Edreams Edusoft Private Limited

Financial Statements

2019-20

INDEPENDENT AUDITOR'S REPORT

To,

The Members,

Edreams Edusoft Private Limited

Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Edreams Edusoft Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date including summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements" or "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, the loss and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the 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 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 financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements.

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

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

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

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

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

Management's Responsibility for the 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, total comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereafter. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
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 appears from our examination of those books.
    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;
    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of written representations received from the directors as on 31st March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**;

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

According to the information and explanations provided to us and as per our verification of the records of the Company, there is no remuneration paid subsequent to the Company becoming a deemed public company and hence the provisions of section 197 read with Schedule V of the Companies Act, 2013 is not applicable; and

h) 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 has does not have any pending litigations which have a material impact on its financial position in its financial statements;

ii. the Company has not entered into any long-term contracts including derivative contracts which require provision for foreseeable losses as per law or applicable accounting standards; and

iii. there are no amounts that is required to be transferred to the Investor Education and Protection Fund by the Company.

For VARMA & VARMA
Chartered Accountants
FRN 004532S

R. KESAVADAS
Partner
M No. 023862
ICAI UDIN - 20023862AAAAAS2266

Date : 02-April-2020
Place: Bangalore

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EDREAMS EDUSOFT PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2020

1. a) According to the information and explanations given to us and as per our verification of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) According to the information and explanations given to us and as per our verification of the records of the Company, fixed assets of the Company is being physically verified by the management over a period of three years to cover the entire assets, which in our opinion is reasonable having regard to the size of the Company and the nature of assets and that no material discrepancies have been noticed on such verification.

   c) According to the information and explanations given to us and as per our verification of the records of the Company, there are no immovable properties held in the name of the Company.

2. According to the information and explanations given to us and as per our verification of the records of the Company, the Company does not have any inventory and hence the reporting requirements contained in Paragraph 3(ii) of the Order regarding inventory are not applicable to the Company.

3. According to the information and explanations given to us and as per our verification of the records of the Company, 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 Companies Act, 2013.

4. According to the information and explanations given to us and as per our verification of the records of the Company, the Company has not granted any loans covered under the provisions of the section 185 of the Act and has neither made any investment nor given any loan or extended any guarantee referred under section 186 of the Act. Hence reporting under clause 3(iv) of the Order is not applicable.

5. According to the information and explanations given to us and as per our verification of the records of the Company, the Company has not accepted deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable.

6. According to the information and explanations given to us and as per our verification of the records of the Company, the provisions relating to maintenance of cost records under section 148 of the Companies Act, 2013 is not applicable to the Company.

7. (a) According to the information and explanations given to us and as per our verification of the records of the Company, the Company has been fairly regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Service Tax, Goods and Services tax, Cess, and other statutory dues with the appropriate authorities during the year to the extent applicable. There are no arrears of undisputed statutory dues of material nature outstanding as at the last day of the financial year for a period of more than six months from the date on which they became payable.

   (b) According to the information and explanations given to us and as per our verification of records of the Company, there are no disputed amounts of tax/ duty to be deposited with appropriate authorities as at 31st March 2020.

8. According to the information and explanations given to us and as per our verification of records of the Company, the Company has not taken any loan from the financial institutions, banks and government which required repayment during the year. Further, there are no amounts raised by way of debentures in respect of which there are dues to the debenture holders.

9. According to the information and explanations given to us and as per our verification of records of the Company, the Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year and it has not obtained any term loan during the year.

10. According to the information and explanations given to us and as per our verification of records of the Company, no material fraud either by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11. According to the information and explanations provided to us and as per our verification of the records of the Company, there is no remuneration paid subsequent to the Company becoming a deemed public company and hence the provisions of section 197 is not applicable.

12. According to the information and explanations given to us and as per our verification of records of the Company, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and as per our verification of records of the Company, transactions with the related parties are in compliance with the section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by IND AS24 – Related Party Disclosures. As the Company is not a listed company, the provisions relating to section 177 is not applicable.
14. According to the information and explanations given to us and as per our verification of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanation given to us and as per our verification of records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with the directors. Accordingly, paragraph 3 (xv) of the Order is not applicable.
16. According to the information and explanations given to us and as per our verification of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For VARMA & VARMA
Chartered Accountants
FRN 004532S

R. KESAVADAS
Partner
M No. 023862
ICAI UDIN - 20023862AAAAAS2266

Date : 02-April-2020
Place: Bangalore

ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EDREAMS EDUSOFT PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the internal financial controls over financial reporting of Edreams Edusoft Private Limited as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VARMA & VARMA
Chartered Accountants
FRN 004532S

R. KESAVADAS
Partner
M No. 023862
ICAI UDIN - 20023862AAAAAS2266

Date : 02-April-2020
Place: Bangalore

Balance Sheet as at 31st March, 2020

(All amounts in ₹, unless otherwise stated)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	**3**	61,890	436,927	487,112
Intangible Assets	**3**	36,538,434	17,729,531	35,624,208
Right-of-use asset (Leased property)	**3**	-	-	-
Intangible assets under development	**3**	-	21,550,557	-
Financial Assets				
Loans	**4**	-	-	-
Other Financial Assets	**5**	-	1,165,080	525,129
Deferred Tax Assets (Net)	**6**	-	-	-
Other Non Current Assets	**7**	5,895,152	32,620,193	6,924,951
		42,495,476	**73,502,288**	**43,561,400**
Current Assets				
Financial Assets				
Investments	**8**	-	-	-
Trade Receivables	**9**	5,098,520	9,578,032	7,629,836
Cash and Cash equivalents	**10**	7,191,758	285,427	6,240,839
Bank Balances other than above	**11**	739,987	15,565,582	39,891,716
Other Financial Assets	**12**	-	497,093	42,905
Other Current Assets	**13**	823,541	2,117,867	620,816
		13,853,806	**28,044,001**	**54,426,112**
TOTAL		**56,349,282**	**101,546,289**	**97,987,512**
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	**14A**	1,916,865	799,871	702,142
Instruments entirely equity in nature	**14B**	-	1,059,874	1,059,874
Other Equity	**15**	48,482,643	79,304,454	74,398,063
		50,399,508	**81,164,199**	**76,160,079**
Liabilities				
Non Current Liabilities				
Provisions	**16**	-	2,445,762	1,853,807
Deferred Tax Liabilities (Net)	**6**	-	-	-
		-	**2,445,762**	**1,853,807**
Current Liabilities				
Financial Liabilities				
Borrowings	**17**	-	3,811,520	-
Trade Payables	**18**			
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		5,122,700	2,266,582	1,457,320
Other Current Liabilities	**19**	827,074	11,826,801	18,001,350
Provisions	**20**	-	31,425	514,956
		5,949,774	**17,936,328**	**19,973,626**
TOTAL		**56,349,282**	**101,546,289**	**97,987,512**
Significant Accounting Policies	**2**			

Notes 1 to 43 form an integral part of the financial statements

Notes referred to above form an integral part of the financial statements and should be read in conjunction therewith.

As per our report of even date attached
For Varma & Varma
Chartered Accountants
FRN : 004532S

R.Kesavadas
Partner
M. No. 23862

Place: Bangalore
Date : 02-April-2020

For and on behalf of the Board of Directors

Rajeev Pathak
Director
DIN : 03474873

Aditi Avasthi
Director
DIN : 05352951

Place: Bangalore
Date : 02-April-2020

Statement of Profit and Loss for the year ended 31st March 2020

(All amounts in ₹, unless otherwise stated)

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
INCOME			
Revenue from operations	**21**	41,785,874	70,315,388
Other income	**22**	1,589,153	3,176,959
Total Income		**43,375,027**	**73,492,347**
EXPENSES			
Purchases	**23**	-	-
Employee Benefits Expenses	**24**	14,224,827	25,715,949
Finance Costs	**25**	788,278	672,874
Depreciation and Amortisation expense	**26**	20,953,220	18,219,583
Other Expenses	**27**	39,434,629	23,998,936
Total Expenses		**75,400,954**	**68,607,342**
Profit/ (Loss) before tax		**(32,025,927)**	**4,885,005**
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Income Tax Expense		-	-
Profit/ (Loss) for the year		**(32,025,927)**	**4,885,005**
Other Comprehensive Income			
Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			
i) Re-measurement gains/(losses) on defined benefit plans		(349,172)	21,386
ii) Income Tax effect		-	-
Other Comprehensive Income for the year, net of tax		**(349,172)**	**21,386**
Total Comprehensive Income for the Year		**(32,375,099)**	**4,906,391**
Earnings per equity share of Re. 1 each (Refer Note no. 29)			
(1) Basic		(22.44)	6.47
(2) Diluted		(22.44)	2.57
Significant Accounting Policies	**2**		

Notes 1 to 43 form an integral part of the financial statements

Notes referred to above form an integral part of the financial statements and should be read in conjunction therewith.

