NKSC & Co.
Chartered Accountants

208, Vats Market (Shiva Market),
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INDEPENDENT AUDITOR'S REPORT

To the Members of Ice Gate Educational Institute Private Limited

Report on the Audit of the Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS financial statements of Ice Gate Educational Institute 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 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, 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 Qualified Opinion

The Company has more than 10 employees on its roll as at 31 March 2019. However, the Company has not registered itself under the provisions of The Employees Provident Fund & Miscellaneous Provisions Act, 1952 and The Employees State Insurance Act, 1948. The impact of such non-compliance, if any, is not ascertainable.

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 qualified 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

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Private Limited
Balance Sheet as on 31 March, 2019
(All amounts are Rupees in lacs unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
Property, plant and Equipment	3	35.89	11.54
Other intangible assets	3	62.02	33.27
Deferred tax assets (net)	4	0.47	-
Non current (tax) assets (net)	5	0.14	-
Other non current assets	6	121.23	57.09
Total non current assets		**219.75**	**101.91**
Current assets			
Inventories	7	11.49	30.35
Financial assets			
(i) Trade receivables	8	380.44	9.09
(ii) Cash and cash equivalents	9	9.41	25.76
(iii) Loans	10	17.76	16.80
(iv) Other financial assets	11	26.29	32.90
Other current assets	12	88.69	367.74
Total current assets		**534.08**	**482.64**
Total		**753.83**	**584.55**
Equity and liabilities			
Equity			
Equity share capital	13	1.00	1.00
Other equity	14	30.28	24.25
		31.28	**25.25**
Non-current liabilities			
Deferred Tax Liabilities (Net)	15	-	0.69
Provisions	16	7.93	-
Other Liabilities	17	146.65	57.33
		154.58	**58.01**
Current liabilities			
Financial liabilities			
(i) Borrowings	18	7.76	52.23
(ii) Trade payables	19	154.54	85.74
(iii) other financial liabilities	20	21.09	10.95
Other current liabilities	21	384.57	351.84
Provisions	22	0.01	-
Current tax liabilities (net)	23	-	0.52
Total current liabilities		**567.97**	**501.29**
Total liabilities		**722.55**	**559.30**
Total equity and liabilities		**753.83**	**584.55**
Summary of significant accounting policies	2		

The accompanying notes 1 to 47 form an integral part of these financial statements.

As per our report of even date.

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

Naresh Sharma
Partner
Membership No.:089123

Place: DELHI
Date: 29 May, 2019

NKSC & Co. DELHI Chartered Accountants

For and on Behalf of the Board of Director of
Ice Gate Eductaional Institute Private Limited

Rohan Garg
(Director)
DIN: 07188764

Place:
Date:

Himanshu Jain
(Director)
DIN: 07926359

Place:
Date:

ICE Gate Educational Institute Pvt. Ltd.

ICE Gate Educational Institute Private Limited
Statement of Profit and Loss for the year ended March 31, 2019
(All amounts are Rupees in lacs unless otherwise stated)

	Note	Year ended March 31, 2019	Year ended March 31, 2018
Revenue			
Revenue from operations	24	1,207.06	651.40
Other income	25	29.14	10.07
Total revenue (I)		**1,236.20**	**661.47**
Expenses			
Purchases of stock-in-trade	26	31.97	80.84
Changes in inventory of finished goods and work-in-progress	27	18.86	(21.31)
Employee benefit expenses	28	113.42	65.69
Finance costs	29	2.80	1.94
Depreciation and amortisation expenses	30	13.06	1.90
Franchisee expenses	31	855.49	436.99
Other expenses	32	194.60	91.31
Total expenses (II)		**1,230.19**	**657.36**
Profit before tax (I)-(II)		**6.01**	**4.11**
Tax expense			
- Current tax		1.14	0.82
- MAT credit		(1.14)	-
- Deferred tax	43	(0.02)	0.66
		(0.02)	**1.48**
Profit after tax		**6.03**	**2.63**
Other comprehensive income for the year (net of income tax)		-	-
Total comprehensive income		**6.03**	**2.63**
Earnings per equity share (in Rs.):			
Nominal value of Rs. 10 each (Previous year Rs. 10 each)			
-Basic & Diluted earning per share	33	60.29	26.26
Summary of significant accounting policies	2		

The accompanying notes 1 to 47 form an integral part of these financial statements.

As per our report of even date.

