Ice Gate Educational Institute Private Limited

Statutory Audit for the year ended March 31, 2021

NKSC & Co.
Chartered Accountants

208, Vats Market (Shiva Market),
Pitampura, Delhi- 110034
www.valuesquare.co.in
info@valuesquare.co.in
011- 4759 7304

INDEPENDENT AUDITOR'S REPORT

To the Members of Ice Gate Educational Institute Private Limited

Report on the Audit of the Ind AS Financial Statements

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, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following matter in the notes to the financial statements:

1. Note no. 45, wherein the management has described its assessment of financial impact on the Company due to lockdown and other restrictions imposed on account of COVID-19 pandemic situation. The assessment of the impact in the subsequent period is highly subjective and is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

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

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

NKSC & Co. DELHI Chartered Accountants

of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

NKSC & Co. ★ DELHI ★ Chartered Accountants

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account;

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

e. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. Since the Company's turnover as per last audited Ind AS financial statements is less than Rs. 50 crores and its borrowings from banks and financial institutions at any time during the year is less than Rs, 25 crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls vide notification dated June 13, 2017.

NKSC & Co. DELHI Chartered Accountants

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

   i. The Company does not have any pending litigations which would impact its financial position;
   ii. The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

NKSC & Co. DELHI Chartered Accountants

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: June 23, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Ice Gate Educational Institute Private Limited on the financial statements for the year ended March 31, 2021]

(i)

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

(b) During the year, fixed assets have not been physically verified by the management. However, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

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

(ii) The inventory has been physically verified by the management during the year and there are no inventory lying with third parties. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

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

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

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

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

(vii)

(a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including income tax, goods and service tax, customs duty, cess and any other material statutory dues applicable to it, however, there have been slight delays in few cases.

NKSC & Co. ★ DELHI ★ Chartered Accountants

(a) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

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

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

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

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

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

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

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

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

NKSC & Co. DELHI Chartered Accountants

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

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

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

NKSC & Co. DELHI Chartered Accountants

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: June 23, 2021

ICE Gate Educational Institute Private Limited
Balance Sheet as on March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	3	28.72	36.66
Right to use asset	4	-	36.48
Other intangible assets	5	136.08	155.68
Intangible assets under development	6	24.16	-
Deferred tax assets (net)	7	2.00	-
Total non current assets		**190.96**	**228.82**
Current assets			
Inventories	8	19.69	20.05
Financial assets			
(i) Trade receivables	9	67.51	138.84
(ii) Cash and cash equivalents	10	64.37	39.31
(iv) Others	11	17.50	18.46
Other current assets	12	0.67	76.29
Total current assets		**169.74**	**292.95**
Total		**360.70**	**521.77**
Equity and liabilities			
Equity			
Equity share capital	13	1.00	1.00
Other equity	14	29.62	64.30
		30.62	**65.30**
Non-current liabilities			
Deferred tax liabilities (net)	15	-	3.36
Provisions	16	5.52	5.35
Other liabilities	17	11.42	34.03
		16.94	**42.74**
Current liabilities			
Financial liabilities			
(i) Borrowings	18	78.64	51.30
(ii) Trade payables	19	104.06	72.05
(iii) other financial liabilities	20	52.33	36.69
(iv) Lease liability	21	-	39.35
Other current liabilities	22	78.01	207.81
Provisions	23	0.10	0.06
Current tax liabilities (net)	24	-	6.47
Total current liabilities		**313.14**	**413.73**
Total liabilities		**330.08**	**456.47**
Total equity and liabilities		**360.70**	**521.77**

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: New Delhi
Date: June 23, 2021

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

Rohan Garg
(Director)
DIN: 07188764

Place: Ahmedabad
Date: June 23, 2021

Himanshu Jain
(Director)
DIN: 07986359

Place: New Delhi
Date: June 23, 2021

NKSC & Co. Chartered Accountants DELHI
ICE Gate Educational Institute Pvt. Ltd.

ICE Gate Educational Institute Private Limited
Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
Revenue from operations	25	455.31	1,123.85
Other income	26	11.37	215.41
Total revenue (I)		**466.68**	**1,339.26**
Expenses			
Purchases of stock-in-trade	27	5.47	50.42
Changes in inventories of finished goods and work-in-progress	28	0.36	(8.56)
Employee benefit expenses	29	55.98	155.11
Finance costs	30	11.53	9.00
Depreciation and amortisation expenses	31	47.97	42.63
Franchisee expenses	32	125.25	509.21
Other expenses	33	252.77	541.67
Total expenses (II)		**499.33**	**1,299.48**
(Loss)/profit before tax (I)-(II)		**(32.65)**	**39.78**
Less: Tax expense			
- Current tax		-	7.96
- Current tax for prior year		9.54	-
- Deferred tax	44	(6.73)	1.79
Total tax expense		**2.81**	**9.75**
(Loss)/profit after tax		**(35.46)**	**30.03**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of defined benefit plans		1.05	5.39
Income tax relating to these items		(0.27)	(1.40)
Other comprehensive income for the year (net of income tax)		**0.78**	**3.99**
Total comprehensive (loss)/income		**(34.68)**	**34.02**
(Loss)/Earnings per equity share (in Rs.):			
Nominal value of Rs. 10 each (Previous year Rs. 10 each)			
-Basic & diluted earning per share	34	(354.56)	300.26
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

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: June 23, 2021

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

Rohan Garg
(Director)
DIN: 07188764

Place: Ahmedabad
Date: June 23, 2021

Himanshu Jain
(Director)
DIN: 07986359

Place: New Delhi
Date: June 23, 2021

NKSC & Co. Chartered Accountants DELHI

ICE Gate Educational Institute Pvt. Ltd.

