

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Brain4ce Education Solutions Private Limited Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Brain4ce Education Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.



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## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

## **Auditor's Responsibility for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for not keeping backup on a daily basis of such books of account relating to student and course records, maintained in electronic mode in a server physically located in India and not complying with the requirement of the audit trail as stated in i(vi) below. (Refer Note 44 (xiv) of financial statements).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.



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- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as indicated in Note no. 44 (vi), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as indicated in Note no. 44 (vii), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



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- vi. Based on our examination, which included test checks, except for the instance mentioned below, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

In respect of a software operated by a third party software service provider for maintaining student and course records, in absence of an independent auditor's systems and organisation control report covering the audit trail requirement, we are unable to comment whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software (Refer Note 44 (xiv)(a) of financial statements).

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)



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**Krishna Prakash E**  
(Partner)  
(Membership No. 216015)  
**UDIN: 24216015BKCPZE3704**

Place: Chennai  
Date: May 27, 2024

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## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date**

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Brain4ce Education Solutions Private Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

We believe that the audit evidence is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to financial statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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## Inherent Limitations of Internal Financial Controls with reference to financial statements

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No: 008072S)



A handwritten signature in black ink that reads "Krishna Prakash E".

**Krishna Prakash E**  
Partner  
(Membership No. 216015)  
**UDIN : 24216015BKCPZE3704**

Place: Chennai  
Date: May 27, 2024

# Deloitte Haskins & Sells

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Since no physical verification of property, plant and equipment and right-of-use assets was due during the year, the question of reporting on material discrepancies noted on verification does not arise.
- (c) The Company does not have any immovable properties. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under the clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters, except for the following:

(Rs. In Lakhs)

For the quarter ended	Sanctioned amount to which discrepancy relates	Details of discrepancies				
		Nature of current asset	Nature of discrepancy	Amount		
				As per the returns and statements (A)	As per Books of account (B)	Difference (A) – (B)
June 2023	856.16	Book Debts (unaudited)	Month Closure entries	1,166.24	1,169.90	(3.66)
September 2023	856.16	Book Debts (unaudited)	Month closure entries	1,162.86	1,302.04	(139.18)





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December 2023	856.16	Book Debts (unaudited)	Month closure entries	1,710.86	1,745.44	(34.58)
March 2024	856.16	Book Debts (audited)	Month closure entries	1,727.59	1,593.25	134.34

(iii) The Company has provided guarantee to a company during the year, in respect of which:

(a) The Company has stood guarantee during the year and the details of which are given below:

(Rs.in Lakhs)	
Particulars	Guarantee
A. Aggregate amount provided during the year	
– Fellow subsidiary	966.67
B. Balance outstanding as at balance sheet date in respect of above cases	
– Fellow subsidiary	966.67

(b) The guarantee provided and the terms and conditions thereon, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company have fallen due during the year.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, in respect of Education services provided by it and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



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- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been some delay in respect of remittance of Employees' State Insurance dues.
- There were no undisputed amounts payable in respect of Goods and Service Tax, Income-tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.
- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, the funds raised on short-term basis aggregating Rs. 89.64 Lakhs have been used for long-term purposes.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company does not have investment in subsidiaries, associates and joint ventures and hence reporting under clause (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.



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- (xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) The Company is not required to have an internal audit system as per the provisions of the Companies Act, 2013. Hence, reporting under Clause (xiv) of the Order is not applicable.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a,b,c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) As represented to us by the Management, the Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting to Rs. 144.18 Lakhs during the financial year covered by our audit and Rs. 3,766.73 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.



For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No: 008072S)

*Krishna Prakash E*

**Krishna Prakash E**  
Partner  
(Membership No. 216015)  
**UDIN : 24216015BKCPZE3704**

Place: Chennai  
Date: May 27, 2024

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>I. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and Equipment	4	28.54	81.30
(b) Right-of-use assets	5	229.35	448.45
(c) Other intangible assets	4	23.47	38.38
(d) Intangible assets under development	6	10.62	266.82
(e) Financial assets			
(i) Loans	7	1,148.59	1,231.27
(ii) Other financial assets	10	24.13	49.36
(f) Deferred tax asset (net)	8	-	154.72
(g) Income tax assets	9	152.10	154.12
<b>Total non-current assets</b>		<b>1,616.80</b>	<b>2,424.42</b>
<b>2. Current assets</b>			
(a) Financial assets			
(i) Trade receivables	11	1,593.25	417.89
(ii) Cash and cash equivalents	12	9.93	10.08
(iii) Bank balances other than (ii) above	12	231.98	210.26
(iv) Loans	13	82.69	73.73
(v) Other financial assets	14	413.24	176.24
(b) Other current assets	15	329.72	480.13
<b>Total current assets</b>		<b>2,660.81</b>	<b>1,368.33</b>
<b>TOTAL ASSETS</b>		<b>4,277.61</b>	<b>3,792.75</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity share capital	16	85.81	85.81
(b) Other equity	17	(7,721.33)	(7,324.88)
<b>Total equity</b>		<b>(7,635.52)</b>	<b>(7,239.07)</b>
<b>2. Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	-	1,269.01
(ii) Lease liabilities	5	113.07	308.43
(iii) Other financial liabilities	19	2,484.53	1,799.78
(b) Provisions	20	100.12	110.50
<b>Total non-current liabilities</b>		<b>2,697.72</b>	<b>3,487.72</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	5,342.40	3,579.41
(ii) Lease liabilities	5	142.90	162.82
(iii) Trade payables	22		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		729.73	667.12
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,481.54	1,507.03
(iv) Other financial liabilities	23	15.16	131.01
(b) Provisions	24	39.58	24.30
(c) Other current liabilities	25	1,464.10	1,472.41
<b>Total current liabilities</b>		<b>9,215.41</b>	<b>7,544.10</b>
<b>Total Liabilities</b>		<b>11,913.13</b>	<b>11,031.82</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,277.61</b>	<b>3,792.75</b>

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins &amp; Sells

Chartered Accountants

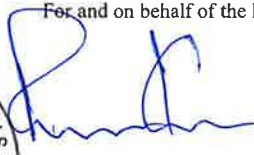


Krishna Prakash E  
Partner  
Membership No: 216015

Place : Chennai  
Date : May 27, 2024



For and on behalf of the Board of Directors



K Praveen Kumar  
Director  
DIN: 00591450

Place : Chennai  
Date : May 27, 2024




R Rangarajan  
Director  
DIN: 00591483

Place : Chennai  
Date : May 27, 2024

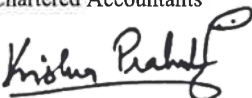
Brain4ce Education Solutions Private Limited  
Statement of Profit and Loss for the Year ended March 31, 2024  
CIN: U80200KA2011PTC094081

[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A Income</b>			
Revenue from operations	26	8,760.65	8,043.53
Other income	27	173.58	426.18
<b>Total income</b>		<b>8,934.23</b>	<b>8,469.71</b>
<b>B Expenses</b>			
Employee benefits expense	28	2,701.80	4,532.13
Other expenses	31	5,617.10	7,597.32
<b>Total expenses</b>		<b>8,318.90</b>	<b>12,129.45</b>
<b>C Earnings / (loss) before Finance Costs, Tax, Depreciation and Amortisation Expense (EBITDA)</b>		<b>615.33</b>	<b>(3,659.74)</b>
Finance costs	29	816.50	226.05
Depreciation and amortization expenses	30	188.64	202.95
<b>D Loss before tax</b>		<b>(389.81)</b>	<b>(4,088.74)</b>
<b>E Tax Expense</b>	32		
Current tax		-	-
Deferred tax		154.72	(46.67)
		<b>154.72</b>	<b>(46.67)</b>
<b>F Loss for the year</b>		<b>(544.53)</b>	<b>(4,042.07)</b>
<b>G Other comprehensive income / (loss)</b>			
<b>Items that will not be subsequently reclassified to profit or loss</b>			
Re-measurement gain / (losses) on defined benefit obligations		21.80	(4.61)
<b>Income-tax relating to items that will not be subsequently reclassified to profit or loss</b>			
Re-measurement gains/(losses) on defined benefit obligations		-	1.20
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>21.80</b>	<b>(3.41)</b>
<b>H Total Comprehensive Loss for the year</b>		<b>(522.73)</b>	<b>(4,045.48)</b>
<b>I Loss Per Share (Rs.)</b>	33		
Basic Earnings per share (Nominal value per equity share of Rs.10)		(63.46)	(471.37)
Diluted Earnings per share (Nominal value per equity share of Rs.10)		(63.46)	(471.37)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

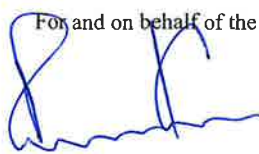


Krishna Prakash E  
Partner  
Membership No: 216015

Place : Chennai  
Date : May 27, 2024



For and on behalf of the Board of Directors



K Praveen Kumar  
Director  
DIN: 00591450

Place : Chennai  
Date : May 27, 2024



R Rangarajan  
Director  
DIN: 00591483

Place : Chennai  
Date : May 27, 2024



**Brain4ce Education Solutions Private Limited**  
**Statement of Cash Flows for the Year ended March 31, 2024**  
**CIN: U80200KA2011PTC094081**  
**[All amounts in Indian Rupees (Lakhs), unless otherwise stated]**