For **NKSC & Co.**
Chartered Accountants
Firm registration No.:020076N

NKSC & Co. ★ DELHI ★ Chartered Accountants

Naresh Sharma
Partner
Membership No.:089123

Place: DELHI
Date: 29 May, 2019

For and on Behalf of the Board of Director of
Ice Gate Educational Institute Private Limited

Rohan Garg
(Director)
DIN: 07188764

Place:
Date:

Himanshu Jain
(Director)
DIN: 07986359

Place:
Date:

ICE Gate Educational Institute Pvt. Ltd. ★

ICE Gate Educational Institute Private Limited
Cash Flow Statement for the year ended March 31, 2019
(All amounts are Rupees in lacs unless otherwise stated)

		Year ended March 31, 2019	Year ended March 31, 2018
A Cash flow from operating activities			
Net profit before tax		6.01	4.11
Adjustments for:			
Depreciation and amortisation		13.06	1.90
Finance cost (excluding interest on delayed payment of income tax)		2.10	1.92
Interest income		(0.03)	(0.23)
Operating profit before working capital changes		**21.14**	**7.71**
Adjustments for (increase)/decrease in operating assets:			
Inventories		18.87	(21.32)
Trade receivables		(371.36)	(9.09)
Financial and non financial assets		220.57	(449.16)
Adjustments for increase/(decrease) in operating liabilities:			
Financial and non financial liabilities		207.46	483.24
Cash generated from operations		**96.68**	**11.38**
Taxes paid		(2.16)	(7.72)
Net cash used in operating activities	**(A)**	**94.52**	**3.66**
B Cash flow from investing activities:			
Capital expenditure on fixed assets (including capital work in progress)		(66.16)	(46.24)
Interest income received		0.03	0.24
Net cash (used in)/generated from investing activities	**(B)**	**(66.13)**	**(46.00)**
C Cash Flow from financing activities:			
(Repayment)/Proceeds from borrowings (net)		(44.48)	51.23
Interest and other borrowings costs paid		(0.26)	(1.92)
Net cash (used in)/generated from financing activities	**(C)**	**(44.73)**	**49.31**
Net (decrease)/increase in cash and cash equivalents	**(A+B+C)**	**(16.35)**	**6.97**
Cash and cash equivalents			
-At beginning of the year		25.76	18.79
-At end of the year		**9.41**	**25.76**

Notes :
i. Components of cash and cash equivalents (Refer note 9)

Balances with banks		
– on current accounts	6.75	23.47
Cash on hand	2.66	2.29
	9.41	**25.76**

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

Particulars	March 31, 2018	Cash flows	Non cash changes-Fair value changes	March 31, 2019
Short-term borrowings	52.23	(44.47)	-	7.76

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

(iv) The above statement of cash flows should be read in conjuction with the accompanying notes 1 to 47.

As per our report of even date.

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

NKSC & Co. DELHI Chartered Accountants

Naresh Sharma
Partner
Membership No.:089123

Place: DELHI
Date: 29 May, 2019

For and on behalf of the Board of Directors of
Ice Gate Educational Institute Private Limited

Rohan Garg
(Director)
DIN: 07188764

Place:
Date:

Himanshu Jain
(Director)
DIN: 07986359

Place:
Date:

ICE Gate Educational Institute Pvt. Ltd.

ICE Gate Educational Institute 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**

Balance as at April 01, 2017	**1.00**
Change in equity share capital during FY 2017-18	-
Balance as at March 31, 2018	**1.00**
Change in equity share capital during FY 2018-19	-
Balance as at March 31, 2019	**1.00**

B. **Other Equity**

Particulars	**Attributable to owners of the company**
	Reserves & Surplus
	Retained Earnings
Balance as at April 1, 2017	21.63
Total Comprehensive Income	2.63
Balance as at March 31, 2018	**24.26**
Total Comprehensive Income	6.03
Balance as at March 31, 2019	**30.29**

The accompanying notes 1 to 47 form an integral part of these financial statements.

As per our report of even date

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

Naresh Sharma
Partner
Membership No.:089123

Place: DELHI
Date: 29 May, 2019

For and on Behalf of the Board of Director of
Ice Gate Educational Institute Private Limited

Rohan Garg
(Director)
DIN: 07188764

Place:
Date:

Himanshu Jain
(Director)
DIN: 07986359

Place:
Date:

ICE Gate Educational Institute Private Limited

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

(All amounts are Rupees in lacs unless otherwise stated)

3 a Property, Plant & Equipment

Gross Block	Tangible Fixed Assets				
	Furniture and Fixtures	Electrical Installation	Office Equipment	Computers	Total - A
Balance as at 1 April, 2017	-	-	-	1.56	1.56
Additions	3.39	2.40	3.87	2.16	11.82
Disposal	-	-	-	-	-
Balance as at 31 March, 2018	**3.39**	**2.40**	**3.87**	**3.72**	**13.38**
Balance as at 1 April, 2018	3.39	2.40	3.87	3.72	13.38
Additions	10.10	3.05	11.53	3.37	28.05
Disposal	-	-	-	-	-
Balance as at 31 March, 2019	**13.49**	**5.45**	**15.40**	**7.09**	**41.43**

Accumulated depreciation	Tangible Fixed Assets				
	Furniture And Fixtures	Electrical Installation	Office Equipment	Computers	Total - A
As at 1 April, 2017	-	-	-	1.08	1.08
Depreciation charge for the year	0.05	0.04	0.26	0.41	0.76
Disposal	-	-	-	-	-
As at 31 March, 2018	**0.05**	**0.04**	**0.26**	**1.49**	**1.84**
As at 1 April, 2018	0.05	0.04	0.26	1.49	1.84
Depreciation charge for the year	0.37	0.28	1.74	1.31	3.70
Disposal	-	-	-	-	-
As at 31 March, 2019	**0.42**	**0.32**	**2.00**	**2.80**	**5.55**

