

**Indiannica Learning Private Limited**  
**Balance Sheet as at 31st March 2023**  
CIN: U22110DL1998PTC094399

(Amount in Lakhs)

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	7	44
(b) Right of use Assets	4	71	121
(c) Intangible assets (other than goodwill)	5	485	968
(d) Financial Assets			
(i) Security deposits	6	46	46
(e) Deferred tax assets (net)	7	241	241
(f) Assets for Non-current tax		28	25
<b>Total non-current Assets</b>		<b>878</b>	<b>1,445</b>
<b>Current assets</b>			
(a) Inventories	8	1,935	927
(b) Financial Assets			
(i) Trade receivables	9	6,292	4,925
(ii) Cash and cash equivalents	10	306	479
(iii) Other bank balances	11	15	14
(c) Other current assets	12	560	524
<b>Total current Assets</b>		<b>9,108</b>	<b>6,869</b>
<b>TOTAL ASSETS</b>		<b>9,986</b>	<b>8,314</b>
<b>Equity</b>			
(a) Equity Share capital	13	4,935	4,935
(b) Other equity		(4,041)	(4,075)
<b>Total equity</b>		<b>894</b>	<b>860</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	-	23
(ii) Lease liabilities	15	37	88
(b) Other non-current liabilities	16	2	5
(c) Provisions	17	-	-
<b>Total non-current liabilities</b>		<b>39</b>	<b>116</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	5,549	4,454
(ii) Lease liabilities	15	45	42
(iii) Trade payables	19		
- Amount due of micro and small enterprises		171	218
- Amount due of others		1,007	622
(iv) Other financial liabilities	20	32	28
(b) Other current liabilities	21	129	136
(c) Provisions	17	2,120	1,838
<b>Total current liabilities</b>		<b>9,053</b>	<b>7,338</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,986</b>	<b>8,314</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

As per our report of even date attached hereto

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration No. 116560W / W100149

**Prashant Daftary**

Partner

Membership Number: 117080

Place: Mumbai

Date: 11th May 2023

For and on behalf of the board of directors of  
**Indiannica Learning Private Limited**

**Anil D. Gala**

Chairman

DIN: 00092952

Place: New Delhi

Date: 11th May 2023

**Amit K Gala**

Managing director & CFO

DIN:01335267

Place: New Delhi

Date: 11th May 2023

**Amit D. Buch**

Company Secretary

Mem. No. A15239

Place: Mumbai

Date: 11th May 2023

**Indiannica Learning Private Limited**  
**Statement of Profit and Loss for the year ended 31st March 2023**  
CIN: U22110DL1998PTC094399

(Amount in Lakhs)

Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Income</b>			
Revenue from operations	22	6,517	5,457
Other income	23	3	10
<b>Total Income</b>		<b>6,520</b>	<b>5,467</b>
<b>Expenses</b>			
Cost of materials & components consumed	24	2,581	1,489
Purchase of traded goods and services		11	55
Decrease/ (Increase) in inventories of finished goods	25	(438)	240
Employee benefits expense	26	1,816	1,724
Finance costs	27	283	248
Depreciation and amortisation expense	28	533	553
Other expenses	29	1,689	1,768
<b>Total Expenses</b>		<b>6,475</b>	<b>6,077</b>
<b>Profit/(Loss) before tax</b>		45	(610)
<b>Tax expense:</b>	30		
Current tax		-	-
Deferred tax		-	(5)
		-	(5)
<b>Profit/(Loss) for the year</b>		<b>45</b>	<b>(605)</b>
<b>(Decrease)/Increase in current non-financial liabilities</b>			
<b>Other comprehensive income (OCI):</b>			
(a) Items that will not be reclassified to profit or loss in subsequent year		(11)	19
Less: Income tax relating to the above		-	(5)
(b) Items that will be reclassified to profit or loss in subsequent year		-	-
Less: Income tax relating to the above		-	-
Other comprehensive income /(loss) for the year, net of tax		(11)	14
<b>Total comprehensive income/(loss) for the year (Total of profit/(loss) and other comprehensive income for the year)</b>		<b>34</b>	<b>(591)</b>
Earnings per equity share of Rs. 10/- each			
(1) Basic (in INR)	31	0.09	(1.23)
(2) Diluted (in INR)		0.05	(1.23)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

As per our report of even date attached hereto

**For N. A. Shah Associates LLP**

Chartered Accountants  
Firm Registration No. 116560W / W100149

**Prashant Daftary**

Partner  
Membership Number: 117080

Place: Mumbai  
Date: 11th May 2023

For and on behalf of the board of directors of  
**Indiannica Learning Private Limited**

**Anil D. Gala**

Director  
DIN: 00092952

Place: New Delhi  
Date: 11th May 2023

**Amit D. Buch**

Company Secretary  
Mem. No. A15239

Place: Mumbai  
Date: 11th May 2023

**Amit K Gala**

Managing director & CFO  
DIN:01335267

Place: New Delhi  
Date: 11th May 2023

**Indiannica Learning Private Limited**
**Cash Flow Statement for the year ended 31st March 2023**

CIN: U22110DL1998PTC094399

(Amount in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) before tax	<b>45</b>	<b>(610)</b>
<b>Adjustments to reconcile (loss)/ profit before tax to net cash flows</b>		
Depreciation and amortisation expense	533	553
Reduction in Lease Liability due to Lease Modification	(8)	
Profit due to Lease Modification	(1)	
Finance income	(1)	(1)
Provision for doubtful debts / (written back)	-	(81)
Provision for contingencies	-	149
Inventory written off / provision	146	43
Unrealised foreign exchange loss (net)	1	1
Finance costs	283	248
<b>Operating loss before changes in assets and liabilities</b>	<b>998</b>	<b>302</b>
<b>Working Capital adjustments:</b>		
Decrease/(Increase) in trade receivables	(1,367)	(316)
Decrease/(Increase) in inventories	(1,154)	53
Decrease/(Increase) in other financial assets	-	(12)
Decrease/(Increase) in other non-financial assets	(35)	21
(Decrease)/Increase in provisions	271	(30)
(Decrease)/Increase in trade payable & other financial liabilities	342	(545)
(Decrease)/Increase in current non-financial liabilities	(9)	35
<b>Cash inflow / (outflow) from operations</b>	<b>(954)</b>	<b>(492)</b>
Income tax paid (net of refund)	-	(1)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>(954)</b>	<b>(493)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	#	-
Proceeds from sale of Property, plant and equipment	30	-
<b>Net cash used in investing activities (B)</b>	<b>30</b>	<b>-</b>
<b>C. Cash flow from financing activities</b>		
Repayment of NBFC Loan (Vehicle Loan)	(30)	(7)
Loan taken from holding company	2,350	2,550
Loan repaid to holding company	(1,650)	(2,100)
Payments of Lease liabilities [including interest of Rs. 10 Lakhs (P.Y. Rs. 14 Lakhs)]	(50)	(51)
Interest Paid	(271)	(232)
<b>Net cash used in financing activities (C)</b>	<b>349</b>	<b>160</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(575)</b>	<b>(333)</b>
Cash and cash equivalents at the beginning of the year	(3,118)	(2,785)
<b>Cash and cash equivalents at the end of the year (Refer note 1 below)</b>	<b>(3,693)</b>	<b>(3,118)</b>

**Indiannica Learning Private Limited**  
**Cash Flow Statement for the year ended 31st March 2023**  
CIN: U22110DL1998PTC094399

**Notes:**

- 1 Reconciliation of cash and cash equivalent as per Cash Flow Statement

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Cash & cash Equivalent (Note 10)	306	479
Bank Overdraft (Note 18)	(3,999)	(3,597)
<b>Balance as per Cash Flow Statement</b>	<b>(3,693)</b>	<b>(3,118)</b>

- 2 Changes in financing liabilities arising from cash and non-cash changes (Refer note 42).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

As per our report of even date attached hereto

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration No. 116560W / W100149

**Prashant Daftary**

Partner

Membership Number: 117080

Place: Mumbai

Date: 11th May 2023

For and on behalf of the board of directors of  
**Indiannica Learning Private Limited**

**Anil D. Gala**

Director

DIN: 00092952

Place: New Delhi

Date: 11th May 2023

**Amit K Gala**

Managing director & CFO

DIN:01335267

Place: New Delhi

Date: 11th May 2023

**Amit D. Buch**

Company Secretary

Mem. No. A15239

Place: Mumbai

Date: 11th May 2023

**Indiannica Learning Private Limited****Statement of changes in equity for the year ended 31st March 2023**

CIN: U22110DL1998PTC094399

**A Equity share capital**

(Amount in Lakhs)

Balance as at 31st March 2021	Changes in equity share capital during the year 2021-22	Balance as at 31st March 2022	Changes in equity share capital during the year 2022-23	Balance as at 31st March 2023
4,935	-	4,935	-	4,935

**B Other equity**

(Amount in Lakhs)