As per our report of even date attached
For Varma & Varma
Chartered Accountants
FRN : 004532S

R.Kesavadas
Partner
M. No. 23862

Place: Bangalore
Date : 02-April-2020

For and on behalf of the Board of Directors

Rajeev Pathak
Director
DIN : 03474873

Aditi Avasthi
Director
DIN : 05352951

Place: Bangalore
Date : 02-April-2020

Statement of Changes in Equity for the year ended 31st March, 2020

(All amounts in ₹ , unless otherwise stated)

(A) Equity Share Capital

Particulars	No of Shares	Amount
Balance As At 01.04.2018	702,142	702,142
Issue of equity shares towards ESOP during the year	97,729	97,729
Balance As At 31.03.2019	**799,871**	**799,871**
Conversion of compulsory convertible preference shares to equity shares	1,059,874	1,059,874
Issue of equity shares towards ESOP during the year	57,120	57,120
Balance As At 31.03.2020	**1,916,865**	**1,916,865**

(B) Instruments entirely equity in nature

(a) Compulsorily convertible preference shares (CCPS)

Particulars	No of Shares	Amount
Balance As At 01.04.2018	1,059,874	1,059,874
Changes in CCPS during the year	-	-
Balance As At 31.03.2019	1,059,874	1,059,874
CCPS converted to Equity shares during the year	(1,059,874)	(1,059,874)
Balance As At 31.03.2020	-	-

(B) Other Equity	Reserves and surplus			Other Items of OCI	Total
	Securities Premium	Employee Stock Option Reserve	Retained Earnings		
As At 01.04.2018	212,391,555	5,699,435	(143,430,967)	(261,960)	74,398,063
Profit/ (Loss) for the Year	-	-	4,885,005	-	4,885,005
Transfer from ESOP reserve to Securities Premium on equity shares issued towards ESOP during the year	3,420,515	(3,420,515)	-	-	-
Transfer from ESOP reserve to Retained Earnings on lapse of ESOPs	-	(522,446)	522,446	-	-
Re-measurement gains/(losses) on defined benefit plans for the year	-	-	-	21,386	21,386
As At 31.03.2019	**215,812,070**	**1,756,474**	**(138,023,516)**	**(240,574)**	**79,304,454**
Profit/ (Loss) for the Year	-	-	(32,025,927)	-	(32,025,927)
Addition on account of grant of ESOPs	1,963,785	1,553,288	-	-	3,517,073
Transfer from ESOP reserve to Securities Premium on equity shares issued towards ESOP during the year		(1,963,785)	-	-	(1,963,785)
Transfer from ESOP reserve to Retained Earnings on lapse of ESOPs	-	(1,345,977)	756,231	589,746	-
Re-measurement gains/(losses) on defined benefit plans for the period	-	-	-	(349,172)	(349,172)
As At 31.03.2020	**217,775,855**	**-**	**(169,293,212)**	**-**	**48,482,643**

As per our report of even date attached
For Varma & Varma
Chartered Accountants
FRN : 004532S

For and on behalf of the Board of Directors

R.Kesavadas
Partner
M. No. 23862

Rajeev Pathak
Director
DIN : 03474873

Aditi Avasthi
Director
DIN : 05352951

Place: Bangalore
Date : 02-April-2020

Place: Bangalore
Date : 02-April-2020

Statement of Cash Flows for the year ended 31st March, 2020

(All amounts in ₹, unless otherwise stated)

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(A)	**Cash flows from operating activities**		
	Profit/ (Loss) before tax for the year	**(32,025,927)**	**4,885,005**
	Adjustments for:		
	Depreciation and amortisation expense	20,953,220	18,130,057
	Ind AS transition adjustments	-	(2,132,504)
	Bad debts written off	116,773	669,614
	Security deposit written off	166,080	-
	Employee stock option cost	1,553,288	-
	Re-measurement gains (losses) on Defined Benefit Plans	(349,172)	21,386
	Interest and finance charges	788,278	672,874
	Loss on sale of plant and equipment	1,155	32,605
	Provision for Doubtful Debts	1,677,314	-
	Profit of termination of lease (Ind AS 116 & Ind AS 109)	(492,532)	-
	Sundry balances written back	(2,881)	-
	Interest Income	(794,736)	(2,845,313)
	Operating profit before working capital changes	**(8,409,140)**	**19,433,723**
	Adjustments for :		
	(Increase) / decrease in Loans & Advances	-	-
	(Increase) / decrease in Trade Receivables	2,685,425	(2,617,811)
	(Increase) / decrease in Other Financial Assets	1,510,832	(1,094,139)
	(Increase) / decrease in Other Bank Balances	14,825,595	24,326,134
	(Increase) / decrease in Other Current Assets	(362,050)	91,660
	Increase / (decrease) in Provisions	(2,477,187)	108,424
	Increase / (decrease) in Trade Payables	2,858,999	809,262
	Increase / (decrease) in Other Current Liabilities	(10,999,727)	(4,997,630)
	Cash generated from operations	**(367,253)**	**36,059,623**
	Income tax refund/ (paid) (including TDS)	225,041	804,758
	Net Cash flow generated from /(used in) operating activities	**(142,212)**	**36,864,381**
(B)	**Cash flow from investing activities**		
	Additions to PPE and intangible assets (including movement in CWIP)	(16,117,501)	(20,812,770)
	Deletions to PPE	135,018	-
	Interest received	2,451,112	1,256,602
	Investment in FD	26,500,000	(26,500,000)
	Net cash flows generated from /(used in) investing activities	**12,968,629**	**(46,056,168)**
(C)	**Cash flow from financing activities**		
	Issue of Share Capital	57,120	97,729
	Interest and finance charges paid	(295,686)	(672,874)
	Lease payments under Ind AS 116	(1,870,000)	-
	Proceeds from/ (repayment of) of borrowings	(3,811,520)	3,811,520
	Net cash flows (used in)/ generated from financing activities	**(5,920,086)**	**3,236,375**
	Net change in cash and cash equivalents (A+B+C)	**6,906,331**	**(5,955,412)**
	Cash and cash equivalents- opening balance	285,427	6,240,839
	Cash and cash equivalents as at the end of the year	**7,191,758**	**285,427**
	Cash and cash equivalents- closing balance (Refer Note 10)	**7,191,758**	**285,427**

As per our report of even date attached
For Varma & Varma
Chartered Accountants
FRN : 004532S

R.Kesavadas
Partner
M. No. 23862

Place: Bangalore
Date : 02-April-2020

For and on behalf of the Board of Directors

Rajeev Pathak
Director
DIN : 03474873

Aditi Avasthi
Director
DIN : 05352951

Place: Bangalore
Date : 02-April-2020

Notes to Balance Sheet and Statement of Profit & Loss

Note 1 Corporate Information

eDreams Edusoft Private Limited ("the Company") is a public limited company by virtue of being a step-down subsidiary of Reliance Industries Limited. It was incorporated incorporated under the provisions of the Companies Act, 1956 vide Corporate Identity No. U72200KA2010PTC054447 on 14th July 2010 with its registered office situated in Bengaluru, Karnataka. The Company is in the business of design and development of education programme called "Funtoot" and supplies such programme to educational institutions and students and is engaged in the sale of related hardware to the users. It is also engaged in the licensing of Funtoot software.

Note 2 Significant Accounting Policies

i Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2018. Previous periods have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of shareholders' equity as at March 31, 2019 and April 1, 2018 and of the comprehensive net income for the year ended March 31, 2019.

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

These financial statements were authorised for issue by the Board of Directors on April 2, 2020.

ii Basis of preparation & presentation

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

i) Certain Financial Assets and Liabilities (including derivative instruments),

ii) Defined Benefit Plans - Plan Assets and

iii) Equity settled Share Based Payments

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified underthe relevant provisions of the Companies Act, 2013 read with notes on special purpose financial statements mentioned above.

iii Property, Plant and Equipment

(a) Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. On the date of transition to IND AS, all tangible assets have been measured at previous GAAP carrying value as deemed cost as at April 01, 2018 (date of transition).

(b) Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any other costs directly attributable to bring the assets to its working condition for its intended use.

(c) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably

(d) Depreciation on tangible fixed assets is provided on Written Down Value (WDV) method based on the useful lives, specified in Schedule II of the Companies Act 2013.

(e) In respect of assets added/ sold, discarded, demolished or destroyed during the year, depreciation on such assets is calculated on a pro-rata basis from the date of such additions or as the case may be, up to the date on which such assets have been sold, discarded, demolished or destroyed

(f) The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to Balance Sheet and Statement of Profit & Loss

iv Intangible assets

(a) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable for preparing the asset for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

(b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

(c) Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Intangible assets under development.

(d) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(e) The company's intangible assets include assets with finite useful lives which are amortised on a straight-line basis over the period of their expected useful lives. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

(f) Intangible assets under development represents the direct and allocated cost of development of application software until such software is ready for commercial sale.

v Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for 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 asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve 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 includes 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 right-of-use 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.

Right-of-use 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. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

vi Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipmentand Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

Notes to Balance Sheet and Statement of Profit & Loss

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset'sfairvalue less cost of disposal and value in use. Value in use is based on the estimated future cashflows, discounted to their present value using pre-tax discount rate that reflects current market assessments ofthe time value ofmoney and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

vii Provisions and contingent liabilities

Provision for losses and contingencies arising as a result of past events where management considers it probable that a liability may be incurred are made on the basis of reliable estimates of the expenditure required to settle the present obligation on the Balance Sheet date and are not discounted to its present value. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Other contingent liabilities to the extent management is aware is disclosed by way of notes to financial statements.

viii Employee benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The Company has a defined contribution plan for its employees comprising of Provident Fund. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year. The Company has no other obligation in this regard.

Defined Benefit Plans

Gratuity

The net present value of the obligation for gratuity benefits as determined on actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

ix Tax Expenses

Tax expense comprising current tax and deferred tax are recognised in the Profit and Loss Statement for the period. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Current tax

Certain items of income and expenditure are not reported in tax returns and financial statements in the same period. The net tax effect calculated at the current enacted tax rates of this timing difference is reported as deferred income tax (asset)/ liability. The effect on deferred tax assets and liabilities due to change in such (assets) /liabilities as at the end of the accounting period as compared to the beginning of the period and due to a change in tax rates are recognised in the income statement of the period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

x Share Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

Notes to Balance Sheet and Statement of Profit & Loss

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis overthevesting period, based on the Company'sestimate ofequity instruments thatwill eventuallyvest, with a corresponding increase in equity. At the end ofeach reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve (ESOP reserve).