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b>Cash flow from operating activities</b>		
Loss before tax	(389.81)	(4,088.74)
Adjustments to reconcile profit / (loss) before tax to net cash flows		
Interest income	(161.50)	(86.63)
Finance costs	816.50	226.05
Credit balances written back	-	(115.54)
Depreciation and amortization expenses	188.64	202.95
Loss / (Profit) on sale of property, plant and equipment	(1.12)	3.98
Gain on termination of lease	(4.27)	-
Expected credit loss	57.47	146.80
Foreign Exchange Loss	67.26	90.66
Employee share-based payment expense	122.53	372.79
Operating Profit / (loss) before working capital changes	695.70	(3,247.69)
Change in operating assets and liabilities		
(Increase) / decrease in trade receivables	(1,300.09)	(372.37)
(Increase) / decrease in other assets	150.40	(144.36)
(Increase) / decrease in other financial assets	(223.73)	4.48
Increase / (decrease) in trade payables	37.13	903.51
Increase / (decrease) in other financial liabilities	(9.76)	9.61
Increase / (decrease) in other liabilities	(8.30)	473.41
Increase in provisions	26.69	16.93
Cash generated from / (used in) operations	<b>(631.96)</b>	<b>(2,356.47)</b>
Less : Income taxes paid (net of refunds)	2.02	55.05
<b>Net cash used in operating activities (A)</b>	<b>(629.94)</b>	<b>(2,301.42)</b>
<b>Cash flows from investing activities</b>		
Capital expenditure of property, plant and equipment & intangible assets (including intangible asset under development)	(11.87)	(416.46)
Proceeds from sale of property, plant & equipment	23.55	2.00
Proceeds from sale of Intangibles under development	266.82	-
(Investment) / Redemption of fixed deposit	(8.22)	(23.30)
Loans advanced to fellow subsidiaries	-	(1,305.00)
Loans repaid by fellow subsidiaries	73.71	-
Interest received on deposits	14.32	9.88
Interest received on loans and advances	145.77	66.05
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>504.08</b>	<b>(1,666.83)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity share capital	-	200.45
Proceeds from short term borrowings	1,019.65	2,863.07
Repayment of short term borrowings	(503.85)	(85.62)
Proceeds from long term borrowings	100.00	1,259.13
Repayment of long term borrowings	(121.82)	(41.00)
Repayment of lease liabilities	(158.94)	(144.73)
Finance cost paid	(209.33)	(82.41)
<b>Net cash generated from financing activities (C)</b>	<b>125.71</b>	<b>3,968.89</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(0.15)</b>	<b>0.64</b>
Cash and cash equivalents at the beginning of the year	10.08	9.44
<b>Cash and cash equivalents at end of the year (Refer Note 12)</b>	<b>9.93</b>	<b>10.08</b>

**Notes:**

1. Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements, Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.		
Balances with banks - current accounts	9.93	10.08
	<b>9.93</b>	<b>10.08</b>



**Reconciliation of liabilities from financing activities for the year ended March 31, 2024:**


Particulars	As at March 31, 2023	Proceeds	Repayments	Reclassification	As at March 31, 2024
Long-Term borrowings	1,269.01	100.00	(121.82)	(1,247.19)	-
Short-Term borrowings (including Current maturity to Long-Term borrowings)	3,579.41	1,019.65	(503.85)	1,247.19	5,342.40
<b>Total</b>	<b>4,848.42</b>	<b>1,119.65</b>	<b>(625.67)</b>	<b>-</b>	<b>5,342.40</b>

**Reconciliation of liabilities from financing activities for the year ended March 31, 2023:**

Particulars	As at March 31, 2022	Proceeds	Repayments	Reclassification	As at March 31, 2023
Long-Term borrowings	50.88	1,259.13	(41.00)	-	1,269.01
Short-Term borrowings (including Current maturity to Long-Term borrowings)	801.96	2,863.07	(85.62)	-	3,579.41
<b>Total</b>	<b>852.84</b>	<b>4,122.20</b>	<b>(126.62)</b>	<b>-</b>	<b>4,848.42</b>

See accompanying notes forming part of the standalone financial statements

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants




Krishna Prakash E  
Partner  
Membership No: 216015

Place : Chennai  
Date : May 27, 2024



For and on behalf of the Board of Directors



K Praveen Kumar  
Director  
DIN: 00591450

Place : Chennai  
Date : May 27, 2024



R Rangarajan  
Director  
DIN: 00591483

Place : Chennai  
Date : May 27, 2024



[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

**(A) Equity share capital**

Year	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
2022-23	84.98	0.83	85.81
2023-24	85.81	-	85.81

**(B) Other equity**

Particulars	Securities Premium Reserve	Deemed Equity contribution	Retained earnings	Total
<b>Balance as at March 31, 2022</b>	<b>2,686.02</b>	<b>-</b>	<b>(6,373.29)</b>	<b>(3,687.28)</b>
Loss for the year	-	-	(4,042.07)	(4,042.07)
Other comprehensive income / (loss), net of tax	-	-	(3.41)	(3.41)
Premium on shares issued during the year	199.62	-	-	199.62
Employee share based payment	-	204.50	-	204.50
Corporate Guarantee	-	3.75	-	3.75
<b>Balance as at March 31, 2023</b>	<b>2,885.64</b>	<b>208.25</b>	<b>(10,418.77)</b>	<b>(7,324.88)</b>
Loss for the year	-	-	(544.53)	(544.53)
Other comprehensive income / (loss), net of tax	-	-	21.80	21.80
Employee share based payment	-	122.53	-	122.53
Corporate Guarantee	-	3.75	-	3.75
<b>Balance as at March 31, 2024</b>	<b>2,885.64</b>	<b>334.53</b>	<b>(10,941.50)</b>	<b>(7,721.33)</b>

See accompanying notes forming part of the standalone financial statements

In terms of our report attached  
**For Deloitte Haskins & Sells**  
Chartered Accountants

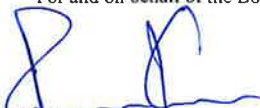


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Partner  
Membership No: 216015

Place : Chennai  
Date : May 27, 2024



For and on behalf of the Board of Directors



**K Praveen Kumar**  
Director  
DIN: 00591450

Place : Chennai  
Date : May 27, 2024





**R Rangarajan**  
Director  
DIN: 00591483

Place : Chennai  
Date : May 27, 2024



## **1 Corporate Information**

Brain4ce Education Solutions Private Limited (the "Company" or "Brain4ce") was incorporated on May 13, 2011 under the Indian Companies Act, 1956 vide Corporate Identity Number U80200KA2011PTC094081 with its registered office at 5TH Floor, INDIQUBE ETA, NO.38/4 Doddanekundi Village, Outer Ring Road, Bangalore, Bengaluru, Karnataka, India, 560048. The Company is engaged in the business of providing online training and coaching services.

### **2A Recent accounting pronouncements**

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

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

The Company has evaluated the amendment and there is no impact on its financial statements.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### **2B Basis of preparation of financial statements**

#### **i) Basis of preparation and presentation**

##### **Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

##### **Measurement of fair values**

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

##### **Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals).



### **3A Material Accounting Policies**

#### **a) 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:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) 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:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

#### **b) Revenue**

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Income from services rendered is recognized based on agreements / arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably. Unbilled revenue represents revenue for services provided and not yet billed to the customer.

#### **B2C Revenue Recognition**

For Self Paced courses – Revenue is recognized over the period of actual duration of the course provided.

For Live Courses - Revenue is recognized over the period of actual duration from the date of batch allocation.

For Master courses - Revenue is recognized over the period of actual duration from the date of batch allocation.

#### **PGP (Post Graduation Program) revenue recognition:**

Revenue is recognized over the period of actual duration from the date of batch allocation.

#### **B2B revenue recognition:**

Revenue is recognised over the period of actual duration from the date of batch allocation .

Unbilled revenue included in other current assets represents cost and earnings in excess of billings as at the end of the reporting year.

Unearned revenue included in current liabilities represents billings in excess of revenue recognized.

#### **ELC (Edureka Learning Centre) revenue recognition:**

One time sign up fee from Delivery Partners- Recognized as revenue based on fulfilment of all the performance obligations provided in the agreement with each delivery partner.

Revenue from sale of courses to students through delivery partners will be recognized over the period of actual duration from the date of batch allocation.

#### **HigherEd revenue recognition:**

Admission Support Services - Revenue from Admission support service will be recognized at a point when batch begins for enrolled student.

Other Support Services - Revenue from other support services will be recognized over a period of time

#### **c) Interest Income**

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.



**d) Property, plant and equipment (PPE)**

**Presentation**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

**Derecognition**

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.

**Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment has been provided on the written down value method over their useful lives estimated by the Company. The Company estimates the useful life of items of property, plant and equipment as follows:

<b>Assets Category</b>	<b>Estimated useful life (in years)</b>
Office Equipment	5
Furniture and Fixtures	10
Motor Vehicles	8
Computers	3

The useful life is as per Schedule II of the Companies Act, 2013

The useful life of the leasehold improvement is according to the lease agreement terms.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing Rs 5,000 each or less are fully depreciated retaining its residual value.

The residual values, estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**e) Intangible assets**

Internally generated intangible asset are measured on initial recognition at cost. The cost comprises of all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

**Useful life and amortisation of intangible assets**

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives 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 with a finite useful life are reviewed at least at the end of each reporting period.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

<b>Assets Category</b>	<b>Estimated useful life (in years)</b>
Computer Software	3 to 6

The amortisation period and method used for intangible assets are reviewed at the end of each financial year and adjusted if appropriate.