Particulars	Optionally Convertible Preference Shares Refer note (a) below	Reserves and surplus		Other Comprehensive Income	Total other equity
		Securities premium	Retained earnings	Remeasurement on defined benefit plan	
<b>As at 31st March 2021</b>	<b>4,900</b>	<b>2,106</b>	<b>(10,523)</b>	<b>32</b>	<b>(3,485)</b>
(Loss) for the period	-	-	(605)	-	(605)
Remeasurement on defined benefit plan	-	-	-	14	14
<b>As at 31st March 2022</b>	<b>4,900</b>	<b>2,106</b>	<b>(11,128)</b>	<b>46</b>	<b>(4,075)</b>
Profit/(Loss) for the period	-	-	45	(11)	34
Remeasurement on defined benefit plan	-	-	-	-	-
<b>As at 31st March 2023</b>	<b>4,900</b>	<b>2,106</b>	<b>(11,083)</b>	<b>35</b>	<b>(4,041)</b>

Notes:

- a) The OCPSs were issued on a right basis to holding company 'Navneet Education Limited' at face value. The OCPSs carries 0% coupon rate. The Company has an option to convert OCPS into same number of Equity shares of the Company of Rs. 10 each (being face value of the shares) at any time after allotment date but before end of 20 years. In case OCPS are not converted by the Company, they shall be redeemed at par in full not later than 20 years from the date of allotment. In the opinion of the management of the Company, the OCPS would be fully converted into equity and there is no obligation to redeem the OCPS, considering the same, the OCPS have been classified as equity.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

As per our report of even date attached hereto

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration No. 116560W / W100149

For and on behalf of the board of directors of  
**Indiannica Learning Private Limited**

**Anil D. Gala**

Director

DIN: 00092952

Place: New Delhi

Date: 11th May 2023

**Amit K Gala**

Managing director

DIN: 01335267

Place: New Delhi

Date: 11th May 2023

**Prashant Daftary**

Partner

Membership Number: 117080

Place: Mumbai

Date: 11th May 2023

**Amit D. Buch**

Company Secretary

Mem. No. A15239

Place: Mumbai

Date: 11th May 2023

## **1 Corporate Information**

Indiannica Learning Private Limited is a private limited company domiciled in India (CIN number U22110DL1998PTC094399); and is a subsidiary of Navneet Education Limited ('the Holding Company'). The Company's operations comprises of publishing and sale of educational books with products ranging from school books, reference books, technical & professional books.

The financial statements were authorised for issue by the Board of Directors dated 11th May 2023.

## **2 Basis of preparation**

### **a) Statement of compliance:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **b) Functional and presentation of currency**

The financial statements are prepared in Indian Rupees which is also the Company's functional currency. All amounts are rounded to the nearest lakhs.

### **c) Basis of measurement**

The financial statements have been prepared on a historical cost basis except for the following:

- i) Certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments)
- ii) Defined benefit plans – plan assets measured at fair value

## **2.1 Summary of significant accounting policies**

### **(a) Presentation and disclosure of financial statements**

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a company whose financial statements are made in compliance with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and also the subsequent amendments which were notified during the year and applicable to the period.

### **(b) Property, plant and equipment and depreciation**

Property, plant and equipment including capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of Property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.

Depreciation on assets is calculated on a straight-line basis as per the useful lives of the assets prescribed under the Schedule II (under section 123) to the Companies Act, 2013, except:

a) In respect of servers and networks where the Company has estimated useful life of 3 years being lower than the useful life of 6 years as prescribed under Part C of Schedule II of the Companies Act, 2013, based on its internal technical assessment.

b) Leasehold improvements are depreciated over the period of lease term or 10 years, whichever is less.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

**(c) Intangible assets and amortisation**

Intangible assets are recognized when the entity controls the asset, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

At initial recognition, intangible assets are recognised at cost. Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with infinite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The Company has assessed the estimated useful lives of different categories of intangible assets as follows:

- a) License is capitalized at the amounts paid to acquire the respective license for use and is amortised over the period of license.
- b) Software are amortized over the period of 2.5 years (SLM).

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 are recognised in the statement of profit and loss when the asset is derecognised.

Subsequent expenditures related to an item of intangible assets are added to its carrying amount when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

**(d) 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an 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 a 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. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the statement of profit and loss when the asset is carried at the revalued amount, in which case the reversal is treated as a revaluation increase.

**(e) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- > Expected to be realised or intended to be sold or consumed in normal operating cycle
- > Held primarily for the purpose of trading
- > Expected to be realised within twelve months after the reporting period, or
- > Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**(f) Leases**

The Company has adopted Ind AS 116 'Leases' effective from 1st April 2019, as notified by the Ministry of Corporate Affairs in the Companies (Indian Accounting Standard) Amendment Rules, 2019.

#### **As a lessee**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprise of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date net of lease incentive received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term of right-of-use asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Right-of-use assets and lease liability balances are adjusted on partial / full termination of lease and corresponding gain / loss on such partial / full termination is charged to other income / other expenses in the Statement of Profit and Loss.

#### **(g) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

#### **(h) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **Financial assets**

##### **i. Initial Recognition**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. However, loans and borrowings and payables are recognized net of directly attributable transaction costs and trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

##### **ii. Subsequent measurement**

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition. Hence, it can be classified in following categories;

##### **(a) Debt instruments at amortised cost**

The category applies to the Company's trade and other receivables, cash and cash equivalents, security and other deposits. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss.



**(b) Debt instruments at fair value through other comprehensive income (FVTOCI)**

A 'debt instrument' is classified at the FVTOCI if both of the following criteria are met

- Financial asset is held with the business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and
- 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

After initial measurement, such financial assets are subsequently measured at fair value and fair value movements are recognised in other comprehensive income. However, interest income, impairment losses & reversal of impairment losses and foreign exchange gain or loss is recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in other comprehensive income is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest method.

**(c) Debt instruments at fair value through profit or loss (FVTPL)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or at FVTOCI, is classified at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument at FVTPL.

**(d) Equity instruments measured at fair value**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. All equity instruments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss except for those equity instruments for which the entity has elected to present value changes in other comprehensive income. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has not designated any equity instrument at FVTOCI.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- (a) The rights to receive cash flows from the asset have expired or
- (b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - i. The Company has transferred substantially all the risks and rewards of the asset or
  - ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade and other receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

## **Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, etc.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at amortised cost**

This category includes trade and other payables etc. After initial recognition, such liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### **Financial liabilities at fair value through profit or loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in other comprehensive income. These gains / losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

## **Loans & borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Classification as debt or equity instrument**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### **Compound financial instruments**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

#### **Re-classification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company re-classifies financial assets, it applies the re-classification prospectively from the re-classification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **(i) Inventories**

- i. Materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- ii. Finished goods: Finished goods are valued at the lower of cost and net realisable value. cost includes cost of purchase of direct materials and labour. Cost is determined on first in, first out basis.
- iii. Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **(j) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

- i. Sale of goods  
Revenue is recognized upon transfer of control of promised products to customers, which is typically upon delivery of the goods to the customer, in an amount that reflects the expected consideration to be received in exchange for those products, is measured at the amount of transaction price net of variable consideration.
- ii. Subscription of digital content and royalty for right to use license:  
Revenue from subscription of digital content and royalty for right to use license are accounted over the subscription period / agreement period in accordance with the terms of the arrangement on straight line basis.
- iii. Interest  
Interest income is recognised as it accrues in statement of profit and loss, using the effective interest rate (EIR) which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.
- iv. Right to return assets  
A right of return gives the company a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company has presented its right to return assets under other current assets.

#### **(k) Taxes**

The income tax expense comprises of current and deferred income tax. Income tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in the other comprehensive income or directly in equity, where the related income tax is also recognised accordingly.

#### **Current income tax**

The current income tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognized in the balance sheet as current income tax assets / liabilities.

Any interest / penalties, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### **Deferred income tax**

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **(l) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost.

#### **(m) Employee benefits**

##### **i) Short term employee benefit**

All employee benefits falling due wholly within twelve months after the end of the reporting period are classified as short term employee benefits and they are recognised as an expense at the undiscounted amount in the statement of profit and loss in the period in which the employee renders the related service.

##### **ii) Post-employment benefits**

###### **a) Defined contribution plan**

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund, Employee State Insurance Scheme and Government Pension Fund. The Company's contribution to defined contribution plans are recognised in the statement of profit and loss in the period in which the employee renders the related services.

###### **b) Defined benefit plan**

The Company's obligation towards gratuity liability is funded. The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

The interest cost on defined benefit obligation is recognised under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

###### **c) Compensated absences**

The Company has benefits in the form of compensated absences. The present value of such compensated absences is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit and loss as income or expense.

Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

**(n) Provisions**

**(i) General**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

**(ii) Contingent assets/ liabilities**

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(o) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to ordinary equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible instruments and it is included from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to ordinary equity shareholders of the Company by the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(p) Fair value measurement**

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 — unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

**(q) Foreign currency transactions**

The Company's financial statements are presented in reporting currency, which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates revenues and incurs expenses.

Transactions in foreign currencies are initially recorded at the spot rates prevailing at the date the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**(r) Segment reporting policies**

The operating segments have been identified taking into account the nature of the products / services, nature of risks and returns, internal organization structure and internal financial reporting system. In accordance with Ind AS 108, identification of the operating segment is based on the conditions specified in paragraph 5 to the standard, i.e. the segment engages in business activities, performance is regularly reviewed by CODM and discrete financial information is available for the segment.