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

xi Foreign currency transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of such transactions. Foreign currency monetary items are translated using the exchange rates prevailing at the reporting date. Exchange difference are recognised as income or expense in the period in which they arise.

xii Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 0-180 days from the shipment or delivery of goods or services as the case may be.

Revenue from examination and assessment services, Revenue from Software Services, Revenue from content services and revenue from licensing is on the basis of agreement entered into with the customers are recognised as mentioned above.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period

Revenue from services to be supplied for a specific period are accrued in the books based on the period covered in the financial year and balance is recognised as "Unaccrued Income" in other current liabilities.

Interest Income from a Financial Assets is recognised using effective interest rate method.

xiii Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets,which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cashflows 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.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it 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.

Notes to Balance Sheet and Statement of Profit & Loss

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

C. Other Equity lnvestments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. Derecognition of Financial Instruments

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

D. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously

xiv Critical Accounting Judgments And Key Sources Of Estimation Uncertainty

A. **Recoverability of Trade Receivables**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

B. **Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of

Notes to Balance Sheet and Statement of Profit & Loss

funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

C. **Impairment of Non-Financial Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined foran individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount ofan asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

D. **Impairment of Financial Assets**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

xv Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the result would be anti-dilutive.

xvi Borrowing Costs

Borrowing costs other than those attributable to the acquisition, construction or production of an qualifying assets are expensed as and when incurred. Borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised along with the cost of respective asset.

xvii Statement of cash flows

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

Notes to Balance Sheet and Statement of Profit & Loss

3. PROPERTY, PLANT AND EQUIPMENT *(All amounts in ₹ , unless otherwise stated)*

	GROSS BLOCK (DEEMED COST)				DEPRECIATION/ AMORTISATION					NET BLOCK - WDV	
PARTICULARS	**AS AT 01.04.2019**	**ADDITIONS**	**SALE/ ADJUSTMENT**	**AS AT 31.03.2020**	**AS AT 01.04.2019**	**FOR THE YEAR**	**SALE**	**ADJUSTMENT**	**AS AT 31.03.2020**	**AS AT 31.03.2020**	**AS AT 31.03.2019**
(A) Tangible Assets											
Furniture & Fixtures	60,238	-	-	60,238	60,238	-	-	-	60,238	-	-
Office Equipments	520,089	-	215,331	304,758	162,259	165,085	79,158	-	248,186	56,572	357,830
Computers	164,126	-	-	164,126	85,029	73,779	-	-	158,808	5,318	79,097
TOTAL (A)	**744,453**	**-**	**215,331**	**529,122**	**307,526**	**238,864**	**79,158**	**-**	**467,232**	**61,890**	**436,927**
(B) Intangible Assets											
Application Software	35,410,040	38,278,012	-	73,688,052	17,733,183	19,416,435	-	-	37,149,618	36,538,434	17,676,857
Computer software	214,168	-	-	214,168	161,494	52,674	-	-	214,168	-	52,674
TOTAL (B)	**35,624,208**	**38,278,012**	**-**	**73,902,220**	**17,894,677**	**19,469,109**	**-**	**-**	**37,363,786**	**36,538,434**	**17,729,531**
(C) Right-of-Use asset - Leased property	**11,085,975**	**-**	**11,085,975**	-	**-**	**1,679,500**	**-**	**(1,679,500)**	-	-	-
TOTAL	**47,454,636**	**38,278,012**	**11,301,306**	**74,431,342**	**18,202,203**	**21,387,473**	**79,158**	**(1,679,500)**	**37,831,018**	**36,600,324**	**18,166,458**
(D) Intangible Assets Under Development	21,550,557	16,727,455	38,278,012	-	-	-	-	-	-	-	21,550,557
TOTAL	**21,550,557**	**16,727,455**	**38,278,012**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**21,550,557**

Notes

(i) Amount of depreciation relating to right-of-use of leased building of Rs.4,34,253/- is capitalised under the head intangible assets under development during the year.

Notes to Balance Sheet and Statement of Profit & Loss

3. PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ , unless otherwise stated)

	GROSS BLOCK (DEEMED COST)				DEPRECIATION/ AMORTISATION					NET BLOCK - WDV	
PARTICULARS	**AS AT**	**ADDITIONS**	**SALE/**	**AS AT**	**AS AT**	**FOR THE**	**SALE**	**ADJUSTMENT**	**AS AT**	**AS AT**	**AS AT**
	01.04.2018		**ADJUSTMENT**	**31.03.2019**	**01.04.2018**	**YEAR**			**31.03.2019**	**31.03.2019**	**01.04.2018**
(A) Tangible Assets											
Furniture & Fixtures	44,038	60,238	44,038	60,238	-	60,238	-	-	60,238	-	44,038
Office Equipments	289,548	236,487	5,946	520,089	-	162,259	-	-	162,259	357,830	289,548
Computers	153,526	10,600	-	164,126	-	85,029	-	-	85,029	79,097	153,526
TOTAL (A)	**487,112**	**307,325**	**49,984**	**744,453**	**-**	**307,526**	**-**	**-**	**307,526**	**436,927**	487,112
(B) Intangible Assets											
Application Software	35,410,040	-	-	35,410,040	-	17,733,183	-	-	17,733,183	17,676,857	35,410,040
Computer software	214,168	-	-	214,168	-	161,494	-	-	161,494	52,674	214,168
TOTAL (B)	**35,624,208**	**-**	**-**	**35,624,208**	**-**	**17,894,677**	**-**	**-**	**17,894,677**	**17,729,531**	**35,624,208**
(C) Right-of-Use asset - Leased property	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		
TOTAL	**36,111,320**	**307,325**	**49,984**	**36,368,661**	**-**	**18,202,203**	**-**	**-**	**18,202,203**	**18,166,458**	**36,111,320**
(D) Intangible Assets Under Development	-	21,550,557	-	21,550,557	-	-	-	-	-	21,550,557	-
TOTAL	**-**	**21,550,557**	**-**	**21,550,557**	**-**	**-**	**-**	**-**	**-**	**21,550,557**	**-**

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹, unless otherwise stated)

	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
4	**LOANS**			
	(Unsecured, Considered good)			
		-	-	-
	Total	**-**	**-**	**-**
5	**OTHER FINANCIAL ASSETS**			
	Security Deposits - Lease	-	1,165,080	518,349
	Security Deposits - Others	-	-	6,780
	Total	**-**	**1,165,080**	**525,129**

6	**DEFERRED TAX ASSET**	**As at March 31, 2020**	**As At March 31, 2019**	**As at April 01, 2018**
	(a) Income tax expense in the statement of profit and loss comprises:			
	Current income tax charge	-	-	-
	Deferred Tax - Relating to origination and reversal of temporary differences	-	-	-
	Income tax expense reported in the statement of profit or loss	**-**	**-**	**-**
		As at March 31, 2020	**As At March 31, 2019**	**As at April 01, 2018**
	(b) Other Comprehensive Income	-	-	-
	Deferred Tax relating to re-measurement gains/ (losses) on defined benefit plans	-	-	-
	Income tax related to items recognised in OCI during the year	**-**	**-**	**-**
	(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:	**As at March 31, 2020**	**As At March 31, 2019**	
	Accounting Profit before tax	-	-	
	Applicable tax rate	-	-	
	Computed Tax Expense	-	-	
	Expenditure not allowed for tax purposes	-	-	
	Tax impact of change in employee stock option expense in Ind AS transition not allowed for tax purposes	-	-	
	Tax impact of unavailability of carry forward losses for tax purposes	-	-	
	Tax impact of finance income on financial assets carried at amortised cost	-	-	
	Tax impact of provisions created on Ind AS transition	-	-	
	Others	-	-	
	Balance with Government Authorities	**-**	**-**	

Notes to Balance Sheet and Statement of Profit & Loss

		As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
7	**OTHER NON-CURRENT ASSETS**			
	Fixed deposit with banks	-	26,500,000	-
	Balance with Government Authorities			
	- Income tax	5,895,152	6,120,193	6,924,951
	Total	**5,895,152**	**32,620,193**	**6,924,951**
8	**CURRENT INVESTMENTS**			
	Total	**-**	-	-
9	**TRADE RECEIVABLES**			
	(Unsecured, carried at amortised cost)			
	Considered Good			
	- Outstanding for a period of exceeding 6 months	2,691,132	2,211,176	1,297,385
	- Other receivables	2,407,388	7,366,856	6,332,451
		5,098,520	9,578,032	7,629,836
	Considered doubtful			
	- Outstanding for a period of exceeding 6 months	1,677,314	-	-
	Less: Provision for doubtful receivables	(1,677,314)	-	-
	Total	**5,098,520**	**9,578,032**	**7,629,836**

Note:

1. No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Further, there are no trade or other receivables which are due from firms or private companies in which any director is a partner, a director or a member.
2. Trade receivables are non interest bearing and are generally on terms of 0 to 180 days.

		As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
10	**CASH & CASH EQUIVALENTS**			
	Cash and Cash Equivalents			
	Cash in Hand	2,220	458	1,270
	Balances with Banks			
	-In Current Account	7,189,538	284,969	699,885
	-In Other Account (Cash Credit)	-	-	5,539,684
	Total	**7,191,758**	**285,427**	**6,240,839**
11	**OTHER BANK BALANCES**			
	Fixed Deposits with Original maturity of more than twelve months but remaining maturity of less than 12 months	739,987	15,565,582	39,891,716
	Total	**739,987**	**15,565,582**	**39,891,716**

Note: Balances with the bank Rs. 7,39,987/- (PY ₹ 6,93,177/-) is held as security money against Credit card facility.