**Intangible under development**

Costs incurred during research phase are charged to statement of profit and loss in the year in which they are incurred. Development phase expenses are initially recognized as intangible assets under development until the development phase is complete, upon which the amount is capitalized as intangible asset.

**f) Loans and borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



**Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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 derecognition 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 or loss.

**g) Borrowing Costs**

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. All other borrowings costs are expensed in the period in which they occur.

**h) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management 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.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

**i) Employee benefits**

**Provident Funds**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.



**Gratuity**

Gratuity is a defined benefit plan. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the plan is recognized in full in the period in which they occur in the statement of profit and loss.

**Compensated absences**

Short term compensated absences are provided for based on estimates. Long term compensated balances are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. Leave encashment liability of an employee, who leaves the Company before the close of the year and which is remaining unpaid, is provided for on actual computation basis.

**j) Share Based Payments**

Select Employees of the Company receive remuneration in the form of equity settled instruments or cash settled instruments, for rendering services over a defined vesting period and for Company's performance-based stock options over the defined period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. In cases, where equity instruments are granted at a nominal exercise price, the intrinsic value on the date of grant approximates the fair value. The expense is recognized in the statement of income with a corresponding increase to the share-based payment reserve, a component of equity. The equity instruments or cash settled instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Company's estimate of equity instruments or cash settled instruments that will eventually vest. Cash Settled instruments granted are re-measured by reference to the fair value at the end of each reporting period and at the time of vesting. The expense is recognized in the statement of income with a corresponding increase to financial liability or Share-based payment reserve, when the liability is settled through allotment of shares.

**k) 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 groups 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.

**l) Provisions, contingent liabilities and contingent asset**

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.



**Contingent liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

**Contingent assets**

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect. Contingent assets are disclosed but not recognised in the financial statements.

**m) Cash and cash equivalents**

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

**n) Cash Flow Statement**

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of cash flow statement.

**o) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**p) Leases**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for low value leases. For low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

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

**q) Segment reporting**

Based on internal reporting provided to the Chief operating decision maker, the Company's operations predominantly related to sale of comprehensive learning programs and, accordingly, this is the only operating segment. The management committee reviews and monitors the operating results of the business segment for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed.



**r) Financial instruments**

**Financial Assets**

**(i) Initial recognition and measurement:**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**(ii) Subsequent measurement:**

**-Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**-Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**-Financial assets at fair value through profit OR loss (FVTPL)**

A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

**(iii) Impairment of financial assets**

In accordance with Ind AS 109, the Company use 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

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

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivable. Further the Company uses historical default rates to determine impairment loss on the portfolio of the trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed. For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**Financial liabilities**

**(i) Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

**(ii) Subsequent measurement:**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**s) Foreign currency transactions**

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.



[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

**3B Critical accounting judgements and key sources of estimation uncertainty :**

In the application of the Company's accounting policies, which are described in note 3, the Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods. The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Provision for Tax
- Allowance for credit impaired trade receivables
- Useful lives of intangible assets
- Provision for employee benefits - Actuarial assumptions
- Leases - Ind AS 116
- Going concern assessment





**Brain4ee Education Solutions Private Limited**  
**Notes to financial statements for the Year ended March 31, 2024**  
**CIN: U80200KA2011PTC094081**  
 [All amounts in Indian Rupees (Lakhs), unless otherwise stated]

**4 Property, Plant and Equipment and Other intangible assets**

Particulars	Tangible Assets				Intangible Assets		
	Office Equipment	Computers	Furniture & Fittings	Vehicle	Total	Software	Total
<b>Gross carrying value</b>							
<b>Balance as at March 31, 2022</b>	<b>5.37</b>	<b>94.43</b>	<b>7.40</b>	<b>21.34</b>	<b>128.54</b>	<b>7.44</b>	<b>7.44</b>
Additions / Transfer	5.59	99.57	0.27	-	105.43	44.21	44.21
Disposals	(1.75)	(25.20)	(4.34)	-	(31.29)	-	-
<b>Balance as at March 31, 2023</b>	<b>9.21</b>	<b>168.80</b>	<b>3.33</b>	<b>21.34</b>	<b>202.68</b>	<b>51.65</b>	<b>51.65</b>
Additions / Transfer	0.20	1.05	-	-	1.25	-	-
Disposals	(4.29)	(53.48)	(0.16)	-	(57.93)	-	-
<b>Balance as at March 31, 2024</b>	<b>5.12</b>	<b>116.37</b>	<b>3.17</b>	<b>21.34</b>	<b>146.00</b>	<b>51.65</b>	<b>51.65</b>
<b>Accumulated Depreciation</b>							
<b>Balance as at March 31, 2022</b>	<b>3.80</b>	<b>68.26</b>	<b>3.30</b>	<b>11.25</b>	<b>86.61</b>	<b>7.07</b>	<b>7.07</b>
Additions / Transfer	2.33	53.77	0.95	3.03	60.08	6.20	6.20
Disposals	(1.50)	(21.14)	(2.67)	-	(25.31)	-	-
<b>Balance as at March 31, 2023</b>	<b>4.63</b>	<b>100.89</b>	<b>1.58</b>	<b>14.28</b>	<b>121.38</b>	<b>13.27</b>	<b>13.27</b>
Charge for the year	0.70	28.39	0.42	2.07	31.58	14.91	14.91
Disposals	(1.36)	(34.13)	(0.01)	-	(35.50)	-	-
<b>Balance as at March 31, 2024</b>	<b>3.97</b>	<b>95.15</b>	<b>1.99</b>	<b>16.35</b>	<b>117.46</b>	<b>28.18</b>	<b>28.18</b>

<b>Net Block</b>							
As at March 31, 2024	1.15	21.22	1.18	4.99	28.54	23.47	23.47
As at March 31, 2023	4.58	67.91	1.75	7.06	81.30	38.38	38.38



5 Right of use assets and Lease liabilities

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Right-of-use assets</b>		
Buildings*	229.35	448.45
<b>Total</b>	<b>229.35</b>	<b>448.45</b>
<b>Lease liabilities**</b>		
Current	142.90	162.82
Non-Current	113.07	308.43
<b>Total</b>	<b>255.97</b>	<b>471.25</b>

**Movement of Right-of-use assets and Lease liabilities**

* Description of Assets	Buildings	Total
<b>I. Gross carrying amount</b>		
As at March 31, 2022	-	-
Additions during the year	585.12	585.12
Disposals	-	-
<b>As at March 31, 2023</b>	<b>585.12</b>	<b>585.12</b>
Additions during the year	-	-
Disposals	(115.23)	(115.23)
<b>As at March 31, 2024</b>	<b>469.89</b>	<b>469.89</b>

II. Accumulated depreciation and impairment	Buildings	Total
As at March 31, 2022	-	-
Depreciation / amortisation charge during the year	136.67	136.67
Disposals	-	-
<b>As at March 31, 2023</b>	<b>136.67</b>	<b>136.67</b>
Depreciation / amortisation charge during the year	142.15	142.15
Disposals	(38.28)	(38.28)
<b>As at March 31, 2024</b>	<b>240.54</b>	<b>240.54</b>

<b>III. Net carrying amount as at March 31, 2024</b>	<b>229.35</b>	<b>229.35</b>
<b>III. Net carrying amount as at March 31, 2023</b>	<b>448.45</b>	<b>448.45</b>

** Description of Liabilities	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	471.25	-
Add: Lease liabilities recognised during the year	-	585.12
Add: Interest cost accrued during the year	24.77	30.86
Deletions during the year	(81.11)	-
Less: Payment of lease liabilities	(158.94)	(144.73)
<b>Balance at the end of the year</b>	<b>255.97</b>	<b>471.25</b>



- 5.1 The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.
- 5.2 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	156.32	191.52
One to five years	115.78	326.81
More than five years	-	-
<b>Total</b>	<b>272.10</b>	<b>518.33</b>

## (ii) Amounts recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to leases:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation charge for right-of-use assets (Refer Note 30)	142.15	136.67
<b>Total</b>	<b>142.15</b>	<b>136.67</b>
Interest expense (included in finance costs) (Refer Note 29)	24.77	30.86
Expense relating to low value items (included in other expenses) (Refer Note 31)	11.51	55.52

## (iii) Amounts recognized in cash flow statement

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total cash outflows for leases	(158.94)	(144.73)

## (iv) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings, the following factors are normally the most relevant:

- (a) If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend and not terminate.
- (b) If any lease hold improvements are expected to have a significant remaining value the Company is typically reasonably certain to extend (or not terminate).
- (c) Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. During the current financial year, there was no revision in the lease terms.

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

## (v) Extension and termination options

Extension and termination options are included in a number of property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not with the respective lessor.



**6 Intangible assets under development**

Particulars	As at March 31, 2024	As at March 31, 2023
Software Development Cost	10.62	266.82
	10.62	266.82

Ageing for intangible assets under development as at March 31, 2024 is as follows:

Particulars	As at March 31, 2024				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Software Development Cost					
Projects in progress	10.62	-	-	-	10.62
Project suspended	-	-	-	-	-

Ageing for intangible assets under development as at March 31, 2023 is as follows:

Particulars	As at March 31, 2023				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Software Development Cost					
Projects in progress	266.82	-	-	-	266.82
Project suspended	-	-	-	-	-

Note : There are no projects in progress whose completion is overdue or has exceeded its cost compared to its original plan

**7 Loans**

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good)		
Veranda XL Learning Solutions Private Limited	1,148.59	1,231.27
	1,148.59	1,231.27

Above loan receivables represents loan given to Veranda XL Learning Solutions Private Limited with repayment period of 10 Years at an interest rate of 11.55% per annum. This loan is provided out of the funds received through borrowings from Hinduja Leyland Finance.