Operating Segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**(s) Cash Flow Statement**

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

**2.2 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**(a) Allowances for doubtful receivables**

The management estimates at each reporting date the recoverability of its trade and other receivables. Allowances for doubtful receivables is estimated based on the best available facts and circumstances, including but not limited to, confirmation from the customers using the ECL approach. The allowances are re-valued and adjusted as additional information received affects the amount estimated.

**(b) Defined benefit plan**

The cost of defined benefit plan as well as the present value of the benefit obligations are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include determination of discount rates, future salary increase and mortality rates. Due to complexity of the valuation and the underlying assumptions, defined benefit plan obligations are highly sensitive to changes in these assumptions.

**(d) Fair value of financial instruments**

Where the fair value of the financial statements recorded on balance sheet cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow method. The input to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

**(e) Income taxes**

The Company has exposure to income taxes primarily in Indian jurisdictions. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which losses can be utilized. Significant management's judgement is required to determine the amounts of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits along with future tax planning strategies. Considering lower probability of future taxable profit, utilisation of deferred tax asset is not certain, hence the same is not recognised in full and also carry forward losses and unabsorbed depreciation are not considered for calculation of DTA.

**(f) Provision for Refund Liability**

Provision for expected refund liability is made based on the review of past trend of actual sales returns. This involves:  
Estimation of expected sales return as compared to trend available for actual sales return based on market conditions, review of special terms / guarantee offered to customers and other factors; and  
Judgement of market response for new products launched during the year.

**2.3 Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31st, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2023, as below:

**Ind AS 1 – Preparation of Financial Statements:**

Companies should now disclose "Material Accounting Policies" rather than their "Significant Accounting Policies". Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:**

Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. A company develops an accounting estimate to achieve the objective set out by an accounting policy. Accounting estimates include:

- a) Selection of a measurement technique (estimation or valuation technique)
- b) Selecting the inputs to be used when applying the chosen measurement technique.

**Ind AS 12 – Income Tax:**

Narrowed the scope of the Initial Recognition Exemption (with regard to leases and decommissioning obligations). Now such exemption does not apply to transactions that give rise to equal and offsetting temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

The Company does not expect the above amendments to have any significant impact in its financial statements.

**Indiannica Learning Private Limited**

**Notes to the financial statements for the year ended 31st March 2023**

CIN: U22110DL1998PTC094399

**3 Property, plant and equipment**

(Amount in Lakhs)

Particulars	Computers	Office equipment	Furniture and fixtures	Motor vehicles	Total
<b>Gross block</b>					
<b>As at March 31, 2021</b>	<b>158</b>	<b>22</b>	<b>5</b>	<b>62</b>	<b>247</b>
Additions					-
Disposals / Adjustments	#				-
<b>As at March 31, 2022</b>	<b>158</b>	<b>22</b>	<b>5</b>	<b>62</b>	<b>247</b>
Additions		#			#
Disposals / Adjustments	(7)			(62)	(69)
<b>As at March 31, 2023</b>	<b>151</b>	<b>22</b>	<b>5</b>	<b>0</b>	<b>178</b>
<b>Accumulated depreciation</b>					
<b>As at March 31, 2021</b>	<b>143</b>	<b>15</b>	<b>1</b>	<b>23</b>	<b>182</b>
Charge for the year	10	2	1	8	21
Disposals / Adjustments					-
<b>As at March 31, 2022</b>	<b>153</b>	<b>17</b>	<b>2</b>	<b>31</b>	<b>203</b>
Charge for the year	4	1	1	2	8
Disposals / Adjustments	(7)			(33)	(40)
<b>As at March 31, 2023</b>	<b>150</b>	<b>18</b>	<b>3</b>	<b>0</b>	<b>171</b>
<b>Net book value</b>					
As at March 31, 2022	5	5	3	31	44
<b>As at March 31, 2023</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>7</b>

Notes:

- 3.1 For details of charge on above assets, refer note 18.3 of the financial statement.



**Indiannica Learning Private Limited****Notes to the financial statements for the year ended 31st March 2023**

CIN: U22110DL1998PTC094399

**4 Right of use Assets**

(Amount in Lakhs)

<b>Particulars</b>	<b>Office premises</b>
<b>Gross block</b>	
<b>As at March 31, 2021</b>	<b>176</b>
Additions	
Disposals / adjustments	
<b>As at March 31, 2022</b>	<b>176</b>
Additions	
Disposals / adjustments	(8)
<b>As at March 31, 2023</b>	<b>168</b>
<b>Accumulated depreciation</b>	
<b>As at March 31, 2021</b>	<b>10</b>
Charge for the year	44
Disposals / adjustments	
<b>As at March 31, 2022</b>	<b>54</b>
Charge for the year	43
Disposals / adjustments	
<b>As at March 31, 2023</b>	<b>97</b>
<b>Net book value</b>	
As at March 31, 2022	121
<b>As at March 31, 2023</b>	<b>71</b>

Notes:

- 4.1 For details of other disclosures required under Ind AS 116 on above assets, refer note 35 of the financial statement.
- 4.2 During the year, the Company has modified the lease agreement for office premises and has complied with treatment of Ind AS 116. (Refer note 23)

**5 Intangible assets (other than goodwill)**

(Amount in Lakhs)

Particulars	Software	Licenses	Total
<b>Gross block</b>			
<b>As at March 31, 2021</b>	<b>62</b>	<b>3,500</b>	<b>3,562</b>
Additions	-	-	-
Disposal	-	-	-
<b>As at March 31, 2022</b>	<b>62</b>	<b>3,500</b>	<b>3,562</b>
Additions	-	-	-
Disposal	-	-	-
<b>As at March 31, 2023</b>	<b>62</b>	<b>3,500</b>	<b>3,562</b>
<b>Accumulated Amortisation</b>			
<b>As at March 31, 2021</b>	<b>56</b>	<b>2,050</b>	<b>2,106</b>
Additions	6	482	488
Disposal	-	-	-
<b>As at March 31, 2022</b>	<b>62</b>	<b>2,532</b>	<b>2,594</b>
Additions	0	483	483
Disposal	-	-	-
<b>As at March 31, 2023</b>	<b>62</b>	<b>3,015</b>	<b>3,077</b>
<b>Net book value</b>			
As at March 31, 2022	-	968	968
<b>As at March 31, 2023</b>	<b>-</b>	<b>485</b>	<b>485</b>

5.1 Impairment test for Licenses has been carried out by the management based on the projections provided. Remaining useful life of this license is also one year for which projections are made. The value in use of the future earnings based on the projections is significantly higher than the carrying value of the licenses. Some of the assumptions based on which projections are prepared based on market estimates and management judgements which have been relied upon by the auditors.

5.2 Disclosures on impairment test for licenses

- Impairment loss recognised / (reversal) in the Statement of Profit & Loss and in the Other Comprehensive Income is Rs. Nil (Previous year: Rs. NIL).
- Assumptions used to determine the recoverable amount of brand licenses, are prepared based on market estimates and management judgements (i.e. Growth rate, EBIT, discount rate etc.)
- The management has carried out sensitivity analysis of discount rate and growth rate considered to arrive at value in use and accordingly to the same also, there is no provision for impairment required.

5.3 Details of remaining amortisation period and carrying value of intangibles are as under:

Description	Carrying amount as at (Amount in Lakhs)		Remaining useful life as at [in months]	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Licenses	485	968	12	24
<b>Total</b>	<b>485</b>	<b>968</b>		

**6 Security deposits**

**At amortised cost**

(Unsecured, considered good)

Security deposits

Less: Provision for doubtful deposit

**Total**

March 31, 2023	March 31, 2022
57	57
(11)	(11)
<b>46</b>	<b>46</b>

**Indiannica Learning Private Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
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**7 Deferred tax relates to the following**

Particulars	(Amount in Lakhs)			
	Balance sheet		Statement of profit and loss	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Deferred tax liability</b>				
Accelerated depreciation for tax purposes	(107)	(107)	-	-
Lease assets net of lease liabilities	-	-	-	-
	<b>(107)</b>	<b>(107)</b>	-	-
<b>Deferred tax Assets</b>				
Provision for sales returns	72	72	-	-
Provision for obsolete inventories	38	38	-	-
Provision for employee benefits	30	30	-	-
Provision for doubtful receivables	150	150	-	-
Provision for bonus	58	58	-	-
	<b>348</b>	<b>348</b>	-	-
<b>Deferred tax (expense)/income</b>	-	-	-	-
<b>Net deferred tax assets</b>	<b>241</b>	<b>241</b>	-	-
<b>Reconciliation of deferred tax assets (net)</b>			<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Opening balance</b>			241	241
Tax (expense) during the year recognised in profit or loss			-	5
Tax income/(expense) during the year recognised in OCI			-	(5)
<b>Closing balance</b>			<b>241</b>	<b>241</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

- 7.1 Considering significant past losses & unabsorbed depreciation and history of losses, deferred tax asset has not been created due to uncertainty as regards the timing of the realisation. In earlier year, Deferred Tax Assets (DTA) had partially recognised to the extent it is certain to be utilised. Accordingly, carry forward losses and unabsorbed depreciation are not considered for calculation of partial DTA.
- 7.2 Also refer note 30(c).

