
	2.26	-	2.26	1.95	-	1.95

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Knowledge Management Services Pvt. Ltd. Accendere

(All amounts are in Rupees lacs, unless otherwise stated)

Included in OCI						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
- financial assumptions	0.11	-	0.11	(0.05)	-	(0.05)
- experience adjustment	(0.69)	-	(0.69)	(2.39)	-	(2.39)
Return on plan assets excluding interest income	-	-	-	-	-	-
	(0.58)	-	(0.58)	(2.44)	-	(2.44)
Other						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
	-	-	-	-	-	-
Balance at the end of the year	**4.67**	-	**4.67**	**2.99**	-	**2.99**

D. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation aaumptions are as follows which have been selected by the company.

	March 31, 2019	March 31, 2018
Discount rate	7.66%	7.80%
Expected rate of future salary increase	8.00%	8.00%

The discount rate has been assumed at 'March 31, 2019: 7.66% (31 March 2018: 7.80%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Demographic assumptions

	March 31, 2019	March 31, 2018
i) Retirement age (years)	58	58
ii) Mortality rates inclusive of provision for disability	IALM (2006-08)	
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions

	March 31, 2019		March 31, 2018	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (0.50% movement)	(0.40)	0.44	(0.26)	0.29
Future salary growth (0.50% movement)	0.44	(0.40)	0.29	(0.26)

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Knowledge Management Services Pvt. Ltd.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.
Senstivities due to mortality and withdrawals are not material and hence impact of change not calculated.
Senstivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Description of Risk Exposures:
Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -
A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	As at March 31, 2019	As at March 31, 2018
Duration of defined benefit obligation		
Less than 1 year	0.02	-
Between 1-2 years	0.02	0.01
Between 2-5 years	0.17	0.12
Over 5 years	4.46	2.86
Total	**4.67**	**2.99**

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are ₹ 3.30 lacs.
The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.23 years (March 31, 2018: 19.57 years).

(ii) Other long-term employee benefits:

The company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. During the year ended March 31, 2019, the Company has incurred an expense on compensated absences amounting to Rs. 0.37 lacs. The Company determines the expense for compensated absences basis the actuarial valuation of plan assets and the present value of the obligation, using the Projected Unit Credit Method.

A. The following table set out the status of the defined benefit obligation

	March 31, 2019	March 31, 2018
Net defined benefit liability		
Liability for Leave encashment	1.65	1.75
Total employee benefit liabilities (refer note 12 & 17)	**1.65**	**1.75**
Non-current	1.62	1.72
Current	0.03	0.03

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Accendere Knowledge Management Services Pvt. Ltd.

(All amounts are in Rupees lacs, unless otherwise stated)

B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	March 31, 2019			March 31, 2018		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit	Defined benefit obligation	Fair value of plan assets	Net defined benefit
Balance at the beginning of	1.75	-	1.75	-	-	-
Included in profit or loss						
Current service cost	0.91	-	0.91	1.33	-	1.33
Past service cost	0.13	-	0.13	0.42	-	0.42
Included in OCI	**1.04**	**-**	**1.04**	**1.75**	**-**	**1.75**
Remeasurements loss (gain)						
– Actuarial loss (gain)						
- financial assumptions	0.04	-	0.04	-	-	-
- experience adjustment	(0.71)	-	(0.71)	-	-	-
Return on plan assets excluding interest income		-	-	-	-	-
	(0.67)	**-**	**(0.67)**	**-**	**-**	**-**
Other						
Contributions paid by the	-	-	-	-	-	-
Benefits paid	(0.47)	-	(0.47)	-	-	-
	(0.47)	**-**	**(0.47)**	**-**	**-**	**-**
Balance at the end of the year	**1.65**	**-**	**1.65**	**1.75**	**-**	**1.75**

D. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation aaumptions are as follows which have been selected by the company.

	March 31, 2019	March 31, 2018
Discount rate	7.66%	7.80%
Expected rate of future salary increase	8.00%	8.00%

The discount rate has been assumed at 'March 31, 2019: 7.66% which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Demographic assumptions

	March 31, 2019	March 31, 2018
i) Retirement age (years)	58	58
ii) Mortality rates inclusive of provision for disability	IALM (2006-08)	IALM (2006-08)
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

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E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions

	'March 31, 2019		'March 31, 2018	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (0.50% movement)	(0.14)	0.16	(0.15)	0.17
Future salary growth (0.50% movement)	0.16	(0.18)	0.17	(0.15)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Senstivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Senstivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Duration of defined benefit obligation		
Less than 1 year	0.03	0.03
Between 1-2 years	0.04	0.04
Between 2-5 years	0.09	0.10
Over 5 years	1.49	1.58
Total	**1.65**	**1.75**

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are ₹ 1.51 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.23 years.

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Accendere Knowledge Management Services Pvt. Ltd.