ICE Gate Educational Institute Private Limited
Cash Flow Statement for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

		Year ended March 31, 2021	Year ended March 31, 2020
A Cash flow from operating activities			
Net (loss)/profit before tax		(32.65)	39.78
Adjustments for:			
Depreciation and amortisation		47.97	25.90
Depreciation of right to use of assets		-	16.74
Finance costs (excluding interest on delayed payment of income tax)		6.43	2.40
Bad debts written off		27.65	253.08
Provision for grautity		1.99	2.86
Liabilities no longer required written back		(6.98)	(202.57)
Miscellaneous income		(4.39)	-
Inventories written off		4.63	1.63
Operating profit before working capital changes		**44.65**	**139.81**
Adjustments for (increase) / decrease in operating assets:			
Non- current assets		-	121.23
Right to use assets		36.48	(53.22)
Inventories		(4.26)	(10.20)
Trade receivables		43.69	(11.46)
Current financial asset-loans		0.96	(0.70)
Other current financial assets		(32.87)	2.31
Other current assets		75.62	12.40
Adjustments for increase / (decrease) in operating liabilities:			
Non-current provisions		1.22	2.81
Lease liabilities		(39.35)	39.35
Trade payables		41.51	120.07
Other non current liabilities		(22.61)	(112.62)
Other current financial liabilities		15.64	15.60
Other current liabilities		(129.79)	(176.76)
Current provisions		(1.95)	(2.81)
Cash generated from operations		**28.94**	**85.80**
Taxes and interest thereon paid		(12.57)	(0.70)
Net cash generated from operating activities	**(A)**	**16.37**	**85.11**
B Cash flow from investing activities:			
Capital expenditure on fixed assets		(44.59)	(120.33)
Net cash (used in) investing activities	**(B)**	**(44.59)**	**(120.33)**

Continued on next page....

NKSC & Co. ★ DELHI ★ Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd. ★

ICE Gate Educational Institute Private Limited
Cash Flow Statement for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

....Continued from previous page

C Cash flow from financing activities:

Repayment of borrowings during the year		(1.09)	(16.29)
Additional loans during the year		27.94	59.83
Interest and other borrowings costs paid		(6.43)	(2.40)
Net cash generated from financing activities	**(C)**	**20.42**	**41.15**
Net (decrease)/increase in cash and cash equivalents	**(A+B+C)**	**(7.80)**	**5.92**
Cash and cash equivalents			
-At beginning of the year		15.33	9.41
-At end of the year		**7.53**	**15.33**
Cash and cash equivalents comprise			
Balances with banks:			
– on current accounts		7.44	14.94
Cash on hand		0.09	0.40
		7.53	**15.34**

Notes :

i. Components of cash and cash equivalents (Refer note 8)

Balances with banks		
– on current accounts	7.44	14.94
– cash on hand	0.09	0.40
	7.53	**15.34**

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

Particulars	March 31, 2020	Cash flows	Non cash changes-Fair value changes	March 31, 2021
Short-term borrowings	51.30	27.34	-	78.64

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

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: June 23, 2021

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

Rohan Garg
(Director)
DIN: 07188764

Place: Ahmedabad
Date: June 23, 2021

Himanshu Jain
(Director)
DIN: 07986359

Place: New Delhi
Date: June 23, 2021

ICE Gate Educational Institute Private Limited
Statement of changes in equity for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

A. Equity share capital

Balance as at April 01, 2019	1.00
Change in equity share capital during 2019-20	-
Balance as at March 31, 2020	1.00
Change in equity share capital during the year	-
Balance as at March 31, 2021	1.00

B. Other equity

Particulars	**Attributable to owners of the company**		
	Reserves & Surplus	**Remeasurement of defined benefit plans**	**Total attributable to to owners of the company**
	Retained earnings		
Balance as at April 1, 2019	30.28	-	**30.28**
Profit for the year	30.03	-	**30.03**
Other comprehensive income	-	3.99	**3.99**
Balance as at March 31, 2020	**60.31**	**3.99**	**64.30**
Loss for the year	(35.46)	-	**(35.46)**
Other comprehensive income	-	0.78	**0.78**
Total comprehensive loss	**(35.46)**	**0.78**	**(34.68)**
Balance as at March 31, 2021	**24.85**	**4.77**	**29.62**

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: New Delhi
Date: June 23, 2021

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

Rohan Garg
(Director)
DIN: 07188764

Place: Ahmedabad
Date: June 23, 2021

Himanshu Jain
(Director)
DIN: 07986359

Place: New Delhi
Date: June 23, 2021

ICE Gate Educational Institute Private Limited
Notes to the Ind AS Financial Statements for the year ended March 31, 2021

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 June 23, 2021.

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

(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 38: lease classification.
- Note no 42: 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, 2021 is included in the following notes:

- Note no 3: measurement of useful lives and residual values to property, plant and equipment.
- Note no 5: measurement of useful lives of intangible assets.
- Note no 6: impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on internally- generated intangible assets.
- Note no 35: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources.
- Note no 40: measurement of defined benefit obligations and plan assets: key actuarial assumptions.
- Note no 42: impairment of financial assets.
- Note no 44: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.

(vi) Measurement of fair value

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

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

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

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

NKSC & Co. * DELHI * Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd. *

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 42.

2. Significant accounting policies

(i) Revenue

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

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.

Revenue from sale of textbooks

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.