**Indiannica Learning Private Limited**  
**Notes to the financial statements for the year ended 31st March 2023**  
CIN: U22110DL1998PTC094399

Particulars	(Amount in Lakhs)	
	March 31, 2023	March 31, 2022
<b>8 Inventories (Refer Note 18.5)</b>		
(valued at lower of cost or net realizable value)		
Materials	616	51
Less: Provision for Obsolete Material	-	(51)
	616	-
Finished goods		
Manufactured goods	1,426	959
Less: Provision for Obsolete Inventory	(118)	(68)
	1,308	891
Traded goods	11	36
<b>Total</b>	<b>1,935</b>	<b>927</b>

8.1 During the year, the Company has written off Rs.146 Lakhs (Previous Year: Rs. 132 Lakhs) & charged to the Statement of Profit & Loss.

**9 Trade receivables**

Considered good	6,923	5,606
Significant increase in credit risk	-	-
Credit impaired	-	-
	<b>6,923</b>	<b>5,606</b>
Considered good		
Less: Allowance for bad and doubtful debts & credit losses	(631)	(681)
<b>Total</b>	<b>6,292</b>	<b>4,925</b>

9.1 Trade receivables ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,946	245	90	150	363		6,794
(ii) Disputed Trade receivables - which have significant increase in credit risk						129	129
Less: Allowance for bad and doubtful debts & credit losses							(631)
<b>Total</b>	<b>5,946</b>	<b>245</b>	<b>90</b>	<b>150</b>	<b>363</b>	<b>129</b>	<b>6,292</b>

**Indiannica Learning Private Limited**
**Notes to the financial statements for the year ended 31st March 2023**

CIN: U22110DL1998PTC094399

9.2 Trade receivables ageing schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment Previous year						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,835	25	128	106	175	206	5,475
(ii) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	131	131
Less: Allowance for bad and doubtful debts & credit losses	-	-	-	-	-	-	(681)
<b>Total</b>	<b>4,835</b>	<b>25</b>	<b>128</b>	<b>106</b>	<b>175</b>	<b>337</b>	<b>4,925</b>

9.3 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on credit terms of 90 to 120 days.

9.4 The Company follows simplified approach & the trade receivables do not contain significant financing component and accordingly the Company does not separately track changes in credit risk of trade receivables as the impairment amount represents "lifetime" expected credit loss. Accordingly, the disclosure as required by Schedule III, Division II as regards (a) Trade Receivables which have significant increase in credit risk & (b) Trade Receivables which are credit impaired is not required. In addition to collective pool assessment, the Company has carried out individual assessment as well, however, the amount of loss allowance to be recognised for such trade receivables is Rs. Nil (Previous year: Rs. Nil).

**10 Cash and cash equivalents**

Cash On hand	#	#
Balance with Scheduled Banks		
- On current accounts	306	479
<b>Total</b>	<b>306</b>	<b>479</b>

**11 Other bank balances**

Margin money deposits (Refer note 11.1 below)	4	4
Fixed deposits with original maturity for more than 3 months but less than 12 months	11	10
<b>Total</b>	<b>15</b>	<b>14</b>

11.1 Margin money deposit balance represents restricted deposits (along-with accrued interest thereon) under lien (subject to first charge to secure the Company's bank guarantee) placed with sales tax authorities.

**12 Other current assets**

Advance to suppliers	96	103
Less: Allowance for doubtful advances	(56)	(56)
	40	47
Prepayments	38	33
Right to return	439	388
Advances to Employees for expenses	34	39
Goods and Service Tax	9	13
Prepaid gratuity	-	6
<b>Total</b>	<b>560</b>	<b>524</b>

**13 Share capital**

(Amount in Lakhs)

a) Authorised share capital	2022-2023	2021-2022
5,07,00,000 (Previous year: 5,07,00,000) equity shares of Rs.10/- each	5,070	5,070
4,90,00,000 (Previous year: 4,90,00,000) optionally convertible preference shares of Rs.10/- each	4,900	4,900
<b>Total Authorised capital</b>	<b>9,970</b>	<b>9,970</b>

b) Issued share capital	2022-2023		2021-2022	
	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs
<b>Equity shares</b>				
At the beginning of the year	4,93,51,063	4,935	4,93,51,063	4,935
Add: Shares Issued	-	-	-	-
Less: Shares Cancelled / Buy Back	-	-	-	-
<b>At the end of the year</b>	<b>4,93,51,063</b>	<b>4,935</b>	<b>4,93,51,063</b>	<b>4,935</b>
<b>0% Optionally Convertible Preference Shares</b>				
At the beginning of the year	4,90,00,000	4,900	4,90,00,000	4,900
Add: Shares Issued	-	-	-	-
Less: Shares Cancelled / Buy Back	-	-	-	-
<b>At the end of the year</b>	<b>4,90,00,000</b>	<b>4,900</b>	<b>4,90,00,000</b>	<b>4,900</b>

Note - The proceeds from issue of shares during the previous year had been used in accordance with the purpose of the issue.

**c) Rights, preference and restrictions attached to shares:**

**Equity shares**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the equity shares held by the shareholders.

**0% Optionally Convertible Preference Shares**

The Company has only one class of 0% Optionally Convertible Preference Shares having par value of Rs.10 per share. Refer note (a) to the Statement of Changes in Equity.

**d) Details of shareholders (as per the register of shareholders) holding more than 5% of shares in the Company:**

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of Rs. 10 each fully paid up</b>				
Navneet Education Limited, the holding company	4,93,51,048	99.99%	4,93,51,048	99.99%
<b>Optionally Convertible Preference Shares</b>				
Navneet Education Limited, the holding company	4,90,00,000	100.00%	4,90,00,000	100.00%

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

**e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceeding the reporting date:**

There is no issue of shares pursuant to contract without payment being received in cash during the previous five years.

**f) Shareholding of Promoters as under:**

Shares held by promoters at the end of the year				% Change during the year
Sr. no	Promoter Name	No. of Shares	% of total shares	
1	Navneet Education Ltd.	4,93,51,048	99.99%	-

Shares held by promoters at the end of the year Previous Year				% Change during the year
Sr. no	Promoter Name	No. of Shares	% of total shares	
1	Navneet Education Ltd.	4,93,51,048	99.99%	-

**Indiannica Learning Private Limited**
**Notes to the financial statements for the year ended 31st March 2023**

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(Amount in Lakhs)

Particulars	March 31, 2023	March 31, 2022
<b>14 Borrowings</b>		
<b>Non-current borrowings</b>		
Vehicle Loan (Secured)		30
Indian rupee loan from NBFC (Refer note 14.1 below)	-	(7)
Less: Amount presented under 'Short Term Borrowings' (Refer note 18)	-	-
<b>Total</b>	<b>-</b>	<b>23</b>

14.1 Vehicle loan (Secured) amounting to Rs. 55 Lakhs was taken during the financial year 2018-19 and carries interest @ 10.7044%. During the current year the above loan is fully repaid.

**15 Lease Liabilities**

Lease liabilities on right of use assets	82	130
Less: Amount presented under current lease liability	(45)	(42)
<b>Total</b>	<b>37</b>	<b>88</b>

**16 Other non-current liabilities**

Deferred revenue	2	5
<b>Total</b>	<b>2</b>	<b>5</b>

**17 Provisions**

Provision for employee benefits		
- Gratuity (Refer note 32)	27	-
- Compensated absences	75	67
Other provisions		
- Performance bonus	178	172
- Refund liability	1,380	1,123
Discount	311	327
Provision for contingencies (Refer Note 17.3(d))	149	149
<b>Total</b>	<b>2,120</b>	<b>1,838</b>

17.1 Current and non-current bifurcation:

Particulars	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Gratuity	27	-	-	-
Compensated absences	75	-	67	-
Performance bonus	178	-	172	-
Refund liability	1,380	-	1,123	-
Discount	311	-	327	-
Provision for contingencies	149	-	149	-
<b>Total</b>	<b>2,120</b>	<b>-</b>	<b>1,838</b>	<b>-</b>

17.2 Movement of other provisions :

Particulars	Performance Bonus	Refund liability	Total
At April 01, 2022	172	1,123	1,295
Add: additions during the year	147	2,575	2,723
Less: amount used / adjustment during the year	(141)	(2,002)	(2,143)
Less: discount	-	(316)	(316)
<b>At March 31, 2023</b>	<b>178</b>	<b>1,380</b>	<b>1,559</b>
At April 01, 2021	91	957	1,048
Add: additions during the year	274	2,590	2,864
Less: amount used / adjustment during the year	(193)	(2,324)	(2,517)
Less: discount	-	(100)	(100)
<b>At March 31, 2022</b>	<b>172</b>	<b>1,123</b>	<b>1,295</b>

17.3 Description of provisions:

- Employee benefits  
Refer note 32 for details of employee benefits provided by the Company.
- Provision for Refund liability  
Provision for expected refund liability are made based on trend arrived as average of actual sales return to sales of previous three normal years and management estimate. (Excluding covid year)
- Provision for Performance Bonus  
The Company has made provisions for performance bonus which are expected to be paid in the next year.
- Provision for contingencies  
The Company has made provision for contingencies of Rs. 149 lakhs in respect to certain legal matters which is pending to be resolved.
- Provision for Discount  
The Company has made provisions for discount which are expected to be paid in the next year.