Carrying Amount	Tangible Fixed Assets				
	Furniture And Fixtures	Electrical Installation	Office Equipment	Computers	Total
As at 31 March, 2018	3.34	2.36	3.61	2.23	**11.54**
As at 31 March, 2019	13.07	5.13	13.40	4.29	**35.89**

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ICE Gate Educational Institute Pvt. Ltd. ★

ICE Gate Educational Institute Private Limited

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

(All amounts are Rupees in lacs unless otherwise stated)

3 b Other Intangible Assets

Gross Block	Intangible Assets	
	Content Development	Total - B
Balance as at 1 April, 2017	-	-
Additions	34.41	34.41
Disposal	-	-
Balance as at 31 March, 2018	**34.41**	**34.41**
Balance as at 1 April, 2018	34.41	34.41
Additions	38.10	38.10
Disposal	-	-
Balance as at 31 March, 2019	**72.52**	**72.52**

Accumulated depreciation	Intangible Assets	
	Content Development	Total - B
As at 1 April, 2017	-	-
Depreciation charge for the year	1.14	1.14
Disposal	-	-
As at 31 March, 2018	**1.14**	**1.14**
As at 1 April, 2018	1.14	1.14
Depreciation charge for the year	9.36	9.36
Disposal		-
As at 31 March, 2019	**10.50**	**10.50**

Carrying Amount	Intangible Assets	
	Content Development	Total - B
As at 31 March, 2018	33.27	**33.27**
As at 31 March, 2019	62.02	**62.02**

Note:

Intangible Assets includes content development which is internally generated intangible assets and are amortised over a period of 5 years. (Refer note 3 c)

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ICE Gate Educational Institute Pvt. Ltd. ★

ICE Gate Educational Institute Private Limited

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

(All amounts are Rupees in lacs unless otherwise stated)

3 (c) Details of internally generated intangible assets

Reconciliation of carrying amount	Content development
Cost or deemed cost (Gross carrying amount)	
Balance as at April 1, 2017	-
Additions during the year	34.41
Disposals during the year	-
Balance as at March 31, 2018	**34.41**
Balance as at April 1, 2018	34.41
Additions during the year	38.10
Disposals during the year	-
Balance as at March 31, 2019	**72.52**
Accumulated amortisation and impairment losses	
Balance as at April 1, 2017	-
Amortisation for the year	1.14
Disposals during the year	-
Balance as at March 31, 2018	**1.14**
Balance as at 1 April 2018	1.14
Amortisation for the year	9.36
Disposals during the year	
Balance as at March 31, 2019	**10.50**
Carrying amount (net)	
As at March 31, 2018	**33.27**
As at March 31, 2019	**62.02**

i. Content is at the core of the offering of the test preparation product and is an intellectual property. It includes content in form of books, questions and solutions, mock tests, vedio lectures and analysis of test papers. Amortisation is calculated to write off the cost of content over their estimated useful life (5 years) using the straight-line method.

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ICE Gate Educational Institute Pvt. Ltd. ★

4 Deferred tax assets

	As at March 31, 2019	As at March 31, 2018
Net deferred tax assets (Refer note 43)*	0.47	-
	0.47	**-**

*Including MAT credit of Rs. 1.14 lacs

In assessing the realisability of deferred tax assets, management considers whether it is reasonable, that some portion, or all, of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the period in which the temporary differences become deductible.

5 Non current (tax) assets

	As at March 31, 2019	As at March 31, 2018
Advance income tax and tax deducted at source (net of provision of Rs. 1.14 lacs)	0.14	-
	0.14	**-**

6 Other non current assets

	As at March 31, 2019	As at March 31, 2018
Prepaid franchisee expenses	121.23	57.09
	121.23	**57.09**

7 Inventories

	As at March 31, 2019	As at March 31, 2018
Text books	11.49	30.35
	11.49	**30.35**

8 Trade receivables

	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good	380.44	9.09
	380.44	**9.09**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note 40)	-	1.60
	-	**1.60**

Notes:

i. The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 41.
ii. Trade receivables are non interest bearing and are normally received in normal operating cycle.

9 Cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
Balances with banks in current account	6.75	23.47
Cash on hand	2.66	2.29
	9.41	**25.76**

Notes:

i. The Company's exposure to credit risks are disclosed in Note 41.