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹, unless otherwise stated)

		As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
12	**OTHER FINANCIAL ASSETS**			
	Security Deposits - Rental	-	-	-
	Prepaid lease rental	-	497,093	42,905
	Total	**-**	**497,093**	**42,905**
13	**OTHER CURRENT ASSETS**			
	Prepaid expenses	55,299	351,365	476,902
	Advances to suppliers & Others	-	60,000	-
	Balance with Government Authorities			
	- GST input Credit	718,116	-	26,123
	Interest accrued but not due on bank deposits	50,126	1,706,502	117,791
	Total	**823,541**	**2,117,867**	**620,816**

14A EQUITY SHARE CAPITAL

Authorised	**As at March 31, 2020**		**As at March 31, 2019**		**As at April 01, 2018**	
Equity Shares of ₹ 1 each	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Equity Shares of Re. 1 each	2,000,000	2,000,000	1,200,000	1,200,000	1,200,000	1,200,000
Series A Equity shares of ₹ 1 each	1,000	1,000	1,000	1,000	1,000	1,000
Total	**2,001,000**	**2,001,000**	**1,201,000**	**1,201,000**	**1,201,000**	**1,201,000**
Issued, Subscribed & Paid Up						
Equity Shares of ₹ 1 each	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Equity shares of ₹ 1 each	1,916,865	1,916,865	799,871	799,871	702,142	702,142
Total	**1,916,865**	**1,916,865**	**799,871**	**799,871**	**702,142**	**702,142**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2020		**As at March 31, 2019**		**As at April 01, 2018**	
Equity Share Capital	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Number of Shares at the Beginning	799,871	799,871	702,142	702,142	702,142	702,142
Add:- Shares issued during the year towards ESOPs	57,120	57,120	97,729	97,729	-	-
Add:- Shares issued by conversion of preference shares	1,059,874	1,059,874	-	-	-	-
Number of Shares at the end	**1,916,865**	**1,916,865**	**799,871**	**799,871**	**702,142**	**702,142**

Notes to Balance Sheet and Statement of Profit & Loss

b. Details of Equity Shareholders holding more than 5% equity shares

	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
- Indiavidual Learning Private Limited (Holding company)	1,734,060	90.46%	-	-		
- Rajeev Pathak	182,805	9.54%	539,500	67.45%	539,500	76.84%
- Nandini Pathak	-	-	60,000	7.50%	60,000	8.55%
Total	**1,916,865**	**100.00%**	**599,500**	**74.95%**	**599,500**	**85.38%**

* Out of the above:

- 1 Equity share Jointly held by Anwar Sheikh and Indiavidual Learning Private Limited
- 1 Equity share Jointly held by Keyur V Faldu and Indiavidual Learning Private Limited
- 1 Equity share Jointly held by Nikunj Jitendra Karia and Indiavidual Learning Private Limited
- 1 Equity share Jointly held by Sampathkumar Ranganathan Pudhukottai and Indiavidual Learning Private Limited
- 1 Equity share Jointy held by Jointly by Aditi Avasthi and Indiavidual Learning Private Limited

c. The Ultimate Holding Company of the Company is Reliance Industries Limited, an Indian public company listed in recognised stock exchanges. Indiavidual Learning Private Limited (Holding company) is the subsidiary company of Reliance Industries Limited.

d. Terms / Rights attached to each class of Shares

(i) The Company had issued preference shares which are convertible into equity shares.

(ii) Each holder of equity shares is entitled to one vote per share and there are no preferences or restrictions attaching to class of shares mentioned above.

(iii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after payment to the preference share holders and all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. **Other notes on equity share capital**

During the last five years ending on 31st March 2020:

- No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- No shares were allotted as fully paid up by way of bonus shares.
- No shares were bought back.
- No shares were forfeited.
- No shares are reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment. However, during the year, the company has issued 57,120 equity shares to employees under the Employee Stock Option Plan (ESOP) as per the approved plan. Further, this ESOP scheme has been terminated during the year. Details relating to ESOP scheme are given below

f. **Employee stock option plan (ESOP):**

The Board of directors of the Company have approved EDREAMS EDUSOFT PRIVATE LIMITED EMPLOYEE STOCK OPTION SCHEME -2015 (“The Plan”). This plan provides for the issuance of stock options (underlying equity share of Re 1 each) to eligible employees (including directors of the company) specified in the scheme at the price determined by the Board of Directors. These options are convertible into equivalent number of Equity shares of Re 1 each to the employees of the company

Notes to Balance Sheet and Statement of Profit & Loss

The Options granted under the Plan shall vest within not less than 12 months between the date of grant of options and vesting date of the option. Under the terms of the Plan,20% of the options will vest to the employees every year. Once the options vest as per the Plan, the option shall be exercisable by the Option Grantee at any time within a period of 12 months from the date of vesting and the shares received on exercise of such options shall not be subject to any lock-in period.The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share based Payments. The value of the options granted is determined by the management based on the fair value per share determined during the relevant year or based on the latest fair valuation obtained at the time of grant of options. The estimated fair value is charged to the Statement of Profit and Loss on a straight line basis over the service period witha corresponding increase to share options outstanding account.An amount of Rs. 15,53,288/- (PY - Nil) has been charged to the Statement of Profit and Loss in respect of options granted during the year based on the fair value. Some of the key information on ESOP are given below:

Particulars	**For the Options Granted during FY 2019-20**
Fair Value per share	Rs. 35.38
Exercise Price	Re. 1

Summary of Stock options outstanding is as follows :

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Options at the begining of the reporting period	51,090	162,841
Granted during the year	-	-
Vested during the year	45,180	13,080
Exercised during the year	57,120	97,729
Lapsed during the year	39,150	27,102
Options at the end of the reporting period	-	51,090

14B INSTRUMENTS ENTIRELY EQUITY IN NATURE

Non-cumulative Compulsorily convertible preference shares (CCPS)

Authorised	**As at March 31, 2020**		**As at March 31, 2019**		**As at April 01, 2018**	
Preference Shares of Re 1 each	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
3,00,000 (March 31, 2019: 3,00,000) (April 01, 2018: 3,00,000) Series A Preference Shares of Re.1 each ; 8,49,000 (March 31, 2019: 8,49,000) (April 01, 2018: 8,49,000) Series B Preference Shares of Re. 1 each; 1,50,000 (March 31, 2019: 1,50,000) (April 01, 2018: 1,50,000) Series C Preference Shares of Re 1 each	1,299,000	1,299,000	1,299,000	1,299,000	1,299,000	1,299,000
Total	**1,299,000**	**1,299,000**	**1,299,000**	**1,299,000**	**1,299,000**	**1,299,000**

Notes to Balance Sheet and Statement of Profit & Loss

Issued, Subscribed & Paid Up	As at March 31, 2020		As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Preference Shares of Re 1 each						
Nil (March 31, 2019: 2,61,000)(April 01, 2018: 2,61,000) Series A Preference Shares of Re.1 each; Nil (March 31, 2019: 7,35,849)(April 01, 2018: 7,35,849) Series B Preference Shares of Re 1 each*; Nil (March 31, 2019: 63,025)(April 01, 2018: 63,025) Series C Preference Shares of Re 1 each.	-	-	1,059,874	1,059,874	1,059,874	1,059,874
Total	**-**	**-**	**1,059,874**	**1,059,874**	**1,059,874**	**1,059,874**

*Series B Preference Shares consists of: B series Nil (March 31, 2019: 4,80,341) (April 01, 2018: 4,80,341), B-1 series Nil (March 31, 2019: 2,20,265)(April 01, 2018: 2,20,265) and B-2 series Nil (March 31, 2019: 35,243)(April 01, 2018: 35,243)

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
Instruments entirely equity in nature - CCPS	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Number of Shares at the Beginning	1,059,874	1,059,874	1,059,874	1,059,874	1,059,874	1,059,874
Add:- Shares Issued During the Year	-	-	-	-	-	-
Less: Converted into equity shares during the year	1,059,874	1,059,874	-	-	-	-
Number of Shares at the end	**-**	**-**	**1,059,874**	**1,059,874**	**1,059,874**	**1,059,874**

b. Details of CCP Shareholders holding more than 5% equity shares

	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
- Inventus Capital Partners Fund II Limited, Mauritius	-	-	676,751	63.85%	676,751	63.85%
- Sudhanva	-	-	63,025	5.95%	63,025	5.95%
- Darashaw K Mehta - Singly Held	-	-	35,270	3.33%	35,270	3.33%
- Darashaw K Mehta	-	-	23,450	2.21%	23,450	2.21%
Total	**-**	**-**	**798,496**	**75.34%**	**798,496**	**75.34%**

Notes to Balance Sheet and Statement of Profit & Loss

c. Terms / Rights attached to each class of Shares

i Upon the earlier of (i) 20 (Twenty) years from the respective dates of subscription of the series A preference shares,the series B preference shares, Series B1 preference shares or Series B2 preference shares, as the case may be, or 20 (Twenty) years from the Closing Date,in the case of the Series C preference shares; or (ii) the occurrence of a Qualified Initial Public Offering or a Strategic Sale, the Series A preference shares, Series B preference shares, Series B1 Preference Shares, Series B2 preference shares and Series C preference shares shall automatically and mandatorily be converted into such number of fully paid-up equity shares

ii Holders of series A preference shares shall at all times before and after conversion of series A preference shares into equity shares have such number of votes on all matters presented to shareholders equal to the number of equity shares issuable to them as if their Series A preference shares had been converted into equity Shares at the Series A conversion ratio, as the case maybe, on the day of voting.