**7.1 Details of Loans and advances**

Particulars	Interest Rate	As at March 31, 2024	As at March 31, 2023
Veranda XL Learning Solutions Private Limited	11.55%	1,231.28	1,305.00
Less: Principal receivable within one year		(82.69)	(73.73)
Veranda XL Learning Solutions Private Limited		1,148.59	1,231.27

7.2 The inter Corporate loans provided to subsidiary companies at interest rate of 11.55% and repayable on 120 equal instalments starting from April 2023 (unsecured).

**7.3 Loans and advances to promoters, directors, KMPs and the related parties**

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Amount of loan outstanding	% to the total Loans and advances	Amount of loan outstanding	% to the total Loans and advances
Promoters	-	0%	-	0%
Directors	-	0%	-	0%
KMPs	-	0%	-	0%
Related Parties	1,231.28	100%	1,305.00	100%

**8 Deferred Tax Asset (Net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liability</b>		
On fair valuation of financial instruments	-	-
On Financial Liability measured at amortised cost	-	(6.56)
	-	(6.56)
<b>Deferred Tax Asset</b>		
On property plant and equipment	-	29.06
On Right of use asset	-	5.93
On expenses allowable on payment basis	-	61.08
Expenses on which tax is not deducted	-	48.20
Others	-	17.01
	-	161.28
<b>Net Deferred Tax Asset</b>	-	154.72

Based on assessment of probability of taxable profits against which the deferred tax asset pertaining to unabsorbed business loss amounting to Rs. 1,400.72 Lakhs ( March 31, 2023: Rs. 1,922.06 Lakhs ) can be utilised, the company has not recognized deferred tax asset thereon. The company shall continue to assess the recoverability of such deferred tax asset at the end of every reporting period.



**9 Income Tax Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Tax deducted at source (TDS) receivables (net of provisions)*	152.10	154.12
	<b>152.10</b>	<b>154.12</b>

\* Provisions for tax as at March 31, 2024 Rs Nil (March 31, 2023 - Rs. Nil)

**10 Other Financial Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	24.13	35.86
Fixed deposits - with original maturity more than 12 months	-	13.50
	<b>24.13</b>	<b>49.36</b>

**11 Trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good - Secured	-	-
(b) Considered good - Unsecured	1,742.91	509.74
(c) Have significant increase in Credit Risk	-	-
(d) Credit impaired	-	-
Less : Allowance for credit impaired	(149.66)	(91.85)
	<b>1,593.25</b>	<b>417.89</b>

**11.1 Trade Receivables ageing schedule**

Particulars	As at March 31, 2024					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	962.46	513.79	266.66	-	-	1,742.91
(ii) Undisputed trade receivables – Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
	<b>962.46</b>	<b>513.79</b>	<b>266.66</b>	<b>-</b>	<b>-</b>	<b>1,742.91</b>
Less : Allowance for credit loss						149.66
<b>Total trade receivables</b>						<b>1,593.25</b>

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	426.46	83.28	-	-	-	509.74
(ii) Undisputed trade receivables – Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
	<b>426.46</b>	<b>83.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>509.74</b>
Less : Allowance for credit loss						91.85
<b>Total trade receivables</b>						<b>417.89</b>



- 11.2 Trade Receivables includes receivables outstanding from customers constituting individually 5% or more of the total trade receivables from three customers amounting to Rs. 1,038.39 Lakhs as at March 31, 2024 (March 31, 2023: Nil).
- 11.3 The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates arrived for each age bucket.

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Movement in credit loss allowance during the year</b>		
Opening balance	91.85	2.49
Additions	57.81	91.85
Utilised	-	(2.49)
<b>Closing balance</b>	<b>149.66</b>	<b>91.85</b>

- 11.4 The Company has used a practical expedient by ignoring the effects of a significant financing component if it is expected, at contract inception, that the period between transferring a promised service to a customer and the customer paying for it will be one year or less.

#### 12 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks - In current accounts	9.93	10.08
	9.93	10.08
Other bank balances		
In Fixed Deposit - with remaining maturity less than 12 months*	231.98	210.26
	231.98	210.26
	<b>241.91</b>	<b>220.34</b>

\* All these Fixed deposits are held under lien against loans and other credit facilities from HDFC bank.

#### 13 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Veranda XL Learning Solutions Private Limited	82.69	73.73
	<b>82.69</b>	<b>73.73</b>

#### 14 Other Financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit	-	0.57
Unbilled Revenue	398.13	161.97
Interest accrued but not due on bank deposits	3.38	2.39
Interest receivable on loans to related parties	11.73	11.31
	<b>413.24</b>	<b>176.24</b>



15 Other current assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Balance with Government Authorities	53.46	202.20
Advance to Vendors	34.64	27.17
Advance to employees	2.81	1.55
Prepaid expenses	238.81	218.83
Unamortized loan processing charges	-	25.26
Other Receivables	-	5.11
	<b>329.72</b>	<b>480.13</b>

16 Share Capital

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Authorised Share Capital*</b>		
47,00,000 (March 31, 2023 - 47,00,000) Equity shares of Rs.10 each with voting rights	470.00	470.00
1,50,000 (March 31, 2023 - 1,50,000) Compulsorily Convertible Preference Shares of Rs. 10 each with voting rights	15.00	15.00
1,50,000 (March 31, 2023 - 1,50,000) Redeemable Preference shares of Rs.10 each with voting rights	15.00	15.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued Share Capital</b>		
8,58,135 (March 31, 2023 - 8,58,135) equity shares of Rs.10 each fully paid up	85.81	85.81
	<b>85.81</b>	<b>85.81</b>
<b>Subscribed and fully paid up share capital</b>		
8,58,135 (March 31, 2023 - 8,58,135) equity shares of Rs.10 each fully paid up	85.81	85.81
	<b>85.81</b>	<b>85.81</b>

\*The authorised share capital of the Company has increased from Rs.135 Lakhs to Rs. 500 Lakhs pursuant to the approval of the shareholders at the Extraordinary General Meeting of the Company held on April 25, 2022.

Notes:

1) Reconciliation of number of equity shares subscribed	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	8,58,135	85.81	8,49,835	84.98
Issued during the year	-	-	8,300	0.83
Balance at the end of the year	<b>8,58,135</b>	<b>85.81</b>	<b>8,58,135</b>	<b>85.81</b>

2) The Company had issued 8,300 equity shares of face value Rs.10/- by way of rights issue to its existing share holders at an issue price of Rs.2,415/- per share in the FY 2022-23.

3) Rights, preferences and restrictions in respect of equity shares issued by the Company

- The company has one class of equity shares having a par value of Rs.10/- each. Each share holder is entitled to one vote per share. All shareholders have equal right to dividend when declared. In the event of liquidation of the company, equity share holders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. assets remaining after preferential distribution shall be distributed to equity share holders will be in proportion to the number of equity shares held by each share holder.
- The Company has not declared dividend on equity shares.
- In the event of liquidation, shareholders will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholder.

4) Shares held by holding company, its subsidiaries and associates

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Veranda Learning Solutions Limited	8,58,135	100.00%	8,58,135	100.00%



5) Shareholders holding more than 5% of the total share capital

Name of the share holder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Veranda Learning Solutions Limited	8,58,135	100.00%	8,58,135	100.00%

6) Share based payments:

**ESOP Scheme - 2014**

In the extraordinary general meeting held on 06th March 2014, the shareholders approved the issue of 10,000 options under the Scheme titled "Brain4ce Education Solutions Private Limited ESOP 2014" (ESOP A). The ESOP A allows issue of options to employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share of Rs. 10 each. As per the Scheme, the Remuneration / Compensation Committee grants the options to the employees deemed eligible. The exercise price of each option is determined at Rs. 10 per share. The options granted vest over a period ranging from 1 to 4 years.

In the Extra-ordinary General Meeting held on 12th September, 2016 options under the scheme were increased to 75,000 options along with amendments to the other terms and conditions of the ESOP scheme.

**ESOP Scheme - 2018**

In the extraordinary general meeting held on 01st April 2018, the shareholders approved the issue of 59,823 options under the Scheme titled "Brain4ce Education Solutions Private Limited ESOP 2018" (ESOP B). The ESOP B allows issue of options to employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share of Rs. 10 each. As per the Scheme, the Remuneration / Compensation Committee grants the options to the employees deemed eligible. The exercise price of each option shall be determined at fair market value of an equity share of the company less such discount as may be determined by the board as on date of grant of options. The options granted vest over a period ranging from 1 to 4 years.

**Modification to the above ESOP Schemes**

ESOP Scheme 2014 and 2018 were amended in the Extraordinary General Meeting held on September 07, 2021. As per the amended scheme, on further exercise of vested options, the options will be settled through issuance of redeemable preference shares in the ratio of 1:1 instead of issuance of equity shares in the ratio of 1:1. The exercise period has been capped at 31st July, 2024 instead of 96 months from the vesting date. All the redeemable preference shares issued on such exercise will be redeemed at a price of Rs.2,415 in August 2024. Consequent to the above amendment, the options which were hitherto equity settled have been converted into cash settled options.