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ICE G... Pvt. Ltd. ★

(All amounts are Rupees in lacs unless otherwise stated)

10 Current financial asset-loans

	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless stated otherwise		
Security deposits	17.76	16.80
	17.76	**16.80**

Notes:

For explanation on the Company risk management process (Refer note 41)

11 Other current financial assets

	As at March 31, 2019	As at March 31, 2018
Income receivable	26.29	32.90
	26.29	**32.90**

Notes:

For explanation on the Company risk management process (Refer note 41)

12 Other current assets

	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good, unless otherwise stated		
Advance to suppliers	13.60	2.93
Prepaid expenses	0.05	0.10
Prepaid franchisee expenses	68.81	344.67
Balance with government authorities	6.23	20.04
	88.69	**367.74**

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(All amounts are Rupees in lacs unless otherwise stated)

13 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.

Particulars	As at 31 March, 2019	As at 31 March, 2018
Authorised : Equity Share Capital 10,000 (31 March 2018: 10,000) Equity Shares of Rs 10 each	1.00	1.00
Issued, subscribed and fully paid-up shares 10,000 (31 March 2018: 10,000) Equity Shares of Rs 10 each	1.00	1.00

(A) Reconciliation of Number of shares outstanding and the amount of share capital

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Numbers	Amount	Numbers	Amount
Shares outstanding at the beginning of the year	10,000	1.00	10,000	1.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**10,000**	**1.00**	**10,000**	**1.00**

(B) Terms/rights attached to equity shares

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

Name of Shareholder	Nature of Relationship	As at 31 March, 2019		As at 31 March, 2018	
		Numbers	% of Holding	Numbers	% of Holding
CL Educate Limited	Holding Company	5,070	50.70%	5,070	50.70%
Rohan Garg	Director	3,220	32.20%	3,220	32.20%
Lloyd Palikandy	Director	1,270	12.70%	1,270	12.70%
Total		**9,560.00**	**95.60%**	**9,560.00**	**12.70%**

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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ICE Gate Educational Institute Pvt. Ltd.

(All amounts are Rupees in lacs unless otherwise stated)

14 Other Equity

	As at March 31, 2019
Retained Earnings	
Balance as at 1 April 2017	21.62
Total Comprehensive income for the year	2.63
Balance as at 31 March 2018	**24.25**
Balance as at 1 April 2018	24.25
Total Comprehensive income for the year	6.03
Balance as at 31 March 2019	**30.28**

15 Deferred tax liabilities

	As at March 31, 2019	As at March 31, 2018
Net deferred tax assets (Refer note 43)*	-	0.69
	-	**0.69**

16 Non-current provisions

	As at 31 March, 2019	As at 31 March, 2018
Provision for gratuity (refer note 39)	7.93	-
Total	**7.93**	-

17 Other non-current liabilities

	As at 31 March, 2019	As at 31 March, 2018
Deferred revenue on education services (Refer Note no. 24)	146.65	57.33
Total	**146.65**	**57.33**

18 Current borrowings

	As at 31 March, 2019	As at 31 March, 2018
Borrowings		
Unsecured		
From holding company (refer footnote i)	7.26	51.73
From directors (refer footnote ii)	-	0.50
From others (refer footnote iii)	0.50	-
Total	**7.76**	**52.23**

i. Loan represents interest bearing unsecured loan taken from holding company repayable on demand. It carries an interest rate ranges from 11.50% to 12.00% per annum.

ii. Loan represents interest free unsecured loan taken from director repayable on demand.

iii. Loan represents interest free unsecured loan repayable on demand.

iv. For explanation on the Company liquidity risk management process refer note 41.

iv. For related party transactions refer note 40.

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ICE Gate Educational Institute Pvt. Ltd. ★

19 Trade Payables

	As at 31 March, 2019	As at 31 March, 2018
- dues to micro and small enterprises (refer note 38)	-	-
- Others	154.54	85.74
Total	**154.54**	**85.74**

Footnote:

i. Trade payables are non interest bearing and are normally settled in normally settled in normal trade cycle.

ii. For explanation on the Company liquidity risk management process refer note 41.

iii. For trade payables to related parties please refer note 40.

20 Other financial liabilities

	As at 31 March, 2019	As at 31 March, 2018
Employee payable	21.09	10.95
Total	**21.09**	**10.95**

21 Other current liabilities

	As at 31 March, 2019	As at 31 March, 2018
Statutory dues	12.92	5.47
Deferred revenue on education services (Refer note no. 24)	371.65	346.37
Total	**384.57**	**351.84**

22 Current provisions

	As at 31 March, 2019	As at 31 March, 2018
Provison for gratuity (refer note 39)	0.01	-
Total	**0.01**	**-**

23 Current tax liabilities (Net)

	As at 31 March, 2019	As at 31 March, 2018
Provision for tax (net of advance tax INR 1.29 lakhs)	-	0.52
Total	**-**	**0.52**

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ICE Gate Educational Institute Pvt. Ltd. ★

(All amounts are Rupees in lacs unless otherwise stated)

24 Revenue from operations

	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Products		
- Sale of text books	120.00	117.96
Sale of services		-
- Education and training programmes	1,067.96	529.63
	1,187.96	**647.59**
Other Operating Revenues		
Content development and maintenance fees (Refer footnote ii)	-	3.81
Online education services (Refer footnote ii)	10.19	-
License fees (Refer footnote ii)	8.91	-
	19.10	**3.81**
Total	**1,207.06**	**651.40**

Foot note

i. The revenue from sale of books are net off rebate and discounts.

ii. It includes revenue from Related Party (Refer note 40).