NKSC & Co. Chartered Accountants Delhi

ICE Gate Educational Institute Pvt. Ltd.

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.

(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.

NKSC & Co. ★ DELHI ★ Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd. ★

Garg

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.

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

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

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.

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

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

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 (FVOCI), or
- Fair value through profit and loss (FVTPL)

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

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

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.

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt.

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

Financial assets: Business model assessment

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

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

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

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

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

AKSC & Co. Chartered Accountants Delhi

Educational Institute

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 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.

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Financial liabilities

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

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

v. Impairment of financial instruments:

The Company recognises loss allowances for expected credit losses on:

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

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

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

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.

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

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.

(vii) Leases:

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the

NKSC & Co. * DELHI * Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.
When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
b. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
c. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
d. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

NKSC & Co. DELHI Chartered Accountants

Gate Educational Institute Pvt.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 disclosed under Note 2.19 of the Standalone financial statements forming part of the 2019 Annual Report and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 11.55%

(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.

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 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.

NKSC & Co * DELHI * Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

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.

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 37 for segment information.

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

ICE Gate Educational Institute Private Limited
Notes to the financial statements for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

3 Property, plant & equipment

Gross Block	Tangible Fixed Assets				
	Furniture and Fixtures	Electrical Installation	Office Equipment	Computers	Total
Balance as at 1 April 2019	13.49	5.45	15.40	7.09	41.44
Additions	4.31	0.94	1.11	2.24	8.61
Disposal/Transfer	-	-	-	-	-
Balance as at 31 March 2020-(A)	**17.80**	**6.39**	**16.51**	**9.33**	**50.05**
Balance as at 1 April 2020	17.80	6.39	16.51	9.33	50.05
Additions	-	-	-	-	-
Disposal/Transfer	-	-	-	-	-
Balance as at 31 March 2021 -(B)	**17.80**	**6.39**	**16.51**	**9.33**	**50.03**

Accumulated Depreciation	Tangible Fixed Assets				
	Furniture And Fixtures	Electrical Installation	Office Equipment	Computers	Total
Balance as at 1 April 2019	0.42	0.32	2.00	2.80	5.54
Depreciation charge for the year	1.76	0.59	3.09	2.39	7.84
Disposal/Transfer	-	-	-	-	-
Balance as at 31 March 2020-(C)	**2.18**	**0.91**	**5.09**	**5.19**	**13.38**
Balance as at 1 April 2020	2.18	0.91	5.09	5.19	13.38
Depreciation charge for the year	1.90	0.61	3.14	2.29	7.94
Disposal/Transfer	-	-	-	-	-
Balance as at 31 March 2021 -(D)	**4.08**	**1.52**	**8.23**	**7.48**	**21.31**

Carrying Amount	Tangible Fixed Assets				
	Furniture And Fixtures	Electrical Installation	Office Equipment	Computers	Total
As at 31 March 2020 (A-C)	15.62	5.48	11.42	4.14	**36.66**
As at 31 March 2021 (B-D)	13.72	4.87	8.28	1.85	**28.72**

Note :

i. There are no impairment losses recognised during the year.

ii. There are no exchange differences adjusted in property, plant & equipment.

iii. Refer note 31 for depreciation.

NKSC & Co. * DELHI * Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

(All amounts are Rupees in lacs unless otherwise stated)

4 Right-of-use assets

Particulars	As at March 31, 2021
Gross carrying amount	
Balance as at April 1, 2020	53.23
Additon during the year	-
Reversal due to closer of lease agreement (Refer footnote)	36.48
Closing gross carrying amount	**16.75**
Accumulated amortisation & impairment	
Balance as at April 1, 2020	16.75
Amortisation for the year	-
Reversal due to closer of lease agreement (Refer footnote)	-
Closing accumulated amortisation & impairment	**16.75**
Net carrying amount as at March 31, 2021	-
Net carrying amount as at March 31, 2020	**36.48**

Note :
Refer note no. 31 for amortisation of right of use assets

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

(All amounts are Rupees in lacs unless otherwise stated)

5 Intangible assets

Gross Block	Intangible Assets		
	Content Development	GATE Flix	Total
Balance as at 1 April 2019	72.52	-	72.52
Additions	50.63	61.08	111.70
Disposal/Transfer	-	-	-
Balance as at 31 March 2020 -(A)	**123.15**	**61.08**	**184.22**
Balance as at 1 April 2020	123.15	61.08	184.22
Additions	20.43	-	20.43
Disposal/Transfer	-	-	-
Balance as at 31 March 2021- (B)	**143.58**	**61.08**	**204.66**

Accumulated Depreciation	Intangible Assets		
	Content Development	GATE Flix	Total
Balance as at 1 April 2019	10.50	-	10.50
Depreciation charge for the year	18.05	-	18.05
Disposal/Transfer	-	-	-
Balance as at 31 March 2020 -(C)	**28.55**	**-**	**28.55**
Balance as at 1 April 2020	28.55	-	28.55
Depreciation charge for the year	27.81	12.22	40.03
Disposal/Transfer	-	-	-
Balance as at 31 March 2021- (D)	**56.36**	**12.22**	**68.58**

Carrying Amount	Intangible Assets		
	Content Development	GATE Flix	Total
As at 31 March 2020 (A-C)	**94.60**	**61.08**	**155.68**
As at 31 March 2021 (B-D)	**87.22**	**48.86**	**136.08**

Note :
Intangible Assets includes content development & Gate Flix which is internally generated intangible assets and are amortised over a period of 5 years.