(All amounts are in Rupees lacs, unless otherwise stated)

33 Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilties, including their levels in the fair value hierarchy.

i. As on March 31, 2019

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Current							
Trade receivables	-	-	191.30	**191.30**	-	-	-
Cash and cash equivalents	-	-	0.36	**0.36**	-	-	-
Loans	-	-	2.79	**2.79**	-	-	-
Total	-	-	**194.45**	**194.45**			
Financial liabilities							
Current							
Borrowings	-	-	109.55	**109.55**	-	-	-
Trade payables	-	-	60.29	**60.29**	-	-	-
Other current financial liabilities	-	-	23.01	**23.01**	-	-	-
Total	-	-	**192.85**	**192.85**			

ii. As on March 31, 2018

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Current							
Trade receivables	-	-	178.14	**178.14**	-	-	-
Cash and cash equivalents	-	-	0.28	**0.28**	-	-	-
Loans	-	-	1.99	**1.99**	-	-	-
Total	-	-	**180.41**	**180.41**			
Financial liabilities							
Current							
Borrowings	-	-	96.53	**96.53**	-	-	-
Trade payables	-	-	151.13	**151.13**	-	-	-
Other current financial liabilities	-	-	14.52	**14.52**	-	-	-
Total	-	-	**262.18**	**262.18**			

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Level 1: It includes financial instruments measured using quoted prices.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

The Company's borrowings from related parties and others are repayable on demand and have been contracted at fixed rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates to their fair value.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature.

Valuation processes
The Management performs the valuations of financial assets and liabilities required for financial reporting purposes on a periodic basis, including level 3 fair values wherever applicable.

There are no transfers between level 1 and level 2 during the year. There are no financial assets/ liabilities measured at fair value/ amortised cost for which level 1 and level 2 inputs have been used. Accordingly, disclosures related to level 1 and 2 inputs are not applicable.

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk
- Interest rate risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has policies covering specific areas, such as interest rate risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.

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Notes to the Ind AS financial statements for the year ending March 31, 2019

(All amounts are in Rupees lacs, unless otherwise stated)

b. Financial risk management (continued)

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	191.30	178.14
Cash and cash equivalents	0.36	0.28
Loans	2.79	1.99

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's credit risk is primarily to the amount due from customres. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The invoices raised to customers immediately falls due for payment when raised and the average collection period comes out to be 30 days from the date of raising the invoice. The Company has not experienced any significant impairment losses in respect of trade receivables in the past years.The Company provides majority of its services to CL Media Private Limited (fellow subsidiary).The credit risk with respect to amounts outstanding from related parties is considered to be insignificant. Refer Note 30 on disclosure on related party transactions with respect to amount outstanding as at reporting date.

In case of payments due from related parties there is no default as there is insignificant credit risk. This definition of default is determined by considering the business environment in which entity operates and othe macro-economic factors. Further, the Company does not anticipate any material credit risk of any of its other receivables.

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b. Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
The Company believes that its liquidity position, including total cash (including bank deposits under lien and excluding interest accrued but not due) of INR 0.36 lacs as at March 31, 2019 (March 31, 2018: INR 0.28 lacs) and the anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

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Accendere Knowledge Management Services Private Limited

Notes to the Ind AS financial statements for the year ending March 31, 2019

(All amounts are in Rupees lacs, unless otherwise stated)

Exposure to liquity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at March 31, 2019	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Current liabilities					
Borrowings	109.55	109.55	-	-	109.55
Trade payables	60.29	60.29	-	-	60.29
Other financial liabilities	23.01	23.01	-	-	23.01
Total	**192.85**	**192.85**	-	-	**192.85**

As at March 31, 2018	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Current Liabilities					
Borrowings	96.53	96.53	-	-	96.53
Trade payables	151.13	151.13	-	-	151.13
Other financial liabilities	14.52	14.52	-	-	14.52
Total	**262.18**	**262.18**	-	-	**262.18**

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(All amounts are in Rupees lacs, unless otherwise stated)

B. Financial risk management (continued)

iii. Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Since, the Company does not have any foreign currency transactions and investments, the currency risk and other price risk is not applicable on the Company.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the short term loans from related party i.e. holding company carrying fixed rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments		**As at March 31, 2019**	**As at March 31, 2018**
Current borrowings		109.55	96.53
Total		**109.55**	**96.53**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	**Profit or loss**		**Equity, net of tax**	
	50 bps increase	**50 bps decrease**	**50 bps increase**	**50 bps decrease**
Interest on term loans from banks				
For the year ended March 31, 2019	(0.54)	0.54	(0.40)	0.40
For the year ended March 31, 2018	(0.48)	0.48	(0.36)	0.36

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(All amounts are in Rupees lacs, unless otherwise stated)

34 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Particulars		**As at March 31, 2019**	**As at March 31, 2018**
Borrowings		109.55	96.53
Less : Cash and cash equivalent		(0.36)	(0.28)
Adjusted net debt (A)		109.19	96.25
Total equity (B)		18.29	(51.94)
Adjusted net debt to adjusted equity ratio (A/B)		**596.93%**	**-185.31%**

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Notes to the Ind AS financial statements for the year ending March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

35 Deferred Tax

A. Amounts recognised in profit or loss

Current tax expense	March 31, 2019	March 31, 2018
Current year	22.52	7.73
Adjustment for prior years	-	4.86
Deferred tax expense	**22.52**	**12.58**
Change in recognised temporary differences	1.28	(13.80)
Total Tax Expense	1.28	(13.80)
	23.80	**(1.22)**