Disaggregated revenue information as per geographical markets

	For the year ended 31 March 2019		
	Geographical markets		
	India	**Overseas**	**Total**
Educational Training	1,087.06	-	1,087.06
Sale of Education Material	120.00	-	120.00
Total	**1,207.06**	-	**1,207.06**

Changes in contract liablity are as follows:-	**Year ended March 31, 2019**
Opening balance (refer note 17 & 21)	**403.70**
Revenue recognised that was deducted from trade receivables as unearned revenue balance at the beginning of the year (refer note 21)	(346.37)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	460.97
Closing Balance at the end of the year (Refer Note 17 & 21)	**518.30**

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied)	**Year ended March 31 , 2019**
Within one year (Refer Note 17)	371.65
More than one year (Refer Note 21)	146.65

25 Other income

	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income		
- fixed deposits	0.03	0.23
- Interest from others	-	0.12
Other non-operating Income		
Discount income	5.58	0.85
Faculty service charges income (refer note 40)	22.78	8.87
Infrastructure fees	0.75	-
	29.14	**10.07**

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(All amounts are Rupees in lacs unless otherwise stated)

26 Purchase of stock In trade

	Year ended March 31, 2019	Year ended March 31, 2018
Text books (refer note 40)	31.97	80.84
Total	**31.97**	**80.84**

27 Changes in inventories of stock in trade

	Year ended March 31, 2019	Year ended March 31, 2018
Opening stock of traded goods	30.35	9.04
Less: closing stock of traded goods	11.49	30.35
Net decrease/(increase)	**18.86**	**(21.31)**

28 Employee benefit expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Salary, wages, bonus and other benefits	94.52	50.69
Director remuneration	10.50	13.37
Gratuity expenses (refer note 39)	7.94	-
Staff welfare expenses	0.46	1.63
	113.42	**65.69**

29 Finance cost

	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense on other borrowings	2.10	1.92
Interest on delay in payment of statutory dues	0.70	0.02
	2.80	**1.94**

30 Depreciation and amortisation expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on tangible assets	3.70	0.76
Amortization on intangible assets	9.36	1.14
	13.06	**1.90**

31 Franchisee Expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Tution Fee (refer note 40)	855.49	436.99
	855.49	**436.99**

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(All amounts are Rupees in lacs unless otherwise stated)

32 Other expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Advertisement, publicity and sales promotion	34.38	12.53
Software maintenance	16.50	7.24
Travelling & conveyance expenses	20.60	12.53
Rent	29.94	10.77
Faculty expenses	56.15	9.28
Bank charges	0.13	0.03
Commission expenses	0.37	0.14
Printing & stationary expenses	8.05	24.77
Repair & maintanance	1.27	0.79
Power & fuel	4.07	0.66
Administrative expenses	5.19	0.64
Legal and professional Fees (refer note i)	7.48	5.83
Communication expenses	5.93	2.00
Miscellaneous expenses	4.54	4.10
	194.60	**91.31**

Notes:

i. Payment to auditors (excluding taxes)

	Year ended March 31, 2019	Year ended March 31, 2018
Statutory audit	4.00	4.00
	4.00	**4.00**

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

	Year ended March 31, 2019	Year ended March 31, 2018
Basic and diluted earnings per share		
Basic & Diluted earnings per share (Refer Note i & ii)	60.29	26.26
Nominal value per share	10.00	10.00
i. Profit attributable to equity shareholders		
Profit for the year	6.03	2.63
Profit attributable to equity shareholders	**6.03**	**2.63**
ii. Weighted average number of shares used as the denominator		
Opening balance of issued equity shares	10,000	10,000
Effect of shares issued during the year, if any	-	-
Weighted average number of equity shares for Basic and Diluted EPS	**10,000**	**10,000**

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

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(All amounts are Rupees in lacs unless otherwise stated)

34 Contingent liabilities

There are no contingent liabilities as at March 31, 2019; (March 31, 2018 Rs. Nil).

35 Commitments

There are no capital or other material commitments as at March 31, 2019 ; (March 31, 2018 Rs. Nil).

36 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 "infrastructure facilities and related services" 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 "Consumer Test Preparation Services", hence no specific disclosures have been made.

Entity wide disclosures

Information about products and services

Company deals in one business namely "Consumer Test Preparation services". 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)

During the years ended March 31, 2019 and March 31, 2018 no single customer represents 10% or more of the Company's total revenue.

37 Leases

The Company is a lessee under operating lease of one premises. The lease terms of premises range from 1 to 2 years and accordingly are short term leases. The Company has not executed any non-cancellable operating leases.