iii In the case of any liquidation event (other than any liquidation, dissolution or winding up of the Company) the holders of preference shares will be entitled to receive in preference to all other shareholders in the order specified in clause 8 (10.1), an amount which will include:

a. an amount equivalent to 125 (One Hundred and Twenty Five) per cent of the amount invested in the Company by each such holder adjusted for stock splits, stock dividends, recapitalizations etc. of the preference shares in the order specified in the Article of Association of the Company.

b. the remaining proceeds shall be on a pro rata basis to all the shareholders on a asif converted basis.

iv Subject to Applicable Law, as and when dividend is declared by the Company, the dividend to be distributed to the Investors in respect of the preference shareholders (Preference Dividend) shall be the higher of:

a. 0.1 percent of the nominal value of the total number of preference shares held by the Investor;

or

b. Dividend calculated on the profits decided by the Board to be declared as distributable profits for dividend distribution ("Distributable Profits"), pro rata, along with the holders of equity shares of the Company as if the preference shares had been converted at the respective conversion ratios on the date of declaration of such dividend by the Board. The dividend per share, for this purpose, shall be arrived at by dividing the distributable profits by the total number of equity shares on a fully diluted basis including the equity shares held by the Investors and the equity shares which the Investors would be entitled to applying the preference share conversion ratio as if the preference shares were converted into equity shares on the date of declaration of dividend by the Board.

d. **Other notes on instruments entirely equity in nature (CCPS)**

During the last five years ending on 31st March 2020:

- No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- No shares were bought back.
- No shares were forfeited.
- No shares are reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment.

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹, unless otherwise stated)

		As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
15	**OTHER EQUITY**			
A.	**Reserves & Surplus**			
	(i) Securities Premium	217,775,855	215,812,070	212,391,555
	(ii) Employee Stock Option Reserve	-	1,756,474	5,699,435
	(iii) Retained Earnings	(169,293,212)	(138,023,516)	(143,430,967)
B.	**Other items of Other Comprehensive Income**			
	(i) Remesurement of defined benefit plans	-	(240,574)	(261,960)
	Total	**48,482,643**	**79,304,454**	**74,398,063**

		As at March 31, 2020	As at March 31, 2019
A	**Reserves & Surplus**		
	(i) Securities Premium		
	Balance at the beginning of the year	215,812,070	212,391,555
	Add : Premium transferred from ESOP Reserve on issue of equity shares towards ESOPs (A(ii) below)	1,963,785	3,420,515
	Add: Premium on equity shares issued during the year	-	-
	Balance at the end of the year	**217,775,855**	**215,812,070**
	(ii) Employee Stock Option Reserve (ESOP Reserve)		
	Balance at the beginning of the year	1,756,474	5,699,435
	Add: Addition on account of grant of ESOPs	1,553,288	-
	Less: Premium transferred to Securities Premium on issue of equity shares towards ESOPs (A(i) above)	(1,963,785)	(3,420,515)
	Less: Transfer to retained earnings (relating to lapsed grants) (A(iii) below)	(1,345,977)	(522,446)
	Balance at the end of the year	**-**	**1,756,474**
	(iii) Retained Earnings		
	Balance at the beginning of the year	(138,023,516)	(143,430,967)
	Add: Profit / (loss) for the period	(32,025,927)	4,885,005
	Add: Transfer from ESOP reserves (relating to lapsed grants) (A(ii) above)	1,345,977	522,446
	Add: Transfer from other items of Other Comprehensive Income (B(i) below)	(589,746)	-
	Add: Adjustment relating to Ind AS 109 (Lease deposits)	-	-
	Balance at end of the year	**(169,293,212)**	**(138,023,516)**
B.	**Other items of Other Comprehensive Income**		
	(i) Remeasurement of defined benefit plans		
	Balance at beginning of the year	(240,574)	(261,960)
	Re-measurement gains/(losses) on defined benefit plans for the year	(349,172)	21,386
	Transfer to retained earnings (Refer note below)	589,746	-
	Balance at end of the year	**-**	**(240,574)**

Note: As at the year end there are no employees in the Company and as a result the balance of remeasurement of defined benefit plans has been transferred to retained earnings.

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹, unless otherwise stated)

16 LONG TERM PROVISIONS

	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Employee Benefits			
- Provision for Gratuity	-	2,445,762	1,853,807
Total	**-**	**2,445,762**	**1,853,807**

17 BORROWINGS

Loans Repayable on demand	-	3,811,520	-
- from banks(Secured) - (Refer Note (a) & (b) below)			
Total	**-**	**3,811,520**	**-**

Note on Loan Repayable on demand from Bank

a. Loans repayable on demand from bank represents the overdraft facility availed by the company for an amount of ₹ 1,00,00,000. Workings capital facilities availed from various banks are secured by pari-passu first charge book-debts, under current assets (present and future). During the year, this loan facility has been closed and the satisfaction of charge created has been filed with the Ministry of Corporate Affairs.

b. The Loan is charged interest at the rate of 12.50% (Fixed) p.a. with monthly rests.

18 TRADE PAYABLES

Total outstanding dues of micro and small enterprises (Refer Note No. 36)	-	-	-
Total outstanding dues of creditors other than micro and small enterprises*	5,122,700	2,266,582	1,457,320
Total	**5,122,700**	**2,266,582**	**1,457,320**
*Includes dues to related parties			
Dues to Holding company (Refer Note No. 31 iii b)	3,188,840	-	-

19 OTHER CURRENT LIABILITIES

Advance from customers	18,620	-	-
Duties and Taxes Payable	412,315	1,063,912	2,921,812
Employees & other payables	-	9,403,031	11,305,519
Unaccured income	396,139	1,359,858	3,774,019
Total	**827,074**	**11,826,801**	**18,001,350**

20 SHORT TERM PROVISIONS

Provision for Employee Benefits			
- Provision for Gratuity	-	31,425	514,956
Total	**-**	**31,425**	**514,956**

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹ , unless otherwise stated)

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
21	**REVENUE FROM OPERATIONS**		
	Sales and Services		
	- Examination & assessment services	31,053,502	41,723,895
	- Software & content services	9,632,372	28,487,893
	- Licensing services	1,100,000	-
	- Hardware sales	-	103,600
	Total	**41,785,874**	**70,315,388**
22	**OTHER INCOME**		
	Interest Income		
	- Interest on Bank Deposits	794,736	2,845,313
	- Interest on income tax refund	235,672	263,131
	- Interest on financial assets carried at amortised cost	63,332	68,515
	Profit of termination of lease (Ind AS 116 & Ind AS 109)	492,532	-
	Sundry balances written back	2,881	-
	Total	**1,589,153**	**3,176,959**
23	**PURCHASES**		
		-	-
	Total	-	-
24	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries & allowances	12,778,584	24,268,230
	Contribution to Provident Fund	574,178	1,167,299
	Employee Stock Option Expense	314,921	-
	Staff welfare expenses	557,144	280,420
	Total	**14,224,827**	**25,715,949**
25	**FINANCE COSTS**		
	Interest on borrowings	295,686	672,874
	Interest Cost under Ind AS 116	492,592	-
	Total	**788,278**	**672,874**
26	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation expense	238,864	324,906
	Amortisation expense	19,469,109	17,894,677
	Depreciation expense - Right of use asset	1,245,247	-
	Total	**20,953,220**	**18,219,583**

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹, unless otherwise stated)

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
27	**OTHER EXPENSES**		
	Rent	-	861,773
	Lease rent under Ind AS 109	74,163	68,676
	Web Hosting & Others	1,125,184	-
	Repairs and maintenance		
	- Equipments & Others	418,183	128,054
	Office Maintenance	224,191	470,869
	Rates and taxes	5,932,738	1,070,418
	Recruitment charges	104,838	282,109
	Communication expenses	411,023	488,539
	Printing and stationery	91,067	378,900
	Brokerage and commission	260,903	482,642
	Travelling and conveyance expenses	3,405,126	7,630,570
	Legal and professional charges	10,172,125	877,554
	Auditor's Remuneration (refer note 27.1 below)	802,257	345,120
	Business support services	9,406,254	-
	Consulting fees	3,889,383	7,005,357
	Loss on sale of plant and equipment	1,155	32,605
	Marketing expenses	736,133	2,693,380
	Insurance Expenses	47,523	58,861
	Fees & Subscription	332,015	408,009
	Provision for doubtful receivables	1,677,314	-
	Bad debts written off	116,773	669,614
	Security deposit written off	166,080	-
	Interest on late payment of statutory dues	14,643	19,098
	Miscellaneous expenses	25,558	26,788
	Total	**39,434,629**	**23,998,936**
27.1	**Auditor's Remuneration (excluding taxes)**		
	a. As Statutory auditor	210,000	210,000
	b. For tax audit	90,000	90,000
	c. For taxation services	70,000	35,400
	d. Other audit and related services	420,000	-
	e. For certification	5,000	9,720
	f. Reimbursement of expenses	7,257	2,814
		802,257	**347,934**

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹, unless otherwise stated)

28 Contingent Liabilities and Commitments

A. Contingent Liability on account of accumulated dividend on Nil (PY: 10,59,874) 0.1% Cumulative Preference Shares of ₹ 1 each amounts to Rs. Nil/- (PY: Rs. 5,624/-).