The details of stock options granted, forfeited, vested and exercised under the ESOP up to August 12, 2021, date of amendment of ESOP Scheme:

Particulars	2023-24		2022-23	
	2018	2014	2018	2014
Plan size	59,823	75,000	59,823	75,000
ESOP Scheme	2018	2014	2018	2014
Date of Grant	Various Dates		Various Dates	
Bonus shares issued	None	None	None	None
Method of settlement	Equity based	Equity based	Equity based	Equity based
Vesting period	1 to 4 years - Graded vesting	1 to 4 years - Graded vesting	1 to 4 years - Graded vesting	1 to 4 years - Graded vesting
Options granted opening balance	42,420	47,318	42,596	47,318
Additional options pursuant to the Bonus	-	-	-	-
Options granted during the year	-	-	-	-
Options forfeited during the year	-	-	176	-
Options exercised	-	-	-	-
<b>Options granted closing balance</b>	<b>42,420</b>	<b>47,318</b>	<b>42,420</b>	<b>47,318</b>
Options vested	42,420	47,318	42,420	47,318





17 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Retained Earnings	(10,941.50)	(10,418.77)
Deemed Equity contribution - Employee Share based payment	334.53	208.25
Securities Premium Reserve	2,885.64	2,885.64
	<b>(7,721.33)</b>	<b>(7,324.88)</b>
<b>a) Retained Earnings</b>		
Balance at the beginning of the year	(10,418.77)	(6,373.29)
Total comprehensive loss for the year	(522.73)	(4,045.48)
Balance at the end of the year	<b>(10,941.50)</b>	<b>(10,418.77)</b>
<b>b) Deemed Equity contribution (Refer Note 17.1)</b>		
Balance at the beginning of the year	208.25	-
Employee share based payment	122.53	204.50
Corporate Guarantee	3.75	3.75
Transfer to ESOP Reserve	-	-
Balance at the end of the year	<b>334.53</b>	<b>208.25</b>
<b>c) Securities premium reserve</b>		
Opening balance	2,885.64	2,686.02
Add: Premium on shares issued during the year	-	199.62
Less: Amount utilized during the year	-	-
Closing balance	<b>2,885.64</b>	<b>2,885.64</b>

17.1 Deemed Equity Contribution represents equity contribution by Veranda Learning Solutions Limited, through grant of options to its equity shares under an ESOP scheme to the employees of Brain4ce Education Solutions Private Limited; and contribution by providing corporate guarantee to the loans taken by Brain4ce Education Solutions Private Limited from HDFC bank.



**18 Long term borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>From others</b>		
Term Loan from Hinduja Leyland Finance Limited	-	1,259.13
HDFC ECLGS Loan	-	9.88
	-	<b>1,269.01</b>

**18.1 Details of Borrowings**

Particulars	Repayment Schedule	Interest Rate / Security provided	As at March 31, 2024	As at March 31, 2023
Term Loan from Hinduja Leyland Finance Limited	124 monthly instalments from April 2023	11.5% / Unsecured	1,260.19	1,336.90
Term Loan from Hinduja Leyland Finance Limited	125 monthly instalments from October 2023	11.5% / Unsecured	97.25	-
HDFC ECLGS Loan	48 monthly instalments from July 2020	8.25% / Secured	9.33	50.38
Vehicle Loan	60 monthly instalments from July 2018	9.25% / Secured	-	1.32
<b>Less: Current maturities of debt</b>				
Less: Current maturities of long term debt (Refer Note 21)			(1,366.77)	(119.59)
			-	<b>1,269.01</b>

- a) HDFC ECLGS Loan is secured against current and fixed assets of the Company and further secured by the corporate guarantee of the holding company - Veranda Learning Solutions Limited (Since December 2021).
- b) Vehicle Loan from HDFC Bank is secured against the hypothecation of the vehicle in favour of the Bank. The loan has been repaid during the year.

**19 Other financial liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Employee Stock Option (ESOP) Liability	1,985.06	1,799.78
Interest accrued but not due on borrowings (Refer Note 40)	499.47	-
	<b>2,484.53</b>	<b>1,799.78</b>

**20 Long Term Provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity (Refer Note 41.3)	84.93	93.19
Provision for Compensated Absences (Refer Note 41.2)	15.19	17.32
	<b>100.12</b>	<b>110.50</b>



**21 Short Term Borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Loan repayable on demand</b>		
<b>From related parties (Refer Note 40)</b>		
Veranda Learning Solutions Limited (Refer Note 21.1)	3,675.89	3,181.89
<b>From Others</b>		
Bank Overdraft (Refer Note 21.2)	270.09	277.94
HDFC Credit Card	29.65	-
Current Maturities of Long-term debt		
HDFC ECLGS Loan	9.33	40.50
Vehicle Loan	-	1.32
Term Loan from Hinduja Leyland Finance Limited (Refer Note 21.3)	1,357.44	77.77
	<b>5,342.40</b>	<b>3,579.41</b>

21.1 The inter corporate loans are availed at interest rate of 11.55% p.a. and repayable on demand (Unsecured).

21.2 Bank Overdraft is secured against charge on all current and non-current assets of the Company.

21.3 The Company intends to pre-close the loans borrowed from Hinduja Leyland Finance Limited and accordingly the loan outstanding has been reclassified as current liability as at the March 31, 2024. Subsequent to the year end, the loan has been closed on April 18, 2024.

**Book debts statement submitted to Bank**

Month	Name of bank	Particulars	Amount as per books of accounts	Amount as reported in the monthly statement	Difference
April - 2023*	HDFC	Book Debts (unaudited)	599.03	554.57	44.46
May - 2023*	HDFC	Book Debts (unaudited)	585.19	549.78	35.41
June - 2023*	HDFC	Book Debts (unaudited)	1,169.90	1,166.24	3.66
July - 2023*	HDFC	Book Debts (unaudited)	1,137.37	1,081.76	55.61
August - 2023*	HDFC	Book Debts (unaudited)	1,038.37	1,030.58	7.79
September - 2023*	HDFC	Book Debts (unaudited)	1,302.04	1,162.86	139.18
October - 2023*	HDFC	Book Debts (unaudited)	1,357.06	1,355.96	1.10
November - 2023*	HDFC	Book Debts (unaudited)	1,458.86	1,465.58	(6.72)
December - 2023*	HDFC	Book Debts (unaudited)	1,745.44	1,710.86	34.58
January - 2024*	HDFC	Book Debts (unaudited)	1,627.66	1,632.22	(4.56)
February - 2024*	HDFC	Book Debts (unaudited)	1,740.08	1,740.81	(0.73)
March - 2024*	HDFC	Book Debts (audited)	1,593.25	1,727.59	(134.34)

\*The differences represents the revenue cutoff entries posted at the month end and the receivables accounted for ELC business as part of the monthly financial close process, but after submission of monthly statement to the Bank, credit balances in debtor accounts and adjustments in payment gateway balances.

**22 Trade Payables**

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of creditors of micro enterprises and small enterprises (Refer Note 22.1)	729.73	667.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,481.54	1,507.03
	<b>2,211.27</b>	<b>2,174.15</b>

22.1 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. (Refer Note 34)

**22.2 Trade Payables ageing schedule**

Particulars	As at March 31, 2024						
	Unbilled	Not Due	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) Undisputed MSME	-	68.43	644.40	16.90	-	-	729.73
(ii) Undisputed Others	674.75	700.53	105.52	0.56	0.18	-	1,481.54
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-



22.3 Trade Payables ageing schedule

Particulars	As at March 31, 2023						
	Unbilled	Not Due	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) Undisputed MSME	-	7.97	643.55	-	-	-	651.52
(ii) Undisputed Others	631.29	702.88	172.66	0.20	-	-	1,507.03
(iii) Disputed dues – MSME	-	-	15.60	-	-	-	15.60
(iv) Disputed dues - Others	-	-	-	-	-	-	-

23 Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Contractual Liability towards Institutions	2.05	2.39
Interest payable	13.11	119.20
Other Advances	-	9.42
	<b>15.16</b>	<b>131.01</b>

24 Short Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity (Refer Note 41.3)	31.24	17.18
Provision for Compensated Absences (Refer Note 41.2)	8.34	7.12
	<b>39.58</b>	<b>24.30</b>

25 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues Payable	116.66	108.18
Deferred Revenue	1,171.42	1,321.78
Advance received from customers	176.02	42.45
	<b>1,464.10</b>	<b>1,472.41</b>



**26 Revenue from Operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Online Courses	8,480.65	8,043.53
Sale of License	280.00	-
	<b>8,760.65</b>	<b>8,043.53</b>

**26.1 Disaggregated Revenue**

The Company derives revenue from transfer of goods and services over time and at a point in time as given below:

**Timing of recognition:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Over period of time</b>		
Sale of Online Courses	8,480.65	8,043.53
<b>At a point in time</b>		
Sale of License	280.00	-
	<b>8,760.65</b>	<b>8,043.53</b>

**26.2 Reconciliation of revenue with contract price**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Contract Price</b>		
Sale of Online Courses	9,642.42	9,365.32
Sale of License	280.00	-
<b>Adjustments:</b>		
Discounts	-	-
Deferred Revenue	(1,161.77)	(1,321.78)
	<b>8,760.65</b>	<b>8,043.53</b>

**26.3 Contract balances :**

Revenue from operations recognised is collected as per the terms of the contract. Trade receivables have been disclosed under Note 11 and Deferred revenue disclosed under Note 25.