NKSC & Co. Chartered Accountants DELHI

ICE Gate Educational Institute Pvt. Ltd.

(All amounts are Rupees in lacs unless otherwise stated)

(i) Details of internally generated intangible assets

Reconciliation of carrying amount	Content Development	GATE Flix	Total
Cost or deemed cost (Gross carrying amount)			
Balance as at April 1, 2019	72.52	-	72.52
Additions during the year	50.63	61.08	111.70
Disposals during the year	-	-	-
Balance as at March 31, 2020- (A)	**123.15**	**61.08**	**184.22**
Balance as at April 1, 2020	123.15	61.08	184.22
Additions during the year	20.43	-	20.43
Disposals during the year	-	-	-
Balance as at March 31, 2021- (B)	**143.58**	**61.08**	**204.66**
Accumulated amortisation and impairment losses			
Balance as at March 31, 2019	**10.50**	-	**10.50**
Balance as at 1 April 2019	10.50	-	10.50
Amortisation for the year	18.05	-	18.05
Disposals during the year	-	-	-
Balance as at March 31, 2020- (C)	**28.55**	-	**28.55**
Balance as at 1 April 2020	**28.55**	-	**28.55**
Amortisation for the year	27.81	12.22	**40.03**
Disposals during the year	-	-	-
Balance as at March 31, 2021- (D)	**56.36**	**12.22**	**68.58**
Carrying amount (net)			
As at March 31, 2020 (A-C)	**94.60**	**61.08**	**155.68**
As at March 31, 2021 (B-D)	**87.22**	**48.86**	**136.08**

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.

ii. GATEFlix is a next-gen product being developed by ICE Gate Educational Institute Private Limited to facilitate easy learning techniques amongst students pursuing GATE (General Apptitute Test in Engineering). It is being developed as a comprehensive platform wherein students would be able to attend live classes of all the subjects and also be able to access all the lectures, notes, Test series and other study materials online

6 Intangibles assets under development

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	-	-
Add: Addition during the year	24.16	-
Less: Capitalized during the year	-	-
Less: Expensed off during the year	-	-
	24.16	**-**

NKSC & Co. * Chartered Accountants * DELHI

ICE Gate Educational Institute Pvt. Ltd. *

(All amounts are Rupees in lacs unless otherwise stated)

7 Deferred tax assets

	As at March 31, 2021	As at March 31, 2020
Net deferred tax assets (Refer note no. 44)	2.00	-
	2.00	**-**

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.

8 Inventories

	As at March 31, 2021	As at March 31, 2020
Valued at cost or NRV whichever is lower		
Stock in trade- text books	19.69	20.05
	19.69	**20.05**

9 Trade receivables

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	67.51	138.84
	67.51	**138.84**

Notes:

i. The Company has measured expected credit loss of trade receivable based on simplified approach as per Ind AS 109 "Financial Instruments". (Refer note no 42).

ii. For explanation on the Company credit risk management process (Refer note no.42).

iii. Trade receivables are non interest bearing and are normally received in normal operating cycle.

iv. No Trade or other receivable are due from director or other officer of the Company and firms or private companies in which any director is a partner, a director or a member either jointly or severally with other persons except as stated above.

10 Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Balances with banks in current account	7.44	14.94
Cash on hand	0.09	0.40
Cash on hand with franchisee	56.84	23.97
	64.37	**39.31**

Notes:

For explanation on the Company risk management process (Refer note no. 42)

11 Other current financial asset

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless stated otherwise		
Security deposits	17.50	18.46
	17.50	**18.46**

Notes:

For explanation on the Company risk management process (Refer note no.42)

12 Other current assets

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good, unless otherwise stated		
Prepaid expenses	0.17	-
Prepaid franchisee expenses	-	73.19
Balance with Government authorities	0.50	3.10
	0.67	**76.29**

....Space intentionally left blank....

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

(All amounts are Rupees in lacs unless otherwise stated)

13 Equity share capital

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

	March 31, 2021	March 31, 2020
Authorised shares		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each fully paid up	1.00	1.00
Issued, subscribed and fully paid-up		
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each fully paid up	1.00	1.00
	1.00	**1.00**

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

Particulars	March 31, 2021		March 31, 2020	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	10,000	1.00	10,000	1.00
Shares outstanding at the end of the year	**10,000**	**1.00**	**10,000**	**1.00**

c. Terms/rights attached to equity share

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

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

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

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

Particulars	Nature of Relationship	March 31, 2021		March 31, 2020	
		Number	% of Holding	Number	% of Holding
CL Educate Limited	Holding Company	5,895	58.95%	5,780	57.80%
Rohan Garg	Director	3,000	30.00%	3,110	31.10%
Lloyd Palikandy	Director	885	8.85%	885	8.85%

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.

NKSC & Co. * Chartered Accountants * DELHI

ICE Gate Educational Institute Pvt. Ltd.