B. There are no commitments entered into by the Company which requires diclosures in these financial statements.

29 Earning per share - Computation of Basic and Diluted EPS

Particulars	**Year Ended March 31, 2020**		**Year Ended March 31, 2019**	
	Basic	**Diluted**	**Basic**	**Diluted**
Weighted Average no. of equity shares of Re.1/- each (including employee stock options)	1,442,690	1,442,690	758,370	850,961
Weighted Average no. of preference shares of Re.1/- each	-	-	-	1,059,874
Total No. of share for EPS (A)	**1,442,690**	**1,442,690**	**758,370**	**1,910,835**
Net Profit/ (Loss) after tax as per Statement of Profit and Loss (B)	(32,375,099)	(32,375,099)	4,906,391	4,906,391
Basic and Diluted EPS (B) / (A)	**(22.44)**	**(22.44)**	**6.47**	**2.57**

30 Segment Reporting

The Company is engaged in the business of software used for examination and assessment in the field of education in the state of Karnataka which is considered to be the only operating segment as per Ind AS-108 'Operating Segments' for which the operating results are regularily reviewed by the Company's Chief Operating Decision Maker. Hence, no additional disclosure is required.

31 Related party disclosures

Disclosure in respect of material transactions with associated parties as required by Indian Accounting Standard (IND AS) 24 "Related Party Transactions"

(i) Related Parties and their Relationship with the Company:

Description of relationship	**Names of related parties**
Ultimate holding company	Reliance Industries Limited (w.e.f December 16, 2019)
Holding company	Indiavidual Learning Private Limited (w.e.f December 16, 2019)
Key Managerial Personnel	Rajeev Pathak (Managing Director till October 15, 2019)
	(Director w.e.f October 16, 2019)
	Aditi Avasthi (Director w.e.f December 16, 2019)
	Sampathkumar R.P. (Director w.e.f December 16, 2019)

(ii) Transactions with Related parties:

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
a) Rajeev Pathak		
- Salaries paid/ payable:		
Expended	3,190,101	2,471,331
Capitalized	715,076	1,225,598
- Reimbursement of Expenses	10,110	17,280
b) Indiavidual Learning Private Limited		
- Business Support services (Expense)		
Expended	4,052,629	-
Capitalized	-	-
- Licensing Services (Income)	1,100,000	-

Notes to Balance Sheet and Statement of Profit & Loss

(iii) Balances with Related Parties

Particulars	As at March 31, 2020	As at March 31, 2019
Payable at the end of the year (net)		
a) Rajeev Pathak		
- Salary Payable	-	2,086,488
- Reimbursement payable	-	11,518
b) Indiavidual Learning Private Limited	3,188,840	-

32 Disclosure pursuant to Ind AS 19 "Employee Benefits"

i) Contribution to Defined Contribution Plan, recognised as expense for the year:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Contribution to Provident Fund	522,454	1,273,420
Contribution to Employee State Insurance Corporation	51,724	185,479

ii) Defined Benefit Plans

(a) (i) Gratuity

The Company provides for gratuity under a defined benefit plan (the gratuity plan) to its employees. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's last drawn salary and years of employment with the Company.

The Company has a gratuity plan where every employee is entitled to benefits equivalent to fifteen days salary for every year of completed service with the Company, calculated on the basis of 26 days a month on the basic salary last drawn immediately preceding the retirement/ termination. The gratuity plan is unfunded. Gratuity is payable upon completion of 5 years of services on separation from the Company due to retirement or otherwise. As at the end of the year, there are no employees in the Company as all the employees of the Company have resigned subsequent to the acquisition of majority shareholding in the Company as referred in Note no. 42 A. The gratuity due to eligible employees have been settled before the end of the year or has been acrrued as due to them.

		Year ended March 31, 2020	Year ended March 31, 2019
A.	**Statement of Profit and Loss and Other Comprehensive Income**		
	Net employee benefit expense (recognized in Employee benefits expense)		
	Current service cost	322,430	560,931
	Interest cost	88,436	161,446
	Net employee benefit expense*	**410,866**	**722,377**
B.	**Re-measurement (gain)/loss (recognised in OCI)**		
	Actuarial (gain)/loss on liability	349,172	(21,386)
	Net actuarial (gain)/loss	**349,172**	**(21,386)**
	Bifurcation of total actuarial (gain) / loss on liabilities		
	Actuarial gain / losses from changes in demographics assumptions(mortality)	-	1,139,215
	Actuarial (gain) / losses from changes in financial assumptions	-	(42,887)
	Experience adjustment (gain) / loss for plan liabilities	-	(1,117,714)
		-	**(21,386)**

Notes to Balance Sheet and Statement of Profit & Loss

		As at March 31, 2020	As at March 31, 2019
C.	**Balance sheet**		
	Present value of the defined benefit obligations (unfunded)	-	2,477,187
	Defined benefit obligation disclosed under provisions	**-**	**2,477,187**
D.	**Changes in the present value of the defined benefit obligation are as follows:**		
	Opening defined benefit obligation	2,477,187	2,368,763
	Current service cost	322,430	560,931
	Interest cost	88,436	161,446
	Acquisitions/ Reversals	(1,191,638)	-
	Benefits paid	(2,045,587)	(592,567)
	Actuarial (gain)/loss	349,172	(21,386)
	Closing defined benefit obligation	**-**	**2,477,187**

E. The principal assumptions used in determining gratuity obligations for the Company's plan are as shown below:

	Year ended March 31, 2020	Year ended March 31, 2019
Discount rate	NA	7.79%
Salary escalation rate	NA	10.00%
Attrition Rate	NA	2.00%
Mortality rate	NA	IALM 2006–08 Table

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.

F. A quantitative sensitivity analysis for significant assumption is as below:

	As at March 31, 2019	
Defined benefit obligation (Base)	2,477,187	
Impact on closing balance of defined benefit obligation (gratuity)	**1% increase**	**1% decrease**
Discount rate	2,122,046	2,916,670
Salary increase rate	2,865,950	2,153,448
Attrition rate	2,387,048	2,580,982

33 The Company has internally developed a computer software and is in continuous development of content, software version upgrades and the expenses incurred towards such work that are directly attributable to the development of software is considered as capital expense and disclosed under "Intangible Asset under Development" and accordingly capitalised when the criteria for such capitalisation is met. During the year, amount of ₹1,67,27,455/- (PY: ₹2,15,50,557/-) incurred towards such software development as given below has been capitalised.

Notes to Balance Sheet and Statement of Profit & Loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Balance	21,550,557	-
Salaries and allowances	9,174,323	15,331,692
Contribution to provident fund and other funds	141,799	293,560
Employee Stock Option expense	1,238,367	-
Staff Welfare expenses	9,023	52,899
Rent	-	570,530
Communication expenses	77,620	166,127
Legal & Professional Charges	1,506,139	100,783
Consulting fees	1,605,378	2,401,279
Electricity Charges	68,409	70,941
Web Hosting & others	2,221,182	2,538,846
Office Maintenance	75,260	23,900
Amortisation of Right-of-use asset	434,253	-
Interest Charges	175,701	-
	38,278,012	21,550,557
Less: Capitalised	38,278,012	-
Closing Balance	**-**	**21,550,557**

During the year, an amount of Rs.3,82,78,012 (PY - Nil) has been capitalised under the intangible asset "Application Software" (Refer Note 3)

34 In view of the losses for the current year, no provision for current income tax is recognised in the books.

35 Deferred tax which is an asset arising mainly from business losses and unabsorbed depreciation for the current year have not been recognised as the probability of profits to set off such losses in the immediate future is remote.

36 Based on the information available with the Company, there are no suppliers who are registered as micro or small enterprises under The Micro Small and Medium Enterprises Development Act, 2006 as at March 31, 2020 and as at March 31, 2019. Hence, disclosure in this regard are not made.

37 **Expenditure in Foreign Currency**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Travelling Expenses	135,839	293,949
Subscription charges	54,104	129,150
Total	**189,943**	**423,099**

Notes to Balance Sheet and Statement of Profit & Loss

38 Disclosure under Ind AS 109

A Financial instruments fair value measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Amount in ₹)

Financial Intruments by category	Carrying Value			Fair Value		
	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Financial Assets at amortised cost						
Other Financial Assets	-	497,093	42,905	-	497,093	42,905
Trade Receivables	5,098,520	9,578,032	7,629,836	5,098,520	9,578,032	7,629,836
Cash and Cash Equivalents	7,191,758	285,427	6,240,839	7,191,758	285,427	6,240,839
Bank balances other than above	739,987	15,565,582	39,891,716	739,987	15,565,582	39,891,716
Total	13,030,265	25,926,134	53,805,296	13,030,265	25,926,134	53,805,296
Financial Liability at amortised cost						
Trade Payables	5,122,700	2,266,582	1,457,320	5,122,700	2,266,582	1,457,320
Total	**5,122,700**	**2,266,582**	**1,457,320**	**5,122,700**	**2,266,582**	**1,457,320**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1 The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

2 The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2020, are as shown below

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

There has been no transfers between levels during the year.

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 : other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3 : techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

There are no financial assets/liabilities that are required to be fair valued under Level 1 and 2. Further, Considering the nature of these items that are short term in nature and closer to the fair value, no financial assets/liabilities have been valued using Level 3 fair value measurements.