**26.4 Performance Obligations :**

The Contracts with customers are structured in such a way that the Company has the right to consideration from a customer in an amount that corresponds directly with the value to the customer of the performance obligation complete to date and the Company has the right to invoice.

**26.5 Information about major customers:**

During the year, there is no revenue from a single customer which is more than 10% of the Company's total revenue.

**27 Other Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Fixed deposit	15.31	9.27
Credit Balances written back	-	115.54
Interest on loans	146.20	290.10
Profit on Derecognition of Financial Asset	4.27	-
Profit on sale of property, plant and equipment	1.12	-
Guarantee Income	0.02	-
Miscellaneous Income	6.66	11.27
	<b>173.58</b>	<b>426.18</b>



**28 Employee benefits expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	2,356.22	3,875.90
Staff welfare expenses	54.49	47.04
Contribution to provident and other funds (Refer Note 41.1)	67.57	122.21
Gratuity Expenses (Refer Note 41.3)	32.76	41.56
Compensated absences (Refer Note 41.2)	68.23	72.63
Share based payment expense (Refer Note 16)	122.53	372.79
	<b>2,701.80</b>	<b>4,532.13</b>

**29 Finance costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Borrowings	597.15	195.19
Interest on Lease liabilities	24.77	30.86
Interest on unwinding of Financial liability	185.28	-
Corporate guarantee expense	3.75	-
Interest - Others	5.55	-
	<b>816.50</b>	<b>226.05</b>

**30 Depreciation and amortization expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Property, plant and equipment (Refer Note 4)	31.58	60.08
Depreciation on Right to use of assets (Refer Note 5)	142.15	136.67
Amortisation on Intangible assets (Refer Note 4)	14.91	6.20
	<b>188.64</b>	<b>202.95</b>

**31 Other expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Delivery Partner Fee	283.60	85.92
Lecturer Fee	771.23	1,104.91
Advertisement & sales Promotion	1,780.20	3,107.17
Share of common expenses	533.72	413.46
Royalty Expenses	222.52	-
Affiliate Cost	334.94	270.36
Rent (Refer Note 5)	11.51	55.52
Repairs & Maintenance	13.20	37.58
Foreign exchange loss, net	67.26	90.66
Payment to the auditors (excluding GST)*	20.00	24.00
Legal & professional charges	107.50	530.10
Rates and Taxes	109.18	72.88
Printing & Stationery	1.59	3.21
Bank charges	10.26	11.22
Communication Expenses	136.96	125.84
Payment Gateway Charges	286.89	302.88
Business Support Services expenses	495.79	607.01
Insurance Expenses	0.37	0.41
Business Promotion Expenses	25.23	262.06
Subscription Charges	317.37	219.47
Bad Debts	0.96	-
Loss on sale of property, plant and equipment	-	3.98
Directors remuneration	1.20	6.20
Expected credit loss	57.47	146.80
Expected credit facility loss	-	-
Travelling & Conveyance	27.59	99.85
Postage and Telegram	-	-
Power & Fuel	0.50	2.55
Miscellaneous expenses	0.06	13.28
	<b>5,617.10</b>	<b>7,597.32</b>



**\* Payment to auditors**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit	20.00	24.00
	<b>20.00</b>	<b>24.00</b>

**32 Tax expense:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Deferred tax expense</b>		
Recognised in profit and loss	154.72	(46.67)
Recognised in OCI	-	(1.20)
	<b>154.72</b>	<b>(47.87)</b>

**a) Movement of deferred tax expense / (income) during the year ended March 31, 2024**

Deferred tax liabilities/(assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant, and equipment and Intangible Assets	(29.06)	29.06	-	-
Right of use Assets	(5.93)	5.93	-	-
On expenses allowable on payment basis	(61.08)	61.08	-	-
Expenses on which tax is not deducted	(48.20)	48.20	-	-
Financial Liability measured at amortised cost	6.56	(6.56)	-	-
Others	(17.01)	17.01	-	-
	<b>(154.72)</b>	<b>154.72</b>	<b>-</b>	<b>-</b>

**b) Movement of deferred tax expense / (income) during the year ended March 31, 2023**

Deferred tax liabilities/(assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant, and equipment and Intangible Assets	(15.31)	(13.75)	-	(29.06)
Right of use Assets	-	(5.93)	-	(5.93)
On expenses allowable on payment basis	(30.08)	(29.80)	(1.20)	(61.08)
Expenses on which tax is not deducted	(44.45)	(3.75)	-	(48.20)
Financial Liability measured at amortised cost	-	6.56	-	6.56
Others	(17.01)	(0.00)	-	(17.01)
	<b>(106.85)</b>	<b>(46.67)</b>	<b>(1.20)</b>	<b>(154.72)</b>

**32.1 Reconciliation of accounting Profits**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting loss before tax	(389.81)	(4,088.74)
Income tax rate	25.17%	26.00%
<b>At Statutory income tax rate</b>	<b>(98.10)</b>	<b>(1,063.07)</b>
<b>Non - deductible expenses for tax purposes</b>		
Property, plant, and equipment and Intangible Assets	29.06	(13.75)
Right of use Assets	5.93	(5.93)
On expenses allowable on payment basis	61.08	(29.80)
Financial Liability measured at amortised cost	(6.56)	6.56
Expenses on which tax is not deducted	48.20	(3.75)
<b>Deferred tax not considered on Business loss and unabsorbed depreciation</b>	<b>(39.61)</b>	<b>1,109.74</b>
<b>At the effective income tax rate</b>		
Income tax expenses reported in the statement of profit and loss	-	-



**33 Loss per share**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loss for the year attributable to owners of the Company	(544.53)	(4,042.07)
Weighted average number of ordinary shares outstanding	8,58,135	8,57,521
Basic earnings per share (Rs)	(63.46)	(471.37)
Diluted earnings per share (Rs)	(63.46)	(471.37)

- 33.1 The employee stock options issued by the Company is based on specified conditions involving future events/valuation of the Company. The number of ordinary shares contingently issuable may depend on the future market price of the ordinary shares and are therefore treated as contingently issuable shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time. Contingently issuable ordinary shares are not included in the diluted earnings per share calculation unless both conditions are met. As at year end, since both the conditions have not been met, they have not been included in the calculation of diluted earnings per share. Further the company has incurred loss during the year and any potential issue of shares will result in an anti dilutive effect on loss per share.

**34 Disclosures required by the Micro and Small Enterprises Development (MSMED) Act, 2006 are as under**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Principal amount due to suppliers registered under MSMED Act and remaining unpaid	729.73	665.82
(ii) Interest due to suppliers registered under the MSMED act and remaining unpaid	6.85	1.30
(iii) Principal amounts paid to suppliers registered under the MSMED act, beyond the appointed day during the year	348.48	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	3.67	1.30
(vii) Further interest remaining due and payable for earlier years	1.30	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**35 Corporate Social Responsibility**

The provisions of section 135 of the Companies Act 2013, Corporate Social Responsibility is not applicable to the Company on account of losses and no amount is required to be spent on Corporate Social Responsibility.





**36 Contingent liabilities & Commitments**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contingent Liabilities	-	-
Commitments	-	-
Corporate Guarantees (refer note below)	966.67	-

During the year ended March 31, 2024, Veranda XL Learning Solutions Private Limited has issued 14,500 senior, secured, unlisted, redeemable Non Convertible Debentures (NCD) having a face value of Rs. 1,00,000 each on a private placement basis. The Company has issued a Corporate Guarantee in relation to the above issuance.

**37 Segment Reporting**

**Operating Segment**

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. The Company's predominantly related to sale of comprehensive learning programs and, accordingly, this is the only operating segment.

**Geographical Information**

Revenue and receivables are specified by location of customers while the other geographic information is specified by the location of the assets. The following table presents revenue, expenditure and assets information regarding the Company's geographical segments:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from Operations:</b>		
India	5,586.56	5,170.42
Rest of the World	3,174.09	2,873.11
<b>Segment Assets:</b>		
India	4,264.60	3,776.49
Rest of the World	13.01	16.26
<b>Capital Expenditure:</b>		
India	11.87	416.47
Rest of the World	-	-



**Brain4ce Education Solutions Private Limited**

Notes to financial statements for the Year ended March 31, 2024

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[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

**38 Financial Instruments****Capital management**

The Company manages its capital to ensure that Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

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

<b>Gearing Ratio:</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Debt	5,342.40	4,848.42
Less: Cash and bank balances	(241.91)	(220.34)
Net debt	<b>5,100.49</b>	<b>4,628.08</b>
Total equity	(7,635.52)	(7,239.07)
Net debt to equity ratio (%)	(66.80%)	(63.93%)

**Credit risk management**

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

**Liquidity risk management**

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements.