Amount recognised in statement of profit and loss	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Lease expenses	29.94	10.77
	29.94	**10.77**

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

	As at March 31, 2019	**As at 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 Half year.	-	-
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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(All amounts are Rupees in lacs unless otherwise stated)

39 Employee benefits

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

A. Defined contribution plans:

The Company has not made any contribution towards Provident Fund and Employee's State Insurance.

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 half year 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 and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 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

	As at 31 March 2019	As at 31 March 2018
Net defined benefit liability		
Liability for Gratuity	7.94	-
Total employee benefit liabilities (refer note 16 & 22)	**7.94**	**-**
Non-current	7.93	-
Current	0.01	-

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:

	Year ended March 31, 2019		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	-	-	-
Included in profit or loss	-		
Current service cost	7.94	-	7.94
Interest cost (income)	-	-	-
	7.94	**-**	**7.94**
Included in OCI			
Remeasurements loss (gain)			
– Actuarial loss (gain) arising from:			
- financial assumptions	-	-	-
- experience adjustment	-	-	-
	-	-	-
Other			
Contributions paid by the employer	-	-	-
Benefits paid	-	-	-
	-	-	-
Balance at the end of the year	**7.94**	**-**	**7.94**

Expenses recognised in the Statement of Profit and Loss	Year ended March 31, 2019
Service cost	7.94
Net interest cost	-
	7.94

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C. 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.

	As at March 31, 2019
Discount rate	7.66%
Expected rate of future salary increase	8.00%

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

	As at March 31, 2019
i) Retirement age (years)	58.00
ii) Mortality rates inclusive of provision for disability	100% of IALM
iii) Ages	Withdrawal rate (%)
Upto 30 years	3.00%
From 31 to 44 years	2.00%
Above 44 years	1.00%

D. Sensitivity analysis

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

	As at March 31, 2019	
	Increase	**Decrease**
Discount rate (0.50% movement)	(0.73)	0.83
Future salary growth (0.50% movement)	0.54	(0.49)

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.

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

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

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

D) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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

Particulars	As at March 31, 2019
Duration of defined benefit obligation	
Less than 1 year	0.01
Between 1-2 years	0.06
Between 2-5 years	0.27
Over 5 years	7.60
Total	**7.94**

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are Rs. 9.43 lacs.

The weighted average duration of the defined benefit plan obligation at year ending March 31, 2019 is 21.73 years

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

(All amounts are Rupees in lacs unless otherwise stated)

40 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
Enterprises in which key management personnel and their relatives are able to exercise significant influence	1. Pheonix Academy 2. Zenith Learning Services Pvt. Ltd. 3. Zeal Learning Services (upto 4. Pheonix Education (upto 02 November,2017) 5. Zest Learning Services
Key Management Personnel	1. Mr. Rohan Garg- Director 2. Manu Valothil Abraham- Director (upto 02 November,2017) 3. Mr. Lloyd Mohan Palikandy- Director 4. Mr. Vikas Govindbhai Chaudhary- Director (upto 02 November,2017) 5. Mr. Gautam Puri- Director 6. Mr. Sudhir Bhargava- Director (upto 14 September,2018) 7. Mr. Himanshu Jain- Director
Relatives of Key Management Personnel	Ms. Rajrani Garg- Mother of Rohan Garg Mr. Sunil Kumar Garg- Father of Rohan Garg Ms Gunjan Agarwal- Spouse of Rohan Garg Mr. Govind Choudhary- Father of Vikas Chaudhary (upto 02 November,2017)

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

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
1.Revenue from operations		
a. License Fees		
- CL Educate Limited	1.00	-
b Office Rent		
- CL Educate Limited	2.00	-
c Faculty Service Charge Income		
-Pheonix Education	7.88	-
-Zest Learning Services	1.21	-
-Zenith Learning Services Limited	0.27	-
d Online education services		
-Zenith Learning Services Pvt. Ltd.	0.03	-
e. Other Income		
- Pheonix Education	0.03	-
- Pheonix Institute	0.01	-
2. Purchase of Books		
- G K Publication Private Limited	0.94	-
- CL Media Private Limited	11.29	-
3. Expenses		
a. Tuition Expenses		
-Pheonix Institute	55.23	-
-Pheonix Education	141.35	208.25
-Zenith Learning Services Pvt. Ltd.	153.20	113.00
-Zeal Learning Services Pvt. Ltd.	-	39.82