(Amount in Lakhs)

Particulars	March 31, 2023	March 31, 2022
<b>18 Borrowings</b>		
Unsecured		
Loan from holding company (Refer note 18.1 and note 36)	1,550	850
Secured		
Bank overdraft (Refer note 18.2 & 18.3 below)	3,999	3,597
Current maturity of vehicle loan from NBFC	-	7
<b>Total</b>	<b>5,549</b>	<b>4,454</b>

- 18.1 Inter-corporate loan (unsecured) is taken from the holding company (Navneet Education Limited) and carries interest @ 6.50 to 7% (31st March 2022: 6.70% to 7%).
- 18.2 The average rate of interest for the above mentioned overdraft facility during the year is 8.05% per annum (Previous year 7.25% per annum).
- 18.3 Bank Overdraft is secured against charge on current assets & fixed assets (both present and future) of the Company, along with Corporate Guarantee for Rs. 4,000 Lakhs (Previous Year: Rs. 4,000 Lakhs) from holding company.
- 18.4 The company has utilized the funds borrowed from banks for the purpose for which it was obtained.
- 18.5 During the earlier years, the company has been sanctioned working capital limits from banks on the basis of security of current assets; for which the quarterly returns or statements has been filed by the company with such banks which are in agreement with the books of accounts of the Company except on account of quarter-end cut off / finalization entries as mentioned below:

(a) For financial year 2022-23 :

(Amount in Lakhs)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Q1	Axis Bank Limited	Inventory & debtors	6,292	5,859	433
Q3	Axis Bank Limited	Inventory & debtors	4,836	4,946	(110)
Q4	Axis Bank Limited	Inventory & debtors	8,976	8,944	32

(b) For financial year 2021-2022 :

In the previous year, the Company had taken working capital loan from CITI Bank and there was no requirement for submission of quarterly statements.

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Q1	Axis Bank Limited	Inventory & debtors	6,181	6,191	(10)
Q2	Axis Bank Limited	Inventory & debtors	4,594	4,589	5
Q3	Axis Bank Limited	Inventory & debtors	3,672	3,691	(19)

## 19 Trade payables

- Due to Micro, Small and Medium Enterprises (Refer note 19.3 below)
- Due to Others

171	218
1,007	622
<b>1,178</b>	<b>840</b>

The following ageing schedule shall be given for trade payables due for payment:

Trade payables ageing schedule as at 31st March 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	171	-	-	-	171
(ii) Others	5	979	23	-	-	1,007
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>5</b>	<b>1,150</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>1,178</b>

Trade payables ageing schedule as at 31st March 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment Previous Year				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	218	-	-	-	218
(ii) Others	49	546	25	2	-	622
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>49</b>	<b>764</b>	<b>25</b>	<b>2</b>	<b>-</b>	<b>840</b>

- 19.1 Trade payables are non-interest bearing and are normally settled on 0-90 days credit terms.



**Indiannica Learning Private Limited****Notes to the financial statements for the year ended 31st March 2023**

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(Amount in Lakhs)

Particulars	March 31, 2023	March 31, 2022
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19.2 For explanations on the Company's credit risk management processes, refer note 38.

19.3 Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), as on 31st March 2023 based on available information with the Company which are as under:

Particulars	2022-2023	2021-2022
a) the principal amount remaining unpaid to any supplier at the end of accounting year;	-	-
b) the interest due on above, remaining unpaid to any supplier at the end of accounting year;	-	-
c) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting year;	-	-
d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
e) the amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

**20 Other financial liabilities****Other financial liabilities at amortised cost**

Employee Benefits Payable	32	28
<b>Total</b>	<b>32</b>	<b>28</b>

**21 Other current liabilities**

Statutory Dues		
- Provident fund / ESIC / Profession tax	14	12
- Tax deducted at source	53	59
- Goods and Service Tax	49	50
Deferred Revenue	13	15
<b>Total</b>	<b>129</b>	<b>136</b>

(Amount in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>22 Revenue from operations</b>		
a) Sale of products (refer note 22.2)		
Finished goods (Books)	9,855	7,715
Traded Goods (Books)	25	118
Total sales	9,880	7,833
Less: Sales discount and incentives	(3,520)	-2,506
	<b>6,360</b>	<b>5,327</b>
b) Other operating Revenue	157	130
<b>Total</b>	<b>6,517</b>	<b>5,457</b>

**22.1 Details of products sold**

Finished goods sold		
Books	9,855	7,715
CD Sales	-	-
	<b>9,855</b>	<b>7,715</b>
Traded goods sold		
Books	25	118
CD Sales	-	-
	<b>25</b>	<b>118</b>
	<b>9,880</b>	<b>7,833</b>

**22.2 Provision for Refund liability:**

The above sales of product is net of refund liability made during the year amounting to Rs 1,380 Lakhs (Previous year Rs 1,123 Lakhs).

**22.3 Disclosures of Ind AS 115:**

- a) Contracts with customer and significant judgement in applying the standard:
  - i) The company is in the business of publishing and sale of educational books with products ranging from school books, reference books, technical & professional books.

The company applies the guidance provided in Ind AS 115 'Revenue from contracts with customer' for determining the timing of recognition of revenue. Refer note 2.1(j) of significant accounting policies.
- ii) For details of revenue recognised from contracts with customers, refer note 22 above.
- iii) There are no contract assets arising from the Company's contract with customers.
- b) Disaggregation of revenue
  - i) For disaggregation of revenue, refer break-up given in note 22 above.
- ii) No single customer represents 10% or more of the Company's total revenue during the period ended 31st March 2023 and 31st March 2022.
- c) Performance obligation
  - i) For timing of satisfaction of its performance obligations, refer note 2(j) of significant accounting policies of the Company.
  - ii) Unsatisfied (or partially satisfied) performance obligations are due to unexpired contract period in cases where the contract for Subscription of digital content and royalty for right to use license. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs. 15 Lakhs (31st March 2022: Rs. 20 Lakhs); out of which 86% (31st March 2022: 75%) is expected to be recognised as revenue in the next 12 months.

**d) Right to return assets**

Particulars	31st March 2023	31st March 2022
Right to return assets	439	388

During the year the Company has disclosed the right to return assets separately effective current year under "Other Current Assets". This was earlier forming part of forming part of inventories.

**23 Other income**

Finance income		
Interest on deposits with bank	#	-
Miscellaneous income		
(i) Profit on Lease modification	1	
(ii) Royalty income	2	10
<b>Total</b>	<b>3</b>	<b>10</b>

(Amount in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>24 Cost of materials and components consumed</b>		
<b>Material consumed</b>		
Inventory at the beginning of the year	51	5
Add : Purchases	3,146	1,535
	<b>3,197</b>	<b>1,540</b>
Less: inventory at the end of the year	616	51
<b>Total</b>	<b>2,581</b>	<b>1,489</b>
<b>25 Decrease/ (Increase) in inventories of finished goods and traded goods</b>		
Inventories at the end of the period		
Finished goods (Books)	1,308	845
Traded Goods	11	36
Inventories at the beginning of the period		
Finished goods (Books)	845	1,061
Traded Goods	36	60
<b>Total</b>	<b>(438)</b>	<b>240</b>
<b>25.1 Details of Inventory:</b>		
Manufactured goods		
Books	1,426	934
CDs / Coupons	-	25
	<b>1,426</b>	<b>959</b>
Traded Goods		
Books	11	28
CDs	-	8
	<b>11</b>	<b>36</b>
<b>Total</b>	<b>1,437</b>	<b>995</b>
<b>26 Employee benefits expense</b>		
Salaries, allowances and bonus	1,658	1,574
Contribution to provident and other funds	84	85
Gratuity expense (Refer note 32)	25	23
Staff welfare expenses	49	42
<b>Total</b>	<b>1,816</b>	<b>1,724</b>
<b>27 Finance costs</b>		
Interest		
- On borrowings	268	232
- On statutory dues	3	#
Ancillary borrowing costs	-	-
- On leased Asset (Refer note 35)	10	14
Other finance charges	2	2
<b>Total</b>	<b>283</b>	<b>248</b>
<b>28 Depreciation and amortisation expense</b>		
Depreciation of tangible assets (Refer note 3)	8	21
Depreciation of right-of-use assets (Refer note 4)	42	44
Amortisation of intangible assets (Refer note 5)	483	488
<b>Total</b>	<b>533</b>	<b>553</b>

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(Amount in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>29 Other expenses</b>		
Royalty	321	338
Editorial expenses	197	380
Travelling and conveyance	363	218
Logistics expenses	498	387
Business promotion	64	25
Advertisement and sales promotion expenses	23	12
Legal and professional fees	21	25
Rent & Maintenance	59	57
Payment to auditor (Refer note 29.1 below)	10	9
Repairs and maintenance		
Computers	57	59
Others	6	5
Electricity and water	23	18
Communication costs	13	15
Packing cost	6	33
Miscellaneous expenses	28	38
Provision for contingencies (Refer Note 17.3 (d))	-	149
<b>Total</b>	<b>1,689</b>	<b>1,768</b>