(All amounts are Rupees in lacs unless otherwise stated)

14 Other equity

	As at March 31, 2021	As at March 31, 2020
Surplus in the statement of profit and loss		
Opening balance	60.31	30.28
Net (loss)/ profit for the year	(35.46)	30.03
Closing balance (a)	**24.85**	**60.31**
Other comprehensive income		
Opening balance	3.99	-
Add: Other comprehensive income for the year	0.78	3.99
Closing balance (b)	**4.77**	**3.99**
Total other equity (a+b)	**29.62**	**64.30**

15 Deferred tax liabilities (net)

	As at March 31, 2021	As at March 31, 2020
Net deferred tax liability (Refer note no. 44)	-	3.36
Total	**-**	**3.36**

16 Non-current provisions

	As at March 31, 2021	As at March 31, 2020
Provision for gratuity (Refer note no. 40)	5.52	5.35
Total	**5.52**	**5.35**

17 Other non-current liabilities

	As at March 31, 2021	As at March 31, 2020
Unearned revenue on education services	11.42	34.03
Total	**11.42**	**34.03**

18 Current financial liabilities

	As at March 31, 2021	As at March 31, 2020
Borrowings		
Unsecured		
Loans repayable on demand		
From holding company (Refer footnote i)	64.80	49.08
From others (Refer footnote ii)	13.84	2.22
Total	**78.64**	**51.30**

NKSC & Co. * Chartered Accountants * DELHI

ICE Gate Educational Institute Pvt. Ltd. *

(All amounts are Rupees in lacs unless otherwise stated)

For amount outstanding as at March 31, 2021

i. Loan represents interest bearing unsecured loan taken from holding company repayable on demand. It carries an interest rate ranges from 10.50% to 11.50% per annum.

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

iii. For explanation on the Company liquidity risk management process refer note no. 42.

iv. For related party transactions refer note no. 41

19 Trade payables

	As at March 31, 2021	As at March 31, 2020
Due to micro, small and medium enterprises (Refer note no.39)	3.98	-
Others	100.08	72.05
Total	**104.06**	**72.05**

Of the above, trade payable towards related parties are as below:

Total trade payable towards related parties (Refer note no. 41)	62.31	15.82
	62.31	**15.82**

Note:

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

ii. For explanation on the Company liquidity risk management process refer note no. 42

20 Other financial liabilities

	As at March 31, 2021	As at March 31, 2020
Employee related payables	52.33	36.69
Total	**52.33**	**36.69**

Note:

i. For explanation on the Company liquidity risk management process refer note no. 42

21 Lease liabilities

	As at March 31, 2021	As at March 31, 2020
Lease liabilities	-	39.35
Total	**-**	**39.35**

NKSC & Co. DELHI Chartered Accountants

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, 2021
(All amounts are Rupees in lacs unless otherwise stated)

22 Other current liabilities

	As at March 31, 2021	As at March 31, 2020
Statutory dues	10.27	3.97
Unearned revenue on education services	67.74	203.84
Total	**78.01**	**207.81**

23 Current provisions

	As at March 31, 2021	As at March 31, 2020
Provison for gratuity (Refer note no. 40)	0.10	0.06
Total	**0.10**	**0.06**

24 Current tax liabilities (net)

	As at March 31, 2021	As at March 31, 2020
Provision for tax (net of advance tax)	-	6.47
Total	**-**	**6.47**

NKSC & Co. * DELHI * Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd. *

(All amounts are Rupees in lacs unless otherwise stated)

25 Revenue from operations

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products		
- Sale of text book	42.62	164.32
Sale of services		
- Education service	412.69	958.26
	455.31	**1,122.58**
Other operating revenues		
License fees	-	1.27
	-	**1.27**
Total	**455.31**	**1,123.85**

Note

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

Disaggregated revenue information as per geographical markets

	For the year ended 31 March 2021		
	Geographical markets		
	India	Overseas	Total
Educational training	412.69	-	412.69
Sale of education material	42.62	-	42.62
Total	**455.31**	**-**	**455.31**

Disaggregated revenue information as per geographical markets

	For the year ended 31 March 2020		
	Geographical markets		
	India	Overseas	Total
Educational training	959.53	-	959.53
Sale of education material	164.32	-	164.32
Total	**1,123.85**	**-**	**1,123.85**

Changes in contract liablity are as follows:-

	Year ended March 31, 2021	Year ended March 31, 2020
Opening balance (refer note 17 & 22)	237.87	518.30
Revenue recognised that was deducted from trade receivables as unearned revenue balance at the beginning of the year (Refer note no. 22)	(211.32)	(518.30)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	52.61	237.87
Closing balance at the end of the year (Refer note no. 17 & 22)	**79.16**	**237.87**

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied)	Year ended March 31 , 2021	Year ended March 31 , 2020
Within one year (Refer note no. 22)	67.74	203.84
More than one year (Refer note no.17)	11.42	34.03

26 Other income

	Year ended March 31, 2021	Year ended March 31, 2020
Discount income	0.06	-
Faculty service charges income	-	11.36
Liability written back	6.98	202.57
Miscellaneous income	4.33	1.48
	11.37	**215.41**

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

(All amounts are Rupees in lacs unless otherwise stated)

27 Purchase of stock in trade

	Year ended March 31, 2021	Year ended March 31, 2020
Text books	5.47	50.42
Total	**5.47**	**50.42**

28 Changes in inventories of stock in trade

	Year ended March 31, 2021	Year ended March 31, 2020
Opening stock of traded goods	20.05	11.49
Less: closing stock of traded goods	19.69	20.05
Net decrease/(increase)	**0.36**	**(8.56)**

29 Employee benefit expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Salary, wages, bonus and other benefits	41.86	139.92
Director remuneration	9.90	6.15
Gratuity expenses (refer note no. 40)	1.99	2.86
Contribution to provident and other funds (refer note no. 40)	2.02	5.20
Staff welfare expenses	0.21	0.98
	55.98	**155.11**

30 Finance cost

	Year ended March 31, 2021	Year ended March 31, 2020
Interest on borrowings	6.43	2.40
Interest on late payment TDS	4.25	1.04
Other finance cost	0.85	0.12
Interest on lease liabilities	-	5.44
	11.53	**9.00**