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(All amounts are Rupees in lacs unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
b. Rent Expenses		
- Sunil Kumar Garg	-	8.75
-Rajrani Garg	15.00	-
c. Courier Service Charge		
-Zenith Learning Services Pvt. Ltd.	0.50	-
- Pheonix Education	0.01	-
-Pheonix Institute	0.24	-
- CL Media Private Limited	1.33	-
d. Payroll Expenses		
i. Director remuneration		
- Rohan Garg	30.00	3.37
- Lloyd Mohan PaliKandy	-	6.00
ii. Salary expenses		
- Sunil Kumar Garg	-	7.30
- Rajrani Garg	-	1.80
- Gunjan Agarwal	-	2.28
- Govindbhai Chaudhari	-	4.50
e. Interest on borrowings		
- CL Educate Limited	1.84	1.92
f. Other Expenses		
- Manu Valothil Abraham	0.12	-
4. Borrowings taken		
- CL Educate Limited	10.00	50.00
5. Borrowings repaid		
- CL Educate Limited	56.32	-
- Rohan Garg	-	0.50
6. Conversion of interest into loan		
- CL Educate Limited	1.84	1.92
7. Security deposit given		
- Sunil Kumar Garg	-	15.00
(c) Balance outstanding with or from related parties as:		
Trade receivable		
- Zeal Learning Services	-	1.60
	-	**1.60**
Amounts Payable		
Trade payable		
- G K Publication Private Limited	0.22	-
- CL Media Private Limited	6.60	-
- Lloyd Mohan PaliKandy	-	0.45
- Manu Valothil Abraham	-	0.50
- Govindbhai Chaudhari	-	3.49
- Pheonix Education	1.03	2.36
- Pheonix Institute	1.03	-
- Zenith Learning Services Private Limited	12.33	11.84
	21.21	**18.64**
Short term borrowings		
- CL Educate Limited	7.26	51.73
- Manu Valothil Abraham	-	0.50
	7.26	**52.23**

(d) Terms and conditions of transactions with the related parties

i. The terms and conditions of the transactions with key management personnel 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.

ii. 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.

iii. For the year ended March 31, 2019 the Company has not recorded any impairment of receivables relating to amounts owed by related party (March 31, 2018: Rs. Nil). 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.

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(All amounts are Rupees in lacs unless otherwise stated)

41 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 liabilities, 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	-	-	380.44	**380.44**	-	-	-
Cash and cash equivalents	-	-	9.41	**9.41**	-	-	-
Loans	-	-	17.76	**17.76**	-	-	-
Other financial assets	-	-	26.29	**26.29**	-	-	-
Total	-	-	**433.90**	**433.90**	-	-	-
Financial liabilities							
Current							
Borrowings	-	-	7.76	**7.76**	-	-	-
Trade payables	-	-	154.54	**154.54**	-	-	-
Other current financial liabilities	-	-	21.09	**21.09**	-	-	-
Total	-	-	**183.39**	**183.39**	-	-	-

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	-	-	9.09	**9.09**	-	-	-
Cash and cash equivalents	-	-	25.76	**25.76**	-	-	-
Loans	-	-	16.80	**16.80**	-	-	-
Other financial assets	-	-	32.90	**32.90**	-	-	-
Total	-	-	**84.55**	**84.55**	-	-	-
Financial liabilities							
Current							
Borrowings	-	-	52.23	**52.23**	-	-	-
Trade payables	-	-	85.74	**85.74**	-	-	-
Other current financial liabilities	-	-	10.95	**10.95**	-	-	-
Total	-	-	**148.92**	**148.92**	-	-	-

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 have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates 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. Fair value of non-current financial assets which includes bank deposits (due for maturity after twelve months from the reporting date) and security deposits is similar to the carrying value as there is no significant differences between carrying value and fair value.

The fair value for security deposits were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

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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.

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, foreign currency 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.

(All amounts are Rupees in 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	380.44	9.09
Cash and cash equivalents	9.41	25.76
Loans	17.76	16.80
Other financial assets	26.29	32.90

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 customer. 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 maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates. The Company manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company's exposure to credit risk for trade receivables are as follows:

	Gross carrying amount	
Particulars	**As at March 31, 2019**	**As at March 31, 2018**
0-90 days past due	156.78	9.09
91 to 180 days past due	39.78	-
181 to 270 days past due	146.52	-
271 to 360 days past due	37.36	-
Total	**380.44**	**9.09**

The Company believes that the unimpaired amounts that are past due and are not recovered within agreed credit period are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

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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 Rs. 9.41 lacs as at March 31, 2019 (March 31, 2018: Rs. 25.76 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.

Exposure to liquidity 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, 2018	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Current Financial Liabilities					
Current borrowings	7.76	7.76	-	-	7.76
Trade payables	154.54	154.54	-	-	154.54
Other financial liabilities	21.09	21.09	-	-	21.09
Total	**183.39**	**183.39**	**-**	**-**	**183.39**

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 Financial Liabilities					
Current borrowings	52.23	52.23	-	-	52.23
Trade payables	85.74	85.74	-	-	85.74
Other financial liabilities	10.95	10.95	-	-	10.95
Total	**148.92**	**148.92**	**-**	**-**	**148.92**

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Reporting Entity

ICE Gate Educational Institute Private Limited ('the Company') is a company domiciled in India, with its registered office situated at Shop No.101, First Floor, Amit Enclaves, B. No. 64, Swastik Society, Opposite Sagun complex, Navrangpura Ahmedabad, Gujarat-380015. The Company was incorporated in India on August 12, 2015 to conduct various educational and consulting programmes. The Company is providing education and test preparation training programmes which include tuitions to school students and coaching to aspirants for a variety of entrance examinations both at the school and graduate / post graduate levels.