**29.1 Payment to auditors (including GST):**

As auditors

Statutory audit fee

Tax audit fee

9	8
1	1
<b>10</b>	<b>9</b>

**30 Income tax**

The major components of income tax expense for the years ended 31st Mar 2023 and 31st March 2022 are:

**a) Statement of profit and loss**

Current tax

-

-

Deferred tax

-

(5)

Total tax expenses as per statement of profit and loss

-

**(5)****b) Reconciliation of income tax expense and the accounting profit multiplied by statutory tax rate:**

Profit/(Loss) before tax

45

(610)

Enacted tax rates in India

22.88%

22.88%

Computed expected tax expense

10

(139)

DTA not recognised on tax loss and other assets

-10

134

At the effective income tax rate

-

(5)

Income tax expense reported in the statement of profit and loss

-

**(5)**

**Indiannica Learning Private Limited****Notes to the financial statements for the year ended 31st March 2023**

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(Amount in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
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- c) Considering significant past losses & unabsorbed depreciation and history of losses, deferred tax asset has not been created due to uncertainty as regards the timing of the realisation. In earlier year, Deferred Tax Assets (DTA) had partially recognised to the extent it is certain to be utilised. Accordingly, carry forward losses and unabsorbed depreciation are not considered for calculation of partial DTA.

Details of tax losses:

The Company is having carry forward depreciation losses as at 31st March 2023 of Rs. 3,201 Lakhs (Previous year: Rs. 2,998 Lakhs) which doesn't have any expiry date and carry forward business losses as on 31st March 2023 is Rs. 7,148 Lakhs (Previous year: Rs. 6,587 Lakhs) which will be expired in next 2 to 8 years (Previous year : 3 to 8 years).

**31 Earnings per share (EPS)**

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	2022-23	2021-22
Weighted average number of equity shares at the end of the year for calculation EPS (in Numbers)		
(1) Basic	4,93,51,063	4,93,51,063
(2) Diluted	9,83,51,063	4,93,51,063
Net Profit/(Loss) before Other Comprehensive Income available for computing basic and diluted EPS	45	(605)
Earnings per equity share (in INR)		
(1) Basic	0.09	(1.23)
(2) Diluted	0.05	(1.23)

- 31.1 As per paragraph 23 of Ind AS 33 'Earnings Per Share', mandatorily convertible instrument should be considered for basic EPS from the date of the contract and accordingly, optionally convertible preference shares (OCPs) issued by the Company are not considered for the purpose of calculation of basic EPS in current and previous year. Further, during the current year the OCPs is considered for calculation of diluted EPS whereas in previous year the same was not considered for the purpose of calculation of diluted EPS, as impact of the same was anti-dilutive.

**32 Defined benefit plan**

	(Amount in Lakhs)	
	March 31, 2023	March 31, 2022
(i) Provision for gratuity	27	-
<b>Total</b>	<b>27</b>	<b>-</b>

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service or part thereof in excess of six months. The scheme is funded with Life Insurance Corporation.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet and changes in the projected benefit obligation.

**Net benefit expense recognised in the statement profit and loss**

Current service cost	26	23
Interest cost on benefit obligation (Net)	#	#
	<b>26</b>	<b>23</b>

**Net benefit expense recognised in the other comprehensive income**

Re-measurement (loss)/gain on defined benefit plan	(11)	19
	<b>-11</b>	<b>19</b>

**Balance sheet**

Present value of defined benefit obligation	(124)	(98)
Fair value of plan assets	96	104
Plan liability	<b>(28)</b>	<b>6</b>

**Changes in the present value of the defined benefit obligation (DBO)**

Opening defined benefit obligation	98	128
Interest cost	7	9
Current service cost	26	23
Benefits paid	(17)	(36)
Actuarial losses on obligation	10	(25)
<b>Closing defined benefit obligation</b>	<b>124</b>	<b>98</b>

**Changes in fair value of plan assets**

Opening fair value of plan assets	104	123
Expected return	6	2
Contributions by employer	3	15
Benefit paid	(17)	(36)
Actuarial gain	-	-
<b>Closing fair value of plan assets</b>	<b>96</b>	<b>104</b>

The Company expects to contribute Rs. 32.27 Lakhs to gratuity in the next year.

**The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**

	March 31, 2023	March 31, 2022
Life Insurance Corporation [Funds Managed by Insurer]	100%	100%

**The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:**

	March 31, 2023	March 31, 2022
Discount rate	7.39%	7.26%
Salary escalation	9.00%	9.00%
Mortality rates	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Employee turnover		
Ages: up to 30 years	20.00%	20.00%
From 31 to 44 years	15.00%	15.00%
Above 44 years	10.00%	10.00%
Normal retirement age(Years)	65	65
Average remaining working life (Years)	27.12	28.21

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.

**Sensitivity Analysis of the defined benefit obligation.**

	(Amount in Lakhs)	
	March 31, 2023	March 31, 2022
<b>a) Impact of the change in discount rate</b>		
Present Value of Obligation at the end of the period	124	98
Impact due to increase of 0.50 %	-4.56	-3.76
Impact due to decrease of 0.50 %	4.88	4.04

**b) Impact of the change in salary increase**

Present Value of Obligation at the end of the period	124	98
Impact due to increase of 0.50 %	4.79	3.96
Impact due to decrease of 0.50 %	-4.51	-3.72

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

	(Amount in Lakhs)	
<b>Maturity profile of defined benefit obligation</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Within the next 12 months (next annual reporting period)	12	7
Between 1 and 5 years	44	37
Between 5 and 10 years	68	55

(ii) Defined benefit plan and long term employment benefits: Compensated absences (unfunded)

In respect of Compensated absences, accrual is made on the basis of a year-end actuarial valuation in pursuance of the Company's leave rules.

The Company has provided for compensated absences based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of leave encashment plan:

	(Amount in Lakhs)	
<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Change in Obligation</b>		
Opening Present Value	67	94
Service Cost	22	20
Actuarial changes arising from changes in financial assumptions	-1	-3
Actuarial changes arising from changes in demographic assumptions	0	0
Actuarial changes arising from changes in experience adjustments	-6	-23
Interest Cost	5	6
Less :Benefits paid	-12	-27
<b>Closing Present Value</b>	<b>75</b>	<b>67</b>

<b>Change in Plan Asset</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Opening Fund Balance	-	-
Interest Income	-	-
Return on the plan asset	-	-
Contribution by the Company	-	-
Less :Benefits paid	-	-
<b>Closing Fund Balance</b>	<b>-</b>	<b>-</b>

<b>Reconciliation of present value of obligation and the plan asset</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Closing Fund Balance	-	-
Closing present value	75	67
<b>Net Liability recognized in balance sheet</b>	<b>75</b>	<b>67</b>

<b>Expenses recognized in the Statement of Profit &amp; Loss</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Current Service Cost	22	20
Interest Cost	5	6
Expected Return on Plan Assets	-	-
Net Actual (Gain) / Loss recognized	(7)	(26)
<b>Expenses recognized in the Statement of P&amp;L</b>	<b>20</b>	<b>1</b>

<b>Movement in the Liability recognized in Balance Sheet</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Opening Net Liability	67	94
Expenses as above	20	1
Benefits paid	(12)	(27)
<b>Closing Net Liability</b>	<b>75</b>	<b>67</b>

<b>Sensitivity analysis for the year ended 31st March 2023:</b>		
<b>PVO</b>	<b>Discount rate</b>	<b>Salary escalation rate</b>
Effect on defined benefit obligation due to increase by 50 basis point	-3	3
Effect on defined benefit obligation due to decrease by 50 basis point	3	-3

<b>Sensitivity analysis for the year ended 31st March 2022:</b>		
<b>PVO</b>	<b>Discount rate</b>	<b>Salary escalation rate</b>
Effect on defined benefit obligation due to increase by 50 basis point	-3	3
Effect on defined benefit obligation due to decrease by 50 basis point	3	-3

Assumptions	March 31, 2023	March 31, 2022
Salary escalation rate	9.00%	9.00%
Discounting rate	7.39%	7.26%
Employee turnover		
Ages: up to 30 years	20.00%	20.00%
From 31 to 44 years	15.00%	15.00%
Above 44 years	10.00%	10.00%
Normal retirement age(Years)	65	65
Average remaining working life (Years)	27.12	28.21
Mortality rate	100% of IALM(2012-2014)	100% of IALM(2012-2014)
Composition of plan assets	Not funded	Not funded

### 33 Contingent Liabilities & litigations

i) Income tax matters:  
The Company has tax disputes against the demand raised and penalty levied by the Assessing Officer aggregating to Rs. 69 lakhs (Previous Year Rs. 69 lakhs). Details of the same is given below:

a) On-going tax demand of Rs. 69 lakhs for FY 2016-17 with CIT (Appeals) - Refund of FY 2018-19 of Rs. 2 lakhs is adjusted against this demand.

Future cash outflows in respect of matters considered disputed in (i) above are determinable only on receipt of judgment / decision pending at various forums / authorities. Considering the facts of the case of Company, the management does not expect any cash outflow in respect of the pending dispute and accordingly no provision has been made in the financial statements.