**Liquidity tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

<b>Particulars</b>	<b>March 31, 2024</b>			
	<b>Due in 1st year</b>	<b>Due in 2nd to 5th year</b>	<b>Due after 5th year</b>	<b>Carrying amount</b>
Borrowings (Fixed rate instrument)	5,342.40	-	-	5,342.40
Trade payables (Non- interest bearing)	2,211.27	-	-	2,211.27
Other financial liabilities (Non- interest bearing)	15.16	2,560.11	-	2,575.27
Lease liabilities	156.32	115.78	-	272.10
	<b>7,725.15</b>	<b>2,675.89</b>	<b>-</b>	<b>10,401.04</b>

<b>Particulars</b>	<b>March 31, 2023</b>			
	<b>Due in 1st year</b>	<b>Due in 2nd to 5th year</b>	<b>Due after 5th year</b>	<b>Carrying amount</b>
Borrowings (Fixed rate instrument)	3,579.41	318.68	950.33	4,848.42
Trade payables (Non- interest bearing)	2,174.15	-	-	2,174.15
Other financial liabilities (Non- interest bearing)	131.01	2,745.39	-	2,876.41
Lease liabilities	191.52	326.81	-	518.33
	<b>6,076.09</b>	<b>3,390.88</b>	<b>950.33</b>	<b>10,417.30</b>

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):</b>	Nil	Nil



**Brain4ce Education Solutions Private Limited**

Notes to financial statements for the Year ended March 31, 2024

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[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

**Currency Risk Management**

Foreign currency risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk to the extent that there is mismatch between the currencies in which revenue, expenses are denominated and the respective functional currencies of Company.

**Exposure to currency risk**

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	March 31, 2024	March 31, 2023
<b>A. Receivables:</b>		
Balance (USD)	0.16	0.17
Balance (INR)	13.01	13.92
Balance (SGD)	-	0.04
Balance (INR)	-	2.34
<b>B. Payables:</b>		
Balance (USD)	0.87	0.61
Balance (INR)	62.84	50.31
Balance (GBP)	0.11	0.01
Balance (INR)	11.24	0.94
Balance (AUD)	-	0.00
Balance (INR)	-	0.20



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Notes to financial statements for the Year ended March 31, 2024

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**39 Fair value measurements****Financial instruments measured at Amortised cost**

<b>Financial assets</b>	<b>Note</b>	<b>Hierarchy</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Trade receivables	11	Level 2	1,593.25	417.89
Loans	7, 13	Level 2	1,231.29	1,305.00
Cash and cash equivalents	12	Level 2	241.91	220.34
Other financial assets	10, 14	Level 2	437.37	225.60
<b>Total financial assets</b>			<b>3,503.82</b>	<b>2,168.83</b>
<b>Financial liabilities</b>	<b>Note</b>	<b>Hierarchy</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Borrowings	18, 21	Level 2	5,342.40	4,848.42
Trade payables	22	Level 2	2,211.27	2,174.15
Lease Liabilities	5	Level 2	255.97	471.25
Other Financial Liabilities	19, 23	Level 2	2,499.69	1,930.79
<b>Total financial liabilities</b>			<b>10,309.33</b>	<b>9,424.61</b>

**Fair value measurement**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as under:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The borrowing rate of the Company has been taken as the discount rate used for determination of fair value.



**40 Related party disclosure**

**a) List of related parties**

**Entities having control or controlled by the Company**

**Holding company**

Veranda Learning Solutions Limited

**Subsidiary company**

Edureka Pte Ltd

Struck Off on November 07, 2022

**Fellow subsidiary companies**

Veranda IAS Learning Solutions Private Limited

Veranda Race Learning Solutions Private Limited

Veranda XL Learning Solutions Private Limited

Veranda Learning Solutions North America, Inc.

Veranda Management Learning Solutions Private Limited

Veranda Administrative Learning Solutions Private Limited

Sreedhar CCE Learning Solutions Private Limited

(Since July 07, 2023)

BAssure Solutions Private Limited

(Since July 21, 2023)

Neyyar Academy Private Limited

(Since July 21, 2023)

Neyyar Education Private Limited

(Since July 21, 2023)

Phire Learning Solutions Private Limited

(Since July 21, 2023)

Six Phrase Edutech Private Limited

(Since July 21, 2023)

Veranda K-12 Learning Solutions Private Limited

(Since August 30, 2023)

(formerly known as Educare Infrastructure Services Private Limited)

Talently Innovative Solutions Private Limited

(Since July 21, 2023)

Tapasya Educational Institutions Private Limited

(Since January 11, 2024)

**Key Management Personnel**

Lovleen Bhatia

Director (Resigned on Nov 17, 2022, Re-appointed back on Dec 27, 2022 and again resigned on Feb 8, 2023)

Koorapati Praveen Kumar

Director (w.e.f Sep 17, 2021)

Rangarajan

Director (w.e.f Sep 17, 2021)

Lakshminarayanan Seshadri

Director (w.e.f Nov 8, 2021)

**b) Transactions during the year**

S. No.	Nature of transactions	Amount	
		2023-24	2022-23
1	<b>Loans taken from</b> Veranda Learning Solutions Limited	990.00	2,785.30
2	<b>Repayment of Loans</b> Veranda Learning Solutions Limited	496.00	128.41
3	<b>Cross charge of common Expenses</b> Veranda Learning Solutions Limited	359.35	413.47
4	<b>Royalty Expenses</b> Veranda Learning Solutions Limited	222.52	-
5	<b>Cross charge of V Labs Cost</b> Veranda Learning Solutions Limited	174.37	-



**Brain4ce Education Solutions Private Limited**  
**Notes to financial statements for the Year ended March 31, 2024**  
**CIN: U80200KA2011PTC094081**  
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S. No.	Nature of transactions	Amount	
		2023-24	2022-23
6	<b>Share of Common Expense</b>		
	Veranda Management Learning Solutions Private Limited	616.31	-
	Veranda Learning Solutions Limited	242.75	-
7	<b>Interest on Borrowings</b>		
	Veranda Learning Solutions Limited	398.97	103.93
8	<b>Loans repayment received</b>		
	Veranda XL Learning Solutions Private Limited	73.71	20.00
	Veranda Race Learning Solutions Private Limited	-	80.00
	Veranda IAS Learning Solutions Private Limited	-	20.00
9	<b>Loans given to</b>		
	Veranda XL Learning Solutions Private Limited	-	1,325.00
	Veranda Race Learning Solutions Private Limited	-	80.00
	Veranda IAS Learning Solutions Private Limited	-	20.00
10	<b>Interest on Loan given</b>		
	Veranda XL Learning Solutions Private Limited	146.20	66.81
	Veranda Race Learning Solutions Private Limited	-	0.79
	Veranda IAS Learning Solutions Private Limited	-	0.15
11	<b>Directors Sitting Fees</b>		
	Koorapati Praveen Kumar	-	2.00
	Rangarajan	-	1.60
	Lakshminarayanan Seshadri	1.20	2.00
	Lovleen Bhatia	-	0.60
12	<b>Rights shares issued</b>		
	Veranda Learning Solutions Limited		
	Share Capital	-	0.83
	Securities Premium	-	199.62
13	<b>Deemed Equity Contribution</b>		
	Veranda Learning Solutions Limited	126.28	208.25
14	<b>Corporate Guarantee Income</b>		
	Veranda XL Learning Solutions Private Limited	0.02	-
15	<b>Corporate Guarantee Expenses</b>		
	Veranda Learning Solutions Limited	3.75	-
16	<b>Remuneration to Directors</b>		
	Lovleen Bhatia	-	55.01
17	<b>Business Support services provided to</b>		
	Veranda Learning Solutions Limited	-	32.08



**c) Balance outstanding at the year end**

S. No.	Particulars	Amount	
		As at March 31, 2024	As at March 31, 2023
1	<b>Loans taken from</b> Veranda Learning Solutions Limited	3,675.89	3,181.89
2	<b>Trade Receivables</b> Veranda XL Learning Solutions Private Limited Veranda Management Learning Solutions Private Limited Talentely Innovative Solutions Private Limited	10.44 70.64 302.40	- - -
3	<b>Loans and advances receivable</b> Veranda XL Learning Solutions Private Limited	1,231.28	1,305.00
4	<b>Interest receivable on Loan given</b> Veranda XL Learning Solutions Private Limited	11.73	11.30
5	<b>Other Receivable</b> Veranda Learning Solutions Limited	615.14	34.65
6	<b>Interest accrued but not due</b> Veranda Learning Solutions Limited	499.47	106.51
7	<b>Other Payable</b> Veranda Learning Solutions Limited	668.33	640.85
8	<b>Corporate Guarantees provided</b> Veranda XL Learning Solutions Private Limited	966.67	-



**41 Retirement benefit plans**

**41.1 Defined Contribution plans**

The Company has defined contribution plan of provident fund. Additionally, the company also provides, for covered employees, health insurance through the employee state insurance scheme.

Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The obligation of the Company is limited to the amount of disbursement required and it has no further contractual nor any constructive obligation. The Company has recognized in the Statement of Profit and Loss for the year ended March 31, 2024 an amount of Rs. 67.57 Lakhs (March 31, 2023 - 122.31 Lakhs) towards expenses under defined contribution plans and included in 'Contribution to provident and other funds'.

**41.2 Compensated absences**

The compensated absences cover the Company's liability for privilege leave provided to the employees.

The amount of provision of Rs. 8.34 Lakhs is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Particulars	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Compensated absences	8.34	15.19	7.12	17.32

**41.3 Gratuity**

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Particulars	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Provision for Gratuity	31.24	84.93	17.18	93.19

**The principal assumptions used for the purposes of the actuarial valuations were as follows:**

Particulars	March 31, 2024	March 31, 2023
Attrition rate	30.00%	30.00%
Discount Rate	6.94%	7.29%
Rate of increase in compensation level	9.00%	9.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:**

Particulars	March 31, 2024	March 31, 2023
Current service cost	24.91	36.07
Net interest expense	7.86	5.49
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	<b>32.77</b>	<b>41.56</b>
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the year	(21.80)	4.61
Components of defined benefit costs recognised in other comprehensive income	<b>(21.80)</b>	<b>4.61</b>
	<b>10.97</b>	<b>46.17</b>

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.