1. **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 significant accounting policies adopted in the preparation of these financial statements are included in note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

(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.

Based on the nature of services, the operating cycle of the Company cannot be ascertained as it typically ranges from 1 month to 2 years given the wide range of various tuitions and test preparation coaching programmes being offered by the Company. In absence of any ascertainable operating cycle, the same has been taken as 12 months for the purpose of current and non-current classification of assets and liabilities except in case of trade receivables, unearned revenue, trade payables related to franchisee fees and prepaid franchisee fees which in view of the management are directly linked to revenue from coaching and hence have been treated as current for the purpose of classification.

(iii) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), 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 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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(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 financial statements is included in the following notes:

- Note no 37: leases: whether an arrangement contains a lease;
- Note no 37: lease classification.
- Note no 41: 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 year ending March 31, 2019 is included in the following notes:

- Note no 39: measurement of defined benefit obligations and plan assets: key actuarial assumptions.
- Note no 3: measurement of useful lives and residual values to property, plant and equipment.
- Note no 3: measurement of useful lives of intangible assets.
- Note no 34: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources.
- Note no 43: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note no 3: impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on internally- generated intangible assets.
- Note no 41: impairment of financial assets.

(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

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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 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
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.

The Company measures financial instruments, at fair value at each reporting date. The same are disclosed in Note 41.

2. Significant accounting policies

(i) Revenue

Coaching and Related business of the Company includes revenue from services and sales of text books.

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. The effect of initially applying this standard recognized at the date of initial application (i.e. 1 April 2018). 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. The Impact of adoption of this standard on financial statement is not so material.

Revenue 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 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 from services

Revenue in respect of coaching and related programme received from students is recognised in profit and loss over the period of contract in proportion to the stage of completion of the services at the reporting date. The stage of completion is assessed by reference to the curriculum. Fee is recorded at invoice value, net of discounts and taxes, if any.

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Revenue from sale of text-books

Sale of text-books is recognised when the significant risk and rewards of ownership are passed onto the customers, which is generally on dispatch/delivery of goods to the customer.

Other operating income

- Revenue in respect of license fees from franchisees is recognised on receipt of the fees.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Unearned Revenue ("Contract Liability")

Amounts billed and received or recoverable prior to the reporting date for services and such services or part of such services are to be performed after the reporting date are recorded as contract liabilities as per the provisions of the Ind AS-115 and shown in other current liabilities.

Use of significant judgements in revenue recognition: -

- The performance obligation is satisfied upon delivery of the books and study material in case of sale of books.
- 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 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 these 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.

Other income

- Income from faculty service charge income has been as per franchise agreement booked on monthly basis calculated on per hour service provided by faculty to franchise centre.

Interest income

Interest income on time deposits and inter corporate loans is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

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(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 expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure 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.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.

Particulars	Useful lives (in years)
Tangible assets:	
Furniture and fixtures	8-10
Electrical Installation	5
Office equipment	5
Computer equipment	3

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.

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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.

Internally generated intangible assets.

Expenditure on research activities is recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred. Subsequent to initial recognition, the asset is 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)**
Content development	5

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. Goodwill is tested annually for impairment.

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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.

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 or construction 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 and debt securities issued 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.

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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.

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

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

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 paramount, 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. Any gain or loss o derecognition is recognised in 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.

Debts investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On Derecognition, gains and losses accumulated in OCI are reclassified to profit or 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.

Financial liabilities: classification, subsequent measurement & gain and loss

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

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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.

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

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- the disappearance of an active market for a security because of financial difficulties.

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 it is 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).
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

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.

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(vii) **Leases:**

Determining whether an arrangement contains a lease.

The determination of whether an arrangement is, or contains, a lease is based on the substance of an arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

Where the Company is lessee

Finance lease

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset as determined by the management or the useful life envisaged in Schedule II to the Act, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term and the useful life envisaged in Schedule II to the Act.

Operating lease

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Payments made under operating leases are generally recognised in the statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Where the Company is the lessor

Finance lease

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the statement of profit and loss. Initial direct costs are included in the initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

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Operating lease

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term unless such payments are structured to increase in line with expected general inflation.

(viii) **Inventories**

Inventories comprising of traded goods are measured at the lower of cost and net realisable value. The cost of inventories is based on the first in, first out formula.

The Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item by item basis.

(ix) **Employee Benefits**

Short term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expenses off as the related services are provided. Benefits such as salaries, wages, and bonus etc. are recognised in the statement 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 the balance sheet.

Long term employee benefits

Defined Benefit Plan: Gratuity

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

The Company provides for retirement benefits in the form of Gratuity, which 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. 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 present value of such obligation is determined by the projected unit credit method and adjusted for past service cost 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's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The Company's 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. Interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

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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.

(x) **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

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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.

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.

(xi) 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.

(xii) Cash and cash equivalents

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.

(xiii) 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.

(xiv) 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 profit 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. The Company deals in one business namely "provision of education and related services".

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 36 for segment information.

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