Notes to Balance Sheet and Statement of Profit & Loss

Quantitative disclosures of fair value measurement hierarchy	As at March 31, 2020			
	Carrying Amount	Level of input used in fair value		
Financial Instruments by Category		Level 1	Level 2	Level 3
Financial Assets At Amortised Cost				
Trade Receivables	5,098,520	-	-	-
Cash and Cash Equivalents	7,191,758	-	-	-
Bank balances other than the above	739,987	-	-	-
Other Financial Assets	-	-	-	-
Financial Liability at Amortised Cost				
Trade Payables	5,122,700	-	-	-
Other Financial liabilities	-	-	-	-
Quantitative disclosures of fair value measurement hierarchy	**As at March 31, 2019**			
	Carrying Amount	Level of input used in fair value		
Financial Instruments by Category		Level 1	Level 2	Level 3
Financial Assets At Amortised Cost				
Trade Receivables	9,578,032	-	-	-
Cash and Cash Equivalents	285,427	-	-	-
Bank balances other than the above	15,565,582	-	-	-
Other Financial Assets	497,093	-	-	-
Financial Liability at Amortised Cost				
Trade Payables	2,266,582	-	-	-
Other Financial liabilities	-	-	-	-
Quantitative disclosures of fair value measurement hierarchy	**As at April 1, 2018**			
	Carrying Amount	Level of input used in fair value		
Financial Instruments by Category		Level 1	Level 2	Level 3
Financial Assets At Amortised Cost				
Trade Receivables	7,629,836	-	-	-
Cash and Cash Equivalents	6,240,839	-	-	-
Bank balances other than the above	39,891,716	-	-	-
Other Financial Assets	42,905	-	-	-
Financial Liability at Amortised Cost				
Trade Payables	1,457,320	-	-	-
Other Financial liabilities		-	-	-

B Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors. This process provides assurance to Company's management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

Notes to Balance Sheet and Statement of Profit & Loss

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits and investments. The sensitivity analyses in the following sections relate to the position as at March 31 2020. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2020.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company is currently debt-free. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

	March 31, 2020		March 31, 2019	
	1% increase	**1% decrease**	**1% increase**	**1% decrease**
Impact on profit before tax	-	-	6,729	(6,729)

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency receivables and payables. Since no foreign currency oustanding as at the year end of March 31, 2020 and March 31, 2019, the Company is not exposed to the risk of changes in foreign currency rates.

b) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities, including deposits with banks and other financial instruments.

(i) Trade Receivables

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Company individually monitors the sanctioned credit limits as against the outstanding balances.As at balance sheet date, the Company does not have significant concentration of credit risk except in respect of a customer who contributes substantially to the revenue of the entity. The aforesaid mentioned credit risk management process policy and tools is considered adequate to mitigate this risk. On a yearly basis the Company reviews the ageing of accounts receivables and estimate the eventual collectability of the receivables in respect of any receivables which are outstanding for more than 365 days diligent collection efforts will be undertaken to collect such amounts. After all reasonable efforts have been exhausted and related receivable balances are deemed to no longer be recoverable, these amounts are written off.

The Company creates allowance (provision) for all unsecured trade receivables based on lifetime expected credit loss. The summary of changes in allowance (provision) for doubtful receivables is as below:

	March 31, 2020	March 31, 2019
Balance at the beginning of the year	-	-
Allowance recognised/(reversed) during the year, net	1,677,314	-
Balance at the end of the year	**1,677,314**	**-**

Notes to Balance Sheet and Statement of Profit & Loss

Ageing analysis of Trade receivables and provision of doubtful reecivables is as follows:

Position as on March 31, 2020

Ageing	Not more than 180 days	More than 180 Days	More than 360 Days	Total
Gross carrying amount	2,407,388	1,017,128	3,351,318	6,775,834
Provision for doubtful receivables	-	-	(1,677,314)	(1,677,314)
Carying amount of trade receivables	2,407,388	1,017,128	1,674,004	5,098,520

Position as on March 31, 2019

Ageing	Not more than 180 days	More than 180 Days	More than 360 Days	Total
Gross carrying amount	7,366,856	490,927	1,720,249	9,578,032
Provision for doubtful receivables	-	-	-	-
Carying amount of trade receivables	7,366,856	490,927	1,720,249	9,578,032

Position as on April 1, 2018

Ageing	Not more than 180 days	More than 180 Days	More than 360 Days	Total
Gross carrying amount	6,332,451	727,557	569,828	7,629,836
Provision for doubtful receivables	-	-	-	-
Carying amount of trade receivables	6,332,451	727,557	569,828	7,629,836

* Above information is based on the available records maintained by the Company.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company as per the policy. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 is the carrying amounts. The Company's maximum exposure relating to financial is noted in liquidity table below.

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)			
Other Financials Assets	-	497,093	42,905
Cash and Cash Equivalents	7,191,758	285,427	6,240,839
Bank Balances other than above	739,987	15,565,582	39,891,716
Total	**7,931,745**	**16,348,102**	**46,175,460**
Financial assets for which allowance is measured using Life timeExpected Credit Loss Method (ECL)			
Trade receivables	5,098,520	9,578,032	7,629,836
Total	**5,098,520**	**9,578,032**	**7,629,836**

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

Notes to Balance Sheet and Statement of Profit & Loss

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by the management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date:

	Not more than 1 year	More than 1 year	Total
March 31, 2020			
Current borrowings	-	-	-
Trade payables	5,122,700	-	5,122,700
Other financial liabilities	827,074	-	827,074
Total	**5,949,774**	**-**	**5,949,774**
March 31, 2019			
Current borrowings	3,811,520	-	3,811,520
Trade payables	2,266,582	-	2,266,582
Other financial liabilities	11,826,801	-	11,826,801
Total	**17,904,903**	**-**	**17,904,903**
April 01, 2018			
Current borrowings	-	-	-
Trade payables	1,457,320	-	1,457,320
Other financial liabilities	18,001,350	-	18,001,350
Total	**19,458,670**	**-**	**19,458,670**

C Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020, March 31, 2019 and as at April 1, 2018.

The capital structure of the Company consists of equity of the Company (comprising issued capital, reserves and retained earnings as detailed in Notes 14 and 15). The Company is almost a zero debt Company with no long-term borrowings as at March 2020. The Company is not subject to any externally imposed capital requirements.

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹ unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Non-current borrowings	-	-	-	
Current borrowings	17	-	3,811,520	-
Less: Cash and cash equivalents	10	7,191,758	285,427	6,240,839
Less: Other bank balances	11	739,987	15,565,582	39,891,716
Net debt (A)		**(7,931,745)**	**(12,039,489)**	**(46,132,555)**
Equity share capital	14A &14B	1,916,865	1,859,745	1,762,016
Other equity	15	48,482,643	79,304,454	74,398,063
Total capital (B)		**50,399,508**	**81,164,199**	**76,160,079**
Capital & Net Debt (C=A+B)		**42,467,763**	**69,124,710**	**30,027,524**
Gearing ratio (A/C)		**-18.68%**	**-17.42%**	**-153.63%**

39 Disclosure with respect to IND AS 115 - Revenue from contracts with customers

The Company derives its revenues primarily from Education based IT services comprising of platform development and related services, consulting and package implementation and from the licensing of software products and platforms (“together called as platform related services”).

Effective April 1, 2018, the Company has adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/ or revised significant ccounting policies related to revenue recognition. Refer Note “Significant Accounting Policies,” in the financial statement of the Company for the policies in effect for revenue prior to April 1, 2018.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Arrangements with customers for licensing of related services are either on a fixed-price (per student) and on fixed-time frame basis.

Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance or Support revenue is recognized rateably over the term of the underlying maintenance arrangement or the term of the license over which the maintenance is to be provided.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenue/ unaccrued income).

In arrangements for platform development services, the Company has applied the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation, wherein the delivery of the platform is identified as the only performance obligation. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue from licenses where the customer obtains a “right to access” is recognized over the access period. Arrangements to deliver software products generally have two elements: license and its implementation. The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

Notes to Balance Sheet and Statement of Profit & Loss

Unamortized contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract by applying full transition as prescribed in Ind AS 115.

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

The Company presents revenues net of indirect taxes in its statement of Profit and loss.

Revenue from operations for the relevant is as follows:

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Revenue from Examination & assessment services	31,053,502	41,723,895
Revenue from Software & content services	9,632,372	28,487,893
Revenue from Licensing services	1,100,000	-
Revenue from Hardware sales	-	103,600
Total	**41,785,874**	**70,315,388**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by customer and contract type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors. Revenue from operations for the year ended March 31, 2019 and year ended March 31, 2020 are as follows:

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Revenue by Customer		
Revenue from consumers	369,796	830,125
Revenue from institutions	41,416,078	69,485,263
Total	**41,785,874**	**70,315,388**
Revenue by Contract Type		
Fixed Price Basis	10,732,372	28,591,493
Fixed timeframe Basis	31,053,502	41,723,895
Total	**41,785,874**	**70,315,388**

Institutions

The Company has tie up with various institutions who in turn sell the product to their students, wherein these institutions buy the product in bulk. Some of these institutions also take up the services of a one time installation and customisation for them.

Consumer (B2C)

These are students who approach the website of the Company and independently avail of the products that are offered on the website of the Company.

Trade receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related service are performed. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time .

Notes to Balance Sheet and Statement of Profit & Loss

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue/unaccrued income.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

40 Disclosure with respect to IND AS 116 - Leases

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. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right-of-use (ROU) asset at the value of lease liability on April 1, 2019. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under erstwhile Ind AS 17.

On transition, the adoption of the new standard resulted in recognition of ‘Right of Use’ asset of ₹1,10,85,975, and a lease liability of same amount. There are no impact on applying the standard to retained earnings. The effect of this adoption has resulted in an additional charge to the Statement of Profit and Loss to the extent of ₹ 4,77,793/-. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8.95%

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

Particulars	**Year ended March 31, 2020**
Category of ROU asset	
Buildings	
Balance as at the beginning of the year	11,085,975
Additions	-
Deletions	(9,406,475)
Depreciation	(1,679,500)
Balance as at the end of the year	-

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Note 26 and the amount disclosed in net of the amount capitalised of Rs. 4,34,253/- to intangible assets under development as mentioned in Note (i) to Note no. 3.