B. Amounts recognised in Other Comprehensive Income

	March 31, 2019			March 31, 2018		
	Before tax	Tax (Expense)/ Income	Net of tax	Before tax	Tax (Expense)/ Income	Net of tax
Remeasurements of defined benefit liability	0.59	(0.15)	0.44	-	-	-
	0.59	**(0.15)**	**0.44**	**-**	**-**	**-**

C. Reconciliation of effective tax rate

	March 31, 2019		March 31, 2018	
	Rate	Amount	Rate	Amount
Profit before tax		93.57		34.54
Tax using the Company's domestic tax rate	26.00%	24.33	25.75%	8.89
Tax effect of:				
Carried forward business losses		(3.17)		(4.12)
Prior period error/adjustment		1.28		(6.20)
Non-deductible expenses		1.36		0.13
Rate difference		-		0.07
		23.80		**(1.22)**

D. Movement in deferred tax balances

	As at March 31, 2018	Recognized in P&L	Recognized in OCI	As at March 31, 2019
Deferred Tax Assets				
Property, plant & equipment	5.57	(2.84)	0.15	2.88
Long term provisions	-	0.00	-	0.00
Other current financial liabilities	-	1.55	-	1.55
Sub- Total (a)	**5.57**	**(1.28)**	**0.15**	**4.43**
Minimum Alternate Tax (b)	7.72	(2.96)	-	4.76
Total (a+b)	**13.29**	**(4.24)**	**0.15**	**9.19**

	As at April 1, 2017	Recognized in P&L	Recognized in OCI	As at March 31, 2018
Deferred Tax Assets				
Property, plant & equipment	0.12	4.82	0.63	5.57
Sub- Total (a)	**0.12**	**4.82**	**0.63**	**5.57**
Minimum Alternate Tax (b)	-	7.72	-	7.72
Total (a+b)	**0.12**	**12.54**	**0.63**	**13.29**

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36 Standards issued but not yet effective

(a) Ind AS-116 Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, *Leases*. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with an term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The standard also contains enhanced disclosure requirements for lessee. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Standard permits two possible methods of transition:-

*Full Retrospective Approach - Under this approach the standard will be applied restrospectively to each prior period presented in accordance with Ind AS -8 "Accounting Policies, Changes in Accounting Estimates and Errors."

*Modified Retrospective Approach - Under this approach, the Cumulative effect will be recognized at the date of initial application of the standard. The effective date of adoption of Ind AS 116 is financial period begins on or after April 1, 2019.

The company is proposing to use the the "Modified Retrospective Approach", for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). Accordingly comparatives for the year ending or ended March 31, 2019 will not be restrospectively adjusted. The Company is evaluating the requirements of the standard and the effect on the financial statements is being evaluated.

(b) Amendment to Ind AS 19- plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, "Employee benefits", in connection with accounting for plan amendments, curtailments and settlements.

The amendment requires an entity :

* to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
* to recognize in profit or loss as a part of past service cost, or a gain or loss on settlement, any reduction in surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment.

(c) Amendment in Ind AS 23- Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

(d) Ind AS – 12 Appendix C, Uncertainty over Income Tax treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatment which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, when determining tax profit (tax loss), tax bases, unused tax losses, unused tax credit and tax rates.

The Standard permits two possible methods of transition:-

* Full retrospective approach- Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Change in Accounting Estimates and Errors, without using hindsight

*Modified Retrospective Approach - Under this approach, the Cumulative effect will be recognized at the date of initial application of the standard. The effective date of adoption of Ind AS 116 is financial period begins on or after April 1, 2019.

The company is proposing to use the the "Modified Retrospective Approach", for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). Accordingly comparatives for the year ending or ended March 31, 2019 will not be restrospectively adjusted. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

(e) Amendment to Ind AS 12- Income Taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, "Income Taxes", in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividend in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

The effect of adoption of this amendment of Ind AS 12 would be insignificant in the financial statements.

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Notes to the Ind AS financial statements for the year ending March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

37 The Board of Directors of the Company has approved a scheme of arrangement for amalgamation of the company ("Amalgamating Company") with its parent company "CL Educate Limited" ("Amalgamated Company") in its meeting held on November 27, 2018. An application under Regulation 37 of the SEBI (LODR) Regulations, 2015 was filed with the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), for the proposed amalgamation. The scheme will be effective upon approval from National Company Law Tribunal (NCLT). The appointed date as finalized by the Company is April 1, 2019.

38 These financial statements were authorized for issue by Board of Directors on May 29, 2019.

39 Previous year's figures have been regrouped / reclassified as per the current period's presentation for the purpose of comparability.

For **NKSC & Co.**
Chartered Accountants
Firm Registration Number: 020076N

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: May 29, 2019

For and on behalf of Board of Directors of
Accendere Knowledge Management Services Private Limited

Nikhil Mahajan
Director
DIN: 00033404

Place: New Delhi
Date: May 29, 2019

Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: May 29, 2019