### 34 Capital Commitments and Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL (31st March 2022: Rs. NIL).

### 35 Leases

The Company has adopted Ind AS 116 'Leases' from 1st April 2019. Refer note (f) for accounting policy on leases.

#### i) As a lessee

The company has lease contracts for office premises and warehouse used in its operations. For lease arrangement with lease terms of 12 months or less, the Company has applied the 'short-term lease' recognition exemptions.

For addition, depreciation and carrying value of right of use asset, refer note 4.

Particulars	(Amount in Lakhs)	
	March 31, 2023	March 31, 2022
a) Interest expense on lease liabilities (Refer note 27)	10	14
b) Lease expenses		
Lease expenses in case of short term leases (Refer note 29)	59	57
Lease expenses in case of low value leases (other than short term as disclosed above)	-	-
Lease expenses debited to lease liabilities	50	50
Total cash outflow for leases [incl. short term & low value leases]	109	107
Variable lease payments not considered in measurement of lease liabilities	-	-
Income from sub-leasing ROU assets	-	-

### 36 Related party disclosures

#### (I) Name of Related Parties and related party relationship:

Nature of relationship	Name of the relative
Holding Company	Navneet Education Limited
Directors / Key Managerial Personnel (KMP)	Mr. Sumit Gupta (Managing Director) (upto 3rd September 2021) Mr. Tushar Jani (Independent Director) Mr. Sanjeev Shankar (Independent Director) Mr. Yasho Verdhani Verma (Director) Mr. Raju Gala (Director) Mr. Anil Gala (Director) Mr. Sanjeev Jitendra Gala (Director) Mr. Kalpesh Gala (Director) Mr. Amit Kalvanii Gala (Managing Director & CFO) (w.e.f. 25th Oct 2021)
Key Managerial Personnel (KMP) and relatives as per the Companies Act, 2013	Mr. Deepak Kaku (CFO) (upto 20th October 2021) Ms. Meera Sawhney (Company Secretary) (upto 14th January 2022) Mr. Amit Buch (Company Secretary) (w.e.f. 28th January 2022)
Entity with joint control (Fellow Subsidiary)	Navneet Futuretech Limited (formerly known as Esense Learning Limited)
Post-employment Benefit Plan	Indiannica Learning Group Gratuity Scheme



### 37 Fair value of financial assets and liabilities

The management assessed that the fair values of financial asset and financial liabilities approximate their carrying amounts.

The following methods and assumptions were used to estimate the fair values:

- (a) Fair values of cash and cash equivalents, trade receivables, interest accrued on deposits with bank, bank deposits, trade payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (b) The management has considered fair value of security deposits, loan from NBFC, loan from bank, loan from related party, equal to their carrying value as fair values based on the current market interest rates and other risk factors approximate to carrying value.

#### Fair value hierarchy

The following table presents the financial assets and financial liabilities by level with the fair value measurement hierarchy :

(Amount in Lakhs)

Particulars	March 31, 2023		March 31, 2022	
	Level of input used in*	Carrying Amount	Level of input used in*	Carrying Amount
<b>a) Financial assets</b>				
<b>At Amortised Cost</b>				
Trade receivables (net of provisions)	NA	6,292	NA	4,925
Cash and cash equivalents	NA	306	NA	479
Bank deposits	NA	15	NA	14
Security deposits (net of doubtful deposit)	NA	46	NA	46
<b>b) Financial liabilities</b>				
<b>At Amortised Cost</b>				
Indian rupee loan from NBFC	NA	-	NA	30
Indian rupee loan from related party	NA	1,550	NA	850
Other financial liability	NA	32	NA	28
Bank overdraft	NA	3,999	NA	3,597
Lease Liability	NA	82	NA	130
Trade payables	NA	1,178	NA	839

\* There are no items carried at fair value and hence level 1, 2 & 3 disclosures are not applicable. Fair value of financial assets and financial liabilities carried at amortised cost are approximate to their carrying value due to current maturity of these instruments.

### 38 Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks which are summarized below :

#### 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 risk comprise three types of risk: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk primarily include trade receivables, trade payables, cash and cash equivalents.

The sensitivity analysis in the following sections relate to the position for the periods presented. The sensitivity analysis has been prepared on the basis that the amount of net debt and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on the carrying values of gratuity obligation and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks based on the financial assets and financial liabilities held at the periods presented.

#### Interest rate risk

The following tables demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Amount in Lakhs)

	Change in Interest Rate	Effect on profit before tax
<b>March 31, 2023</b>	1%	-40
	-1%	40
<b>March 31, 2022</b>	1%	-36
	-1%	36

#### 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 trade payables, trade receivables.

The following table analysis the foreign currency risk from monetary assets and liabilities as at balance sheet date:

Particulars / Foreign currency	2022-23		2021-22	
	Amount in foreign currency	Amount in Rupees	Amount in foreign currency	Amount in Rupees
<b>Receivables</b>				
USD	14,632	12,02,028	14,632	12,02,028
<b>Payables</b>				
USD	1,100	80,790	5,876	4,43,735

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Amount in Lakhs)

	Change in USD rate	Effect on profit before tax
<b>March 31, 2023</b>	5%	0.63
	-5%	-0.63
<b>March 31, 2022</b>	5%	0.36
	-5%	-0.36

**Price risk**

The Company is not exposed to any significant price risk.

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily for trade receivables and deposits with banks and other financial assets.

**Trade receivables**

Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management. The Company evaluates the concentration of risk with respect to trade receivables as low. There are no customers who represent more than 10% of the balance of trade receivables. Outstanding customer receivables are regularly monitored by the management.

An impairment analysis is performed at each reporting date on an individual basis for major customers.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

The ageing of trade receivable and credit loss allowance is as under:

			(Amount in Lakhs)
Particulars	Ageing (based on due date)		Total
	Upto 6 months	More than 6 months	
As at 31st March 2023			
Secured	-	-	-
Unsecured	6,191	731	6,922
Total receivables	6,191	731	6,922
Allowance for doubtful receivables & credit losses			631
Net Receivables			6,291
Expected loss rate *			9%
As at 31st March 2022			
Secured	-	-	-
Unsecured	4,860	746	5,606
Total receivables	4,860	746	5,606
Allowance for doubtful receivables & credit losses			681
Net Receivables			4,925
Expected loss rate *			12%

\* Expected loss rate includes both allowance made based on age of the receivable and expected loss based on historical experience.

**Movement in credit loss allowance**

Movement in Credit loss allowance			
Particulars	Year ended 31st March 2023		Year ended 31st March 2022
Balance at the beginning	681		822
Additional provision/ (write back)	-50		-81
Amounts written off or utilised	-		60
<b>Balance at the end</b>	<b>631</b>		<b>681</b>

**Deposits with banks and other financial assets**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

**Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum level of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particulars	(Amount in Lakhs)			
	Less than 3 months	3 to 12 months	1 to 5 years	Total
<b>Year ended 31st March 2023</b>				
Indian rupee loan from related party	1,550			1,550
Bank overdraft	3,999	-	-	3,999
Trade payables	1,178	-	-	1,178
Lease liability	12	33	37	82
Other financial liability	32	-	-	32
Indian rupee vehicle loan from NBFC	-	-	-	-
<b>Year ended 31st March 2022</b>				
Indian rupee loan from related party	850			850
Bank overdraft	3,597	-	-	3,597
Trade payables	839	-	-	839
Lease liability	13	29	88	130
Other financial liability	28	-	-	28
Indian rupee vehicle loan from NBFC	2	6	23	30

As at year end, current liabilities of the Company are less than current assets. The Company, based on detailed projections does not expect any significant liquidity risk.

**Bank Guarantee**

The Company has given bank guarantee to Sales Tax department of Rs. 2 Lakhs (Previous year: Rs. 2 Lakhs). Further, the Company has kept deposits with bank against this bank guarantee which are disclosed in note 11 along-with accrued interest.

**39 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. For the purpose of calculation of net-debts, the Company has included loan obligations (short term and long term), lease liabilities (short term and long term) and trade and other payables and the same is adjusted with cash and cash equivalents.

(Amount in Lakhs)		
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Vehicle loan from NBFC	-	37
Loan from holding company	1,550	850
Lease liability	82	130
Bank overdraft	3,999	3,597
Trade payables	1,178	839
Less: Cash and cash equivalents	-306	-479
<b>Net Debt</b>	<b>6,504</b>	<b>4,975</b>
Equity *	894	860
<b>Capital and Net debt</b>	<b>7,398</b>	<b>5,835</b>
<b>Gearing Ratio</b>	<b>88%</b>	<b>85%</b>

\* including accumulated debit balance of profit and loss and equity component of optionally convertible preference shares

40 The Company's activities during the year revolve around 'Publishing and sale of educational books'. Considering the nature of Company's business and operations, there is only one reportable segment (business and/or geographical) in accordance with the requirements of Ind AS 108 'Operating Segments', prescribed under Companies (Indian Accounting Standards) Rules, 2015.