31 Depreciation and amortisation expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on tangible assets (refer note no. 3)	7.94	7.84
Amortization on right to use asset (refer note no. 4)	-	16.74
Amortization on intangible assets (refer note no. 5)	40.03	18.05
	47.97	**42.63**

32 Franchisee expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Tution fee (refer note no. 41)	125.25	509.21
	125.25	**509.21**

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

(All amounts are Rupees in lacs unless otherwise stated)

33 Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Advertisement & marketing expenses	2.53	12.17
Auditors remuneration (refer note (i) below)	3.55	4.25
Software maintenance	0.75	3.60
Traveling & conveyance expenses	2.01	37.23
Rent (Refer note no.38)	14.88	36.65
Bank charges	0.25	0.50
Commission expenses	2.08	3.23
Printing & stationary expenses	0.15	6.36
Repair & maintanance	4.14	9.06
Power & fuel	3.03	10.89
Bad debts	27.65	253.08
Inventory written off	4.63	1.63
Administrative expenses	1.64	8.44
Faculty expenses	47.46	55.87
Legal and professional fees	4.81	7.68
Rates and taxes	17.91	5.48
Communication expenses	3.60	8.93
Miscellaneous expenses	2.94	0.92
Retainer expenses	21.46	7.43
Digital marketing expenses	37.32	40.37
Digital learning expenses	49.98	27.90
	252.77	**541.67**

Notes:

i. Remuneration to auditor (excluding goods & service tax)

	Year ended March 31, 2021	Year ended March 31, 2020
Statutory audit	3.55	4.25
	3.55	**4.25**

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

	Year ended March 31, 2021	Year ended March 31, 2020
Basic and diluted earnings per share		
Basic & diluted earnings per share (Refer Note i & ii)	(354.56)	300.26
Nominal value per share (₹)	10	10
i. Profit attributable to equity shareholders		
Profit for the year	(35.46)	30.03
Profit attributable to equity shareholders	**(35.46)**	**30.03**
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.

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

ICE Gate Educational Institute Private Limited
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

35 Contingent liabilities

There are no contingent liabilities as at March 31, 2021; (March 31, 2020 Rs. Nil).

36 Commitments

There are no capital or other material commitments as at March 31, 2021 ; (March 31, 2020 Rs. Nil).

37 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, 2021 and March 31, 2020 no single customer represents 10% or more of the Company's total revenue.

38 Leases

The Company has applied Ind AS 116 with the date of initial application of 1st April, 2019. As a result, the company has changed its accounting policy for lease contracts as per Ind AS 116 the accounting policy point 7.

Company as "Lessee"

The Company has taken office premises under operating lease. All lease agreements entered by the company are cancellable and do not have any undue restrictive or onerous clauses. The lease rental expense recognozed in the Statement of Profit and Loss for the period in respect of such leases is Rs. 14.88 Lakhs (Previous year Rs. 36.65 Lakhs)

Lease liabilities

The movement in lease liabilities during the year ended March 31, 2021 is as follows :

Particulars	As at March 31, 2021
Balance as at April 01, 2020	39.35
Reversal due to closer of lease agreement	(39.35)
Finance cost accrued during the period	-
Payment of lease liabilities*	-
Balance as at March 31, 2021	-
Non-current lease liabilities	-
Current lease liabilities	-

The details of the contractual maturities of lease liabilities as at March 31, 2021 on undiscounted basis are as follows :

Particulars	As at March 31, 2021
Not later then one year	-
later than one year and not later than five years	-
later than five years	-
Total	-

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

ICE Gate Educational Institute Private Limited
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

Right-of-use assets (ROU)

The changes in the carrying value of ROU assets for the year ended March 31, 2021 are as follows :

Particulars	As at March 31, 2021
Balance as at April 1, 2020	36.48
Reversal due to closer of lease agreement	(36.48)
Depreciation	-
Balance as at March 31, 2021	-

Rental expense recorded for short-term leases was Rs.14.88 Lacs for the year ended March 31, 2021

Company as "Lessor"

Rental income on assets given on operating lease was Rs. Nil Lacs for the year ended March 31, 2021.

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

	As at March 31, 2021	As at March 31, 2020
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	3.98	-
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.	-	-

40 Employee benefits

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

A. Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and EDLI, which are defined contribution plans. The contributions are charged to the statement of profit and loss as they accrue. The company has started contributing in EPF fund fom June 2020.

	March 31, 2021	March 31, 2020
Contribution to provident fund (refer note no. 29)	2.02	5.20

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 2021. 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.

ICE Gate Educational Institute Private Limited
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

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

	As at 31 March 2021	As at 31 March 2020
Net defined benefit liability		
Liability for gratuity	5.62	5.41
Total employee benefit liabilities	**5.62**	**5.41**
Non-current (Refer note no. 16)	5.52	5.35
Current (Refer note no. 22)	0.10	0.06

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, 2021			Year ended March 31, 2020		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	5.41	-	5.41	7.94	-	7.94
Included in profit or loss						
Current service cost	1.62	-	1.62	2.25	-	2.25
Interest cost (income)	0.37	-	0.37	0.61	-	0.61
	1.99	-	**1.99**	**2.86**	-	**2.86**
Included in OCI						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
- Demographic assumption				-		-
- financial assumptions	-	-	-	(1.91)	-	(1.91)
- experience adjustment	(1.05)	-	(1.05)	(3.48)	-	(3.48)
	(1.05)	-	**(1.05)**	**(5.39)**	-	**(5.39)**
Other						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(0.73)	-	(0.73)	-	-	-
	(0.73)	-	**(0.73)**	-	-	-
Balance at the end of the year	**5.62**	-	**5.62**	**5.41**	-	**5.41**

Expenses recognised in the Statement of profit and loss (refer note 29)

	Year ended March 31, 2021	Year ended March 31, 2020
Service cost	1.62	2.25
Net interest cost	0.37	0.61
	1.99	**2.86**

The Company's gratuity liability is entirely unfunded.