The actuarial gain/ loss on remeasurement of the net defined benefit liability is included in other comprehensive income.





The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Particulars	March 31, 2024	March 31, 2023
Present value of defined benefit obligation	116.17	110.37
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	<b>116.17</b>	<b>110.37</b>
Funded	-	-
Unfunded	116.17	110.37
	<b>116.17</b>	<b>110.37</b>

Movements in the present value of the defined benefit obligation in the current year were as follows:

Particulars	March 31, 2024	March 31, 2023
Opening defined benefit obligation	110.37	91.70
Current service cost	24.91	36.07
Past service cost - (vested benefit)	-	-
Interest cost	7.86	5.49
Benefits settled	(5.17)	(27.49)
Actuarial (gains)/losses	(21.80)	4.61
Closing defined benefit obligation	<b>116.17</b>	<b>110.37</b>

Movements in the fair value of the plan assets in the current year were as follows:

Particulars	March 31, 2024	March 31, 2023
Opening fair value of plan assets	-	-
Expected return on assets	-	-
Contributions	-	-
Benefits paid	-	-
Expected return on plan assets (excluding amounts included in net interest expense)	-	-
Closing fair value of plan assets	-	-

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. The estimates of future salary increases, considered in actuarial valuation, take into account, inflation, seniority, promotions and other relevant factors such as demand and supply in the employment market.

#### Sensitivity analysis

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Defined benefit obligation sensitivities were as follows:	March 31, 2024	March 31, 2023
1) DBO - Base assumptions	116.17	110.37
2) Discount rate: +1%	112.84	(5.89)
3) Discount rate: -1%	119.72	6.59
4) Salary escalation rate: +1%	118.85	4.57
5) Salary escalation rate: -1%	113.60	(4.25)
6) Attrition rate: 25% increase	112.26	(1.17)
7) Attrition rate: 25% decrease	121.07	1.20

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. The estimates of future salary increases, considered in actuarial valuation, take into account, inflation, seniority, promotions and other relevant factors such as demand and supply in the employment market.



**42 Ratio analysis**

**a) Current Ratio = Current Assets/ Current Liabilities**

Particulars	March 31, 2024	March 31, 2023
Current assets	2,660.81	1,368.33
Current liabilities	9,215.41	7,544.10
<b>Ratio</b>	<b>0.29</b>	<b>0.18</b>

Change in ratios of more than 25% compared to previous year is because company during the year has reclassified long term borrowings which are paid subsequent to the year end as current liabilities.

**b) Debt - Equity Ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings**

Particulars	March 31, 2024	March 31, 2023
Total debt	5,342.40	4,848.42
Total equity	(7,635.52)	(7,239.07)
<b>Ratio</b>	<b>(0.70)</b>	<b>(0.67)</b>

**c) Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments**

Particulars	March 31, 2024	March 31, 2023
Loss for the year	(544.53)	(4,042.07)
<b>Add: Non cash expenses and finance costs</b>	<b>1,005.14</b>	<b>429.00</b>
Depreciation and amortization expense	188.64	202.95
Finance costs	816.50	226.05
<b>Earnings available for debt services</b>	<b>460.61</b>	<b>(3,613.07)</b>
Interest cost on borrowings	(597.15)	(195.19)
Principal Repayments	(625.67)	(126.62)
<b>Total interest and principal repayments</b>	<b>(1,222.81)</b>	<b>(321.81)</b>
<b>Ratio</b>	<b>(0.38)</b>	<b>11.23</b>

Change in ratios of more than 25% compared to the previous years is because the Company repaid its borrowings and reduction in losses during the year.

**d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity**

Particulars	March 31, 2024	March 31, 2023
Loss for the year	(544.53)	(4,042.07)
Total Equity	(7,635.52)	(7,239.07)
<b>Ratio</b>	<b>0.07</b>	<b>0.56</b>

Change in ratios of more than 25% compared to the previous years is because the Company has reduced its expenses in relation to advertisement and professional charges significantly.

**e) Trade Receivables turnover ratio = Sales divided by Closing trade receivables**

Particulars	March 31, 2024	March 31, 2023
Sales	8,760.65	8,043.53
Closing trade receivables	1,593.25	417.89
<b>Ratio</b>	<b>5.50</b>	<b>19.25</b>

Change in ratios of more than 25% compared to the previous years is because the Company has increased the credit period allowed to its customers.



f) **Trade payables turnover ratio = Purchases divided by closing trade payables**

Particulars	March 31, 2024	March 31, 2023
Expenses	5,617.10	7,597.32
Closing trade payables	2,211.27	2,174.15
<b>Ratio</b>	<b>2.54</b>	<b>3.49</b>

Change in ratios of more than 25% compared to the previous years is because the Company has reduced its expenses in relation to advertisement and professional charges significantly.

g) **Net capital Turnover Ratio = Revenue from Operations divided by Net Working capital**

Particulars	March 31, 2024	March 31, 2023
Revenue from operations	8,760.65	8,043.53
Net Working Capital	(6,554.60)	(6,175.77)
<b>Ratio</b>	<b>(1.34)</b>	<b>(1.30)</b>

h) **Net profit ratio = Net profit after tax divided by Revenue from operations**

Particulars	March 31, 2024	March 31, 2023
Loss for the year	(544.53)	(4,042.07)
Revenue from operations	8,760.65	8,043.53
<b>Ratio</b>	<b>(0.06)</b>	<b>(0.50)</b>

Change in ratios of more than 25% compared to the previous years is because the Company has reduced its expenses in relation to advertisement and professional charges significantly.

i) **Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash**

Particulars	March 31, 2024	March 31, 2023
Loss before tax (A)	(389.81)	(4,088.74)
Finance Costs (B)	816.50	226.05
Other income (C)	173.58	426.18
<b>EBIT (D) = (A)+(B)-(C)</b>	<b>253.11</b>	<b>(4,288.87)</b>
<b>Capital Employed- Pre Cash (J)=(E)-(F)-(G)-(H)-(I)</b>	<b>(5,179.71)</b>	<b>(3,971.69)</b>
Total Assets (E)	4,277.61	3,792.75
Current Liabilities (F)	9,215.41	7,544.10
Current Investments (G)	-	-
Cash and Cash equivalents (H)	9.93	10.08
Bank balances other than cash and cash equivalents (I)	231.98	210.26
<b>Ratio (D/J)</b>	<b>(0.05)</b>	<b>1.08</b>

Change in ratios of more than 25% compared to previous year is because company during the year has reclassified long term borrowings which are paid subsequent to the year end as current liabilities and due to decline in the losses.

**43 Going Concern**

Based on the business projections for FY 2024-25, the Company is expected to have adequate funds to meet its obligation as they occur. Further, the Holding Company [Veranda Learning Solutions Limited] has provided a letter of continued financial support up to June 30, 2025. Therefore, despite erosion in the net worth of the Company, considering the continued financial support from the holding company and the current initiatives of the Company during the year which are expected to yield revenue in the future, the financial statements have been prepared on a going concern basis.



## Brain4ce Education Solutions Private Limited

Notes to financial statements for the Year ended March 31, 2024

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### 44 Other Statutory Information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- ii) The Company reviewed the status of all its customers and vendors Company, as at March 31, 2024 and March 31, 2023, in MCA portal, and observed that the company do not have any transaction with struck off Companies under section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.
- iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- v) The Company have not traded or invested in Crypto currency or virtual currency during the year.
- vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(s), including foreign entities (intermediaries) with any oral or written understanding that the intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- vii) The Company have not received any fund from any person(s) or entity(is) including foreign entities (funding party) with any oral or written understanding (whether recorded in writing or Otherwise) that the company shall:
  - (a) directly or indirectly lend or invest in any other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- viii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- ix) During the financial year, the Company has not revalued any of it's property, plant and Equipment, Right of use asset and Intangible Assets.
- x) The Company does not have any investment properties as at March 31, 2024 and March 31, 2023 as defined in Ind AS 40.
- xi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with the companies (Restriction on number of layers) Rules, 2017.
- xii) The quarterly results or statements of current assets filed by the Company with banks and financial institutions differ from those recorded in the books of accounts.
- xiii) The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year.
- xiv) a. With effect from April 01, 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for companies to maintain an audit trail throughout the year for transactions impacting books of accounts. Accordingly, the Company has complied with the same except for a software operated by a third party software service provider, for maintaining student and course records. However, the Company has adequate controls in relation to edit log features.
  - b. Further, MCA requires companies to maintain daily backups of their financial data on servers located in India. Accordingly, the Company has complied with the maintenance of the daily backup of their financial data except for third party software used for maintaining student and course records where the backups of the financial data are not maintained on servers located in India.



**45 Approval of Accounts**

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issuance on May 27, 2024.

For and on behalf of the Board of Directors



**K Praveen Kumar**  
Director  
DIN: 00591450

Place : Chennai  
Date : May 27, 2024

**R Rangarajan**  
Director  
DIN: 00591483

Place : Chennai  
Date : May 27, 2024