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	**Year ended March 31, 2020**
Balance as at the beginning of the year	11,085,975
Additions	-
Finance costs (Interest) accrued during the year	668,293
Deletions	(9,884,268)
Payment of lease liabilities	(1,870,000)
Balance as at the end of the year	-

Since there is no lease liability in the books of account as at March 31, 2020, the break up of current and non-current lease liabilities and contractual maturities are not required to be disclosed.

Notes to Balance Sheet and Statement of Profit & Loss

41 Disclosures as required by Indian Accounting Standard (Ind AS 101) first time adoption of Indian Accounting Standards

These are Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet as at April 1, 2018 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

A.1 Ind-AS optional exemptions

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

A.1.1 Deemed cost

Ind AS 101 permits a first time adopter to elect to carrying value of its property, plant and equipment, intangible assets including intangible assets under development as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively.

The Company has elected to consider carrying value as per previous GAAP as at the date of transition of its property, plant and equipment, intangible assets including intangible assets under development as its deemed cost on the date of transition to Ind AS.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

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

Ind AS estimates at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

(i) Impairment of financial assets based on expected credit loss model.

A.2.2 Derecognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

A.2.3 Classification of financial assets and liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively.

A.2.4 Impairment of financial assets

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Company has applied this exception prospectively.

Notes to Balance Sheet and Statement of Profit & Loss

(All amounts in ₹, unless otherwise stated)

B. Reconciliation of Balance Sheet as at March 31, 2019 and April 1, 2018

Particulars	Note No.	March 31, 2019			April 1, 2018		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Assets							
Non Current assets							
Property, Plant and Equipment		436,927	-	436,927	487,112	-	487,112
Intangibe Assets	a	17,729,531	-	17,729,531	36,579,793	(955,585)	35,624,208
Intangible assets under development		21,550,557	-	21,550,557	-	-	-
Financial Assets							
Loans	b	693,176	(693,176)	-	693,176	(693,176)	-
Other Financial Assets	c	1,666,080	(501,000)	1,165,080	571,781	(46,652)	525,129
Deffered Tax Assets (Net)		-	-			-	-
Other Non Current Asset		32,620,193	-	32,620,193	6,924,951	-	6,924,951
Total (A)		**74,696,464**	**(1,194,176)**	**73,502,288**	**45,256,813**	**(1,695,413)**	**43,561,400**
Current Assets							
Financial Assets							
Investments		-	-				-
Trade Receivables		9,578,032	-	9,578,032	7,629,836	-	7,629,836
Cash and Cash equivalents	d	15,157,832	(14,872,405)	285,427	45,439,378	(39,198,539)	6,240,839
Bank Balances other than above	b	-	15,565,582	15,565,582	-	39,891,716	39,891,716
Other Financial Assets	c	-	497,093	497,093	-	42,905	42,905
Other Current Assets		2,117,867	-	2,117,867	620,816	-	620,816
Total		**26,853,731**	**1,190,270**	**28,044,001**	**53,690,030**	**736,082**	**54,426,112**
Total(A+B)		**101,550,195**	**(3,906)**	**101,546,289**	**98,946,843**	**(959,331)**	**97,987,512**
EQUITY AND LIABILITIES							
Equity							
Equity Share Capital		1,859,745	-	1,859,745	1,762,016	-	1,762,016
Other Equity	g	79,308,360	(3,906)	79,304,454	76,534,313	(2,136,250)	74,398,063
		81,168,105	**(3,906)**	**81,164,199**	**78,296,329**	**(2,136,250)**	**76,160,079**
Non Current Liabilities							
Provisions		2,445,762	-	2,445,762	1,853,807	-	1,853,807
Deferred Tax Liabilities (Net)		-	-	-	-	-	-
TOTAL (B)		**2,445,762**	**-**	**2,445,762**	**1,853,807**	**-**	**1,853,807**
Current Liabilities							
Financial Liabilities							
Short term Borrowings		3,811,520	-	3,811,520	-	-	-
Trade Payables		2,266,582	-	2,266,582	1,457,320	-	1,457,320
Other Current Liabilities	a	11,826,801	-	11,826,801	16,824,431	1,176,919	18,001,350
Provisions		31,425	-	31,425	514,956	-	514,956
		17,936,328	**-**	**17,936,328**	**18,796,707**	**1,176,919**	**19,973,626**
Total		**101,550,195**	**(3,906)**	**101,546,289**	**98,946,843**	**(959,331)**	**97,987,512**

Notes to Balance Sheet and Statement of Profit & Loss

C. Reconciliation of Total Comprehensive Income for the year ended March 31, 2019

Particulars	Note No.	Previous GAAP	GAAP Adjustment	Ind AS
Revenue from operations		70,315,388	-	70,315,388
Other income	c	3,108,444	68,515	3,176,959
Total Income		**73,423,832**	**68,515**	**73,492,347**
Expenses:				
Purchases	-	-	-	
Employee benefits expense	e	25,694,563	21,386	25,715,949
Finance costs	f	691,972	(19,098)	672,874
Depreciation and amortization Expense		18,219,583	-	18,219,583
Other expenses	a,c	26,043,667	(2,044,731)	23,998,936
Total Expenses		**70,649,785**	**(2,042,443)**	**68,607,342**
Profit / (Loss) before tax		**2,774,047**	**2,110,958**	**4,885,005**
Tax expense:				
(1) Current tax		-	-	-
(2) Deferred tax		-	-	
Tax expense for the year		**-**	**-**	**-**
Profit/ (Loss) for the year		**2,774,047**	**2,110,958**	**4,885,005**
Other Comprehensive Income				
Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods				
i) Re-measurement gains/(losses) on defined benefit plans	e	-	21,386	21,386
ii) Income Tax effect		-	-	
Other Comprehensive Income for the year, net of tax		-	21,386	21,386
Total Comprehensive Income for the Year		**2,774,047**	**2,132,344**	**4,906,391**

Notes to the reconciliation of Balance Sheet as at April 1, 2018 and March 31, 2019, total comprehensive income & Statement of Cash Flows for the year ended March 31, 2019

a. Under the previous GAAP, certain expenditure was considered as prior period adjustments that are now adjusted in the opening retained earnings as at April 1, 2018.

b. Under the previous GAAP, amount in the nature of fixed deposit bank balances were disclosed as security deposits that are now reclassifised to bank balances under Ind AS.

c. Under the previous GAAP, security deposits were carried at Historical cost. Under Ind AS, these have been carried at amortised cost.

d. Under the previous GAAP, amount in the nature of fixed deposit bank balances were disclosed under cash and cash equivalents that are now reclassifised to bank balances under Ind AS.

e. Both under previous GAAP & Ind AS, the company recoganised costs related to its post employment denefit plan on actuarial basis. Under the previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in net interest on the net defined benefit liabilty and return on plan assets excluding amounts included in net interest on net defined liability) are recoganised in balance sheet through other comprehensive income.

Notes to Balance Sheet and Statement of Profit & Loss

f. Under the previous GAAP, amount in the nature of interest of delayed payments of statutory dues were shown under Finance costs that are now reclassified to Other expenses.

g. Reconciliation of Other Equity as at March 31, 2019 & April 1, 2018 between previous GAAP & Ind AS

Particulars	**As at March 31, 2019**	**As at April 1, 2018**
Other equity (shareholder's funds) under previous GAAP	79,308,360	76,534,313
Adjustments made :		
Impact of Adjustment relating to Ind AS 109 (Lease deposits)	(3,906)	(3,746)
Impact of adjustment relating to Prior period adjustments (Note (a) above)	-	(2,132,504)
Re-measurement of Defined Benefit Plans recognized in Other Comprehensive Income (OCI) (net)	240,574	261,960
Re-measurement of Defined Benefit Plans recognized in Other Comprehensive Income (OCI) (net) Transferred to Retained earnings	(240,574)	(261,960)
Other equity (shareholder's funds) under per IND AS	**79,304,454**	**74,398,063**

h. The transition from previous GAAP has not had a material impact on the statement of cash flows.

42 Significant events during the year

A During the year, majority of the shares of the Company has been acquired by Indiavidual Learning Private Limited, a subsidiary of Reliance Industries Limited and has become its step-down subsidiary. As part of the acquisition of the share of the Company, the employees of the Company have resigned and have been paid all the retirement and other benefits due to them or has been accrued as due to them. Although, the acqusition has been completed during the year, the business of the Company has not been significantly affected. The Company has changed the business model to a software licensing revenue model and continues to operate in this manner.

B Towards the end of the financial year, the entire world has been affected by the outbreak of Novel Coronavirus (COVID-19) and has affected various sectors of industry in the global economy. This has however not affected the operations of the Company and the management is of the opinion that there will not be any significant impact of the operations of the Company and does not require any disclosure of possible impact in these financial statements.

43 A The figures regarding Trade receivables, Trade payables, Advances to Suppliers and others, Advances from customers etc. are subject to confirmation.

B The financial information of the Company for transition date i.e. opening balance sheet date being April 01, 2018 included in these financial statements, are based on the previously issued financial statements which were prepared under previous GAAP and audited by us for the year ended March 31, 2018 as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

The comparative financial information as at and for the year ended March 31, 2020 have been compiled after making necessary Ind AS adjustments to the audited financial statements prepared under previous GAAP to give a true and fair view in accordance with Ind AS.

C Previous year figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached
For Varma & Varma
Chartered Accountants
FRN : 004532S

R.Kesavadas
Partner
M. No. 23862

Place: Bangalore
Date : 02-April-2020

For and on behalf of the Board of Directors

Rajeev Pathak
Director
DIN : 03474873

Aditi Avasthi
Director
DIN : 05352951

Place: Bangalore
Date : 02-April-2020