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, 2021	As at March 31, 2020
Discount rate	6.76%	6.76%
Expected rate of future salary increase	5.00%	5.00%

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, 2021	As at March 31, 2020
i) Retirement age (years)	58	58
ii) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

E. Sensitivity analysis

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

	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(0.46)	0.51	(0.47)	0.52
Future salary growth (0.50% movement)	0.51	(0.46)	0.53	(0.48)

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.

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

Particulars	As at March 31, 2021	As at March 31, 2020
Duration of defined benefit obligation		
Less than 1 year	0.10	0.06
Between 1-2 years	0.07	0.07
Between 2-5 years	0.33	0.29
Over 5 years	5.13	4.99
Total	**5.63**	**5.40**

Expected contributions to post-employment benefit plans for the period ending March 31, 2022 are Rs. 2.19 lacs (March 31, 2021: Rs. 3.37 lacs).
The weighted average duration of the defined benefit plan obligation at period ending March 31, 2021 is 19.09 years (March 31, 2020: 21.45 years).

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

ICE Gate Educational Institute Private Limited
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

41 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 2. CL Media Private Limited
Enterprises in which key management personnel and their relatives are able to exercise significant influence	1. Phoenix Academy 2. Zenith Learning Services Pvt. Ltd. 3. Pheonix Education 4. Zest Learning
Key Management Personnel	1. Mr. Rohan Garg
Relatives of Key Management Personnel	1. Ms. Rajrani Garg- Mother of Rohan Garg

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1. Expenses		
a. Tuition expenses		
- Zenith Learning Services Pvt. Ltd.	10.68	101.10
b. Rent expenses		
- Rajrani Garg	7.50	15.00
c. Courier service charge/ printing		
- Zenith Learning Services Pvt. Ltd.	-	0.42
- CL Media Private Limited	-	0.01
d. Employee cost		
- Rohan Garg	24.75	30.75
e. Interest on borrowings		
- CL Educate Limited	5.76	2.10
- Phoenix Academy	0.67	1.80
e. Cost sharing expenses		
- CL Educate Limited	24.83	-
2. Borrowings made		
- CL Educate Limited	11.00	47.00
- Phoenix Academy	11.00	10.95
3. Borrowings repaid		
- CL Educate Limited	0.60	7.06
- Phoenix Academy	-	9.00
4. Conversion of interest into loan		
- CL Educate Limited	5.32	1.88
- Phoenix Academy	0.62	-

NKSC & Co. Chartered Accountants DELHI

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, 2021
(All amounts are Rupees in lacs unless otherwise stated)

Balance outstanding with or from related parties as:

	Year ended March 31, 2021	Year ended March 31, 2020
Trade payable		
- G K Publication Private Limited	0.11	0.22
- CL Media Private Limited	2.03	6.60
- Rajrani Garg	12.55	9.00
- Zenith Learning Services Private Limited	18.62	-
- CL Educate Ltd	29.00	-
	62.31	**15.82**
Short term borrowings		
- CL Educate Limited	64.80	49.08
- Phoenix Academy	13.84	2.22
	78.64	**51.30**
Employee related payable		
- Rohan Garg (Director)	20.66	11.51

(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

iii. For the year ended March 31, 2021 the Company has not recorded any impairment of receivables relating to amounts owed by related party (March 31, 2020: 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.

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

Garg

(All amounts are Rupees in lacs unless otherwise stated)

42 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, 2021

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Current							
Trade receivables	-	-	67.51	**67.51**	-	-	-
Cash and cash equivalents	-	-	64.37	**64.37**	-	-	-
Other financial assets	-	-	17.50	**17.50**	-	-	-
Total	-	-	**149.38**	**149.38**	-	-	-
Financial liabilities							
Current							
Borrowings	-	-	78.64	**78.64**	-	-	-
Trade payables	-	-	104.06	**104.06**	-	-	-
Other financial liabilities	-	-	52.33	**52.33**	-	-	-
Total	-	-	**235.03**	**235.03**	-	-	-

ii As on March 31, 2020

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Current							
Trade receivables	-	-	138.84	**138.84**	-	-	-
Cash and cash equivalents	-	-	39.31	**39.31**	-	-	-
Other financial assets	-	-	18.46	**18.46**	-	-	-
Total	-	-	**196.61**	**196.61**	-	-	-
Financial liabilities							
Current							
Borrowings	-	-	51.30	**51.30**	-	-	-
Trade payables	-	-	72.05	**72.05**	-	-	-
Other financial liabilities	-	-	36.69	**36.69**	-	-	-
Lease liabilities	-	-	39.35	**39.35**	-	-	-
Total	-	-	**199.39**	**199.39**	-	-	-

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 fixed rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) 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.

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.

...Space intentioanlly left blank....

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

(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, 2021**	**As at March 31, 2020**
Trade receivables	67.51	138.84
Cash and cash equivalents	64.37	39.31
Loans	17.50	18.46

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 Company provides services to individual students. The credit risk with respect to amounts outstanding from students is considered to be insignificant. In case of payments due from students debtors there is no default as there is insignificant credit risk. This definition of default is determined by considering the business environment in which entity operates and othe macro-economic factors. Further, the Company does not anticipate any material credit risk of any of its other receivables.