41 The Company has made a profit during the current year and losses during the previous financial years. The financial statements of the Company is prepared on going concern basis considering the positive net-worth and continuous financial support from the holding company. Further, management of the Company based on its business plans, is confident of making more profits in near future and the Company will realize its assets and discharge liabilities in the normal course of business based on future projections / profitability as approved by Managing Director and Chairman.

42 Changes in financing liabilities arising from cash and non-cash changes:

(Amount in Lakhs)				
Particulars	March 31, 2022	Cash flows (net)	Impact of Ind AS 116	March 31, 2023
Vehicle Loan	30	-30	-	-
Loan from Holding company	850	700	-	1,550
Lease Liability (impact of IND AS 116)	130	-50	2	82
<b>Total</b>	<b>1,010</b>	<b>620</b>	<b>2</b>	<b>1,632</b>

(Amount in Lakhs)				
Particulars	March 31, 2021	Cash flows (net)	Impact of Ind AS 116	March 31, 2022
Vehicle Loan	37	-7	-	30
Loan from Holding company	400	450	-	850
Lease Liability (impact of IND AS 116)	167	-51	14	130
<b>Total</b>	<b>604</b>	<b>392</b>	<b>14</b>	<b>1,010</b>

The Company has accounted for lease liabilities and fair value changes in accordance with Ind AS 116 implemented during the previous year. Detail break-up of above non-cash element is given below:

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
i) Transition adjustment on implementation of Ind AS 116	-	-
ii) Finance cost on lease liabilities	10	14
iii) Addition during the year	-	-
iii) Deletion during the year (after consideration of depreciation)	-8	-
<b>Total</b>	<b>2</b>	<b>14</b>

43 Disclosure as per Ind AS 10 'Events after the reporting period'

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the Balance Sheet date.

44 Ratios

Particulars	Numerator	Denominator	Ratio		% Change *
			As at 31st March 2023	As at 31st March 2022	
(a) Current ratio	Current Assets	Current liabilities	1.01	0.94	7.48%
(b) Debt equity ratio	Total Debt (incl. Current Borrowings, Non-Current Borrowings and Current maturities of Non-Current Borrowings, Long-term lease liabilities and short-term lease liabilities) (if any)	Total Equity (Equity Share Capital and Other Equity)	6.30	5.36	17.59%
(c) Debt Service Coverage Ratio	Net profit after taxes + Depreciation and amortisation + Interest expenses + other adjustments like loss on sale of fixed assets etc. - Exceptional items	Interest & Lease payments + Principal repayments made during the period	0.44	0.08	435.01%
(d) Return on Equity Ratio	Profit / (loss) after tax	Average shareholder's equity	5%	-52%	-109.74%

**Indiannica Learning Private Limited****Notes to the financial statements for the year ended 31st March 2023**

CIN: U22110DL1998PTC094399

(e) Inventory turnover ratio	Cost of goods sold	Average inventories (including Right to Return Assets)	1.17	1.31	-10.77%
(f) Trade Receivables turnover ratio	Value of Net sales and service (excl. other operating revenue)	Average trade receivables, net of provisions for doubtful debts and expected credit loss	1.13	1.13	0.62%
(g) Trade payables turnover ratio	Purchase of stock and other expenses	Average Trade payables	1.69	1.66	1.64%
(h) Net capital turnover ratio	Net Sales (excl. other operating Revenue)	Working Capital	116.55	-11.36	-1125.88%
(i) Net profit ratio	Net profit after tax before other comprehensive income	Revenue from operations	1%	-11%	-106.14%
(j) Return on Capital employed	Earning before Interest and tax	Capital Employed	5%	-8%	-167.53%
(k) Return on investment	Income generated from invested funds	Average invested funds in treasury investment	8%	5%	48.50%

**Note: Explanation for change in ratio by more than 25%**

- (i) Debt service coverage ratio has been improved due to profit earned in current year.  
(ii) Profit has been earned in the current year whereas in the previous year it was loss, resulting in improved return on equity.  
(iii) As the Company is having positive working capital as compared to previous year, it leads to increased in net capital turnover ratio.  
(iv) Company earned profit in current year leads to improved ratio compared to previous year.  
(v) Profit has been earned in the current year leading to improved return on capital employed.  
(vi) Received higher income on fixed deposit compared to previous year

- 45** Mr. Deepak Kaku, the Chief Financial Officer (CFO) of the Company has resigned during the year effective from 20th October 2021 and the Company has appointed Mr. Amit Gala as CFO (key managerial personnel) as on 25th October 2021 as required by Section 203 of the Companies Act, 2013.
- 46** Additional Information as required by para 7 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable or complied with.
- 47** # in financial statement represents amount less than Rs. 50,000.
- 48** No proceedings have been initiated or are pending against the Company as on 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 49** As on March 31, 2023 the Company has not been declared wilful defaulter by any bank/financial institution or other lender.
- 50** The Company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and hence no disclosure is required.
- 51** The Company does not have any charges or satisfaction yet to be registered with the registrar of companies(ROC) beyond the statutory period as at March 31, 2023.
- 52** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 53** The Company has not advanced any funds or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- The Company has not received any funds from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
- 54** The Company has not entered into any scheme of arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
- 55** The Company is not required to spend on CSR as per section 135 of the Companies Act, 2013.
- 56** The Company is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.
- 57** There are no transaction that are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 58** Previous year figures have been regrouped / rearranged wherever necessary.

**For N. A. Shah Associates LLP**

Chartered Accountants  
Firm Registration No. 116560W / W100149

**Prashant Daftary**

Partner  
Membership Number: 117080

Place: Mumbai  
Date: 11th May 2023

For and on behalf of the board of directors of  
**Indiannica Learning Private Limited**

**Anil D. Gala**  
Director  
DIN: 00092952

Place: New Delhi  
Date: 11th May 2023

**Amit D. Buch**  
Company Secretary  
Mem. No. A15239

Place: Mumbai  
Date: 11th May 2023

**Amit K Gala**  
Managing director & CFO  
DIN:01335267

Place: New Delhi  
Date: 11th May 2023

**Indiannica Learning Private Limited**
**Notes to the financial statements for the year ended 31st March 2023**

CIN: U22110DL1998PTC094399

**(II) Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Amount in Lakhs)

Particulars	Holding Company and Ultimate Holding Company		Entity with joint control (Fellow Subsidiary)		Key Managerial Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Loans taken during the year</b>								
Navneet Education Limited	2,350	2,550	-	-	-	-	2,350	2,550
<b>Loans repaid during the year</b>								
Navneet Education Limited	1,650	2,100	-	-	-	-	1,650	2,100
<b>Interest expenses</b>								
Navneet Education Limited	62	43	-	-	-	-	62	43
<b>Animations Expenses</b>								
Navneet Futuretech Limited (formerly known as Esense Learning Limited)	-	-	-	151	-	-	-	151
<b>Sale of Fixed Asset</b>								
Navneet Education Limited	30	-			-	-	30	-
<b>Purchase of traded goods</b>								
Navneet Education Limited	35	810	-	-	-	-	35	810
<b>Job work charges</b>								
Navneet Education Limited	625	-					625	-
Contribution to Indiannica Learning Group Gratuity Scheme	3	15	-	-	-	-	3	15
<b>Remuneration of Key Managerial Person</b>								
- Mr. Amit Kalyanji Gala (Managing Director & CFO)	-	-	-	-	86	20	86	20
- Mr. Sumit Gupta	-	-	-	-	-	107	-	107
- Mr. Tushar Jani	-	-	-	-	1	1	1	1
- Mr. Yasho Verma	-	-	-	-	1	1	1	1
- Mr. Sanjeev Shankar	-	-	-	-	1	2	1	2
- Mr. Amit D. Buch (Company Secretary)	-	-	-	-	-	-	-	-
- Ms. Meera Sawhney	-	-	-	-	-	4	-	4

**Transactions with key management personnel**

Compensation of key management personnel of the Company:

(Amount in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Short-term employee benefits	86	131
<b>Total</b>	<b>86</b>	<b>131</b>

Note: The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel which does not include accrued post employment & long term benefits to KMP since it is calculated on actuarial basis for the Company and separate figures are not available.

**Indiannica Learning Private Limited****Notes to the financial statements for the year ended 31st March 2023**

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**(III) Outstanding Balances as at the year end:**

(Amount in Lakhs)

Particulars	Holding Company and Ultimate Holding Company		Entity with joint control (Fellow Subsidiary)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Short Term borrowings outstanding at the year end								
Navneet Education Limited	1,550	850			-	-	1,550	850
0% Optionally Convertible Preference Shares								
Navneet Education Limited	-	-			-	-	-	-
Trade Payables								
Navneet Education Limited	464	11			-	-	464	11
Navneet Futuretech Limited (formerly known as Esense Learning Limited)			-	51	-	-	-	51
Balance with Fund								
Indiannica Learning Group Gratuity Scheme	-				96	104	96	104

**Notes:**

a) Bank Overdraft of the Company is secured by corporate guarantee given by holding company amounting to Rs. 4,000 Lakhs (Previous Year: 4,000 Lakhs). Refer note 18.3

b) **Terms and conditions of transactions with related parties**

The rendering and availing of services from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party, other than mentioned above. For the year ended 31st March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by the related parties (31st March 2022). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.