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:

Particulars	**Gross carrying amount**	
	As at March 31, 2021	**As at March 31, 2020**
0-90 days past due	3.05	29.17
91 to 180 days past due	0.88	9.01
181 to 270 days past due	10.44	5.88
271 to 360 days past due	8.62	94.78
More than 360 days	44.51	0.00
Total	**67.50**	**138.84**

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.

ICE Gate Educational Institute Private Limited
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts are Rupees in lacs unless otherwise stated)

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. 64.37 lacs as at March 31, 2021 (March 31, 2020: Rs. 39.31 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, 2021	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	78.64	78.64	-	-	78.64
Trade payables	104.06	104.06	-	-	104.06
Other financial liabilities	52.33	52.33	-	-	52.33
Total	**235.03**	**235.03**	**-**	**-**	**235.03**

As at March 31, 2020	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	51.30	51.30	-	-	51.30
Trade payables	72.05	72.05	-	-	72.05
Other financial liabilities	36.69	36.69	-	-	36.69
Lease liabilities	39.35	39.35	-	-	39.35
Total	**199.39**	**199.39**	**-**	**-**	**199.39**

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

(All amounts are Rupees in lacs unless otherwise stated)

B. Financial risk management (continued)

iii. Market risk

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

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

Exposure to interest rate risk
The Company's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at March 31, 2021	As at March 31, 2020
Current borrowings	78.64	51.30
Total	**78.64**	**51.30**

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

Particulars		Profit or loss		Equity, net of tax	
		50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest on term loans from banks					
For the year ended March 31, 2021		(0.39)	0.39	(0.29)	0.29
For the year ended March 31, 2020		(0.26)	0.26	(0.19)	0.19

43 Capital Management

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

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

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

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

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	78.64	51.30
Less : Cash and cash equivalent	(64.37)	(39.31)
Adjusted net debt (A)	14.28	11.99
Total equity (B)	30.62	65.30
Adjusted net debt to adjusted equity ratio (A/B)	**46.64%**	**18.36%**

(All amounts are Rupees in lacs unless otherwise stated)

44 Deferred tax asset (net)

A. Amounts recognised in profit or loss

	Year ended March 31, 2021	Year ended March 31, 2020
Current tax expense		
Current year	-	7.96
	-	**7.96**
Deferred tax expense		
Change in recognised temporary differences	(6.73)	1.79
	(6.73)	**1.79**
Total tax expense	**(6.73)**	**9.75**

B. Amounts recognised in Other Comprehensive Income

	March 31, 2021			March 31, 2020		
	Before tax	Tax (Expense)/ Income	Net of tax	Before tax	Tax (Expense)/ Income	Net of tax
Remeasurements of defined benefit liability	1.05	(0.27)	0.78	5.39	(1.40)	3.99
	1.05	**(0.27)**	**0.78**	**5.39**	**(1.40)**	**3.99**

C. Reconciliation of effective tax rate

	Year ended March 31, 2021		Year ended March 31, 2020	
	Rate	Amount	Rate	Amount
Profit before tax	26.00%	(32.65)	26.00%	39.78
Tax using the Company's domestic tax rate **(A)**		(8.49)		10.34
Tax effect of:				
MAT credit		1.14	-	-
Temporary differences		0.90	-	(0.59)
Other		(0.28)	-	-
Total (B)		**1.76**		**(0.59)**
(A)+(B)		**(6.73)**		**9.75**

D. Movement in deferred tax balances

	As at March 31, 2020	Recognized in P&L	Recognized in OCI	As at March 31, 2021
Deferred tax assets				
MAT credit entitlement	1.14	(0.04)	-	-
Lease liability	10.19	(10.19)	-	-
Employee benefit	1.41	0.33	(0.27)	1.47
Carried forward losses	-	5.63	-	5.63
Sub- Total (a)	**12.74**	**(4.27)**	**(0.27)**	**7.10**
Deferred tax liabilities				
Property, plant and equipment and intangibles	(6.61)	1.51	-	(5.10)
Right to use assets	(9.48)	9.48	-	-
Sub- Total (b)	**(16.10)**	**11.00**	**-**	**(5.10)**
Net deferred tax asset/(liability) (b)+(a)	**(3.36)**	**6.73**	**(0.27)**	**2.00**

NKSC & Co. DELHI Chartered Accountants

ICE Gate Educational Institute Pvt. Ltd.

45 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial results including the recoverability of carrying amounts of assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

The Company has drawn projected cash flow for the next one year, based on certain assumptions and has concluded that the Company will have sufficient liquidity to continue its operations.

In assessing the recoverability of its current assets including trade recêivables, loan and advances, the Company has considered internal and external information up to the date of approval of these financial statements, has performed sensitivity analysis on the assumptions based on current indicators of the future economic conditions and considered the same in preparing these financial results. The Company is confident of recovering the carrying amount of these assets.

However, the impact of the pandemic may be different from that estimated as at the date of approval of these financial statements and the management will continue to closely monitor any material changes to future economic conditions.

46 These financial statements were authorized for issue by Board of Directors on June 23, 2021.

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

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

Naresh Sharma
Partner
Membership No.: 089123

Place: New Delhi
Date: June 23, 2021

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: Ahmedabad
Date: June 23, 2021

Himanshu Jain
(Director)
DIN: 07986359

Place: New Delhi
Date: June 23, 2021

ICE Gate Educational Institute Pvt. Ltd.