

School Guru Eduserve Private Limited

Balance Sheet

as at 31 March 2020

(Amount in ₹ lakhs)	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	6A	19.81	26.97
Intangible assets	6B	150.84	88.82
Intangible assets under development	6B	48.21	32.46
Financial assets			
Investments	7	-	-
Loans	8	9.08	23.18
Income tax assets (net)		68.20	76.40
Deferred tax assets (net)	9	-	-
Other non-current assets		-	-
		<u>296.14</u>	<u>247.83</u>
Current assets			
Financial assets			
Investments	10	112.19	465.55
Trade receivables	11	256.67	359.44
Cash and cash equivalents	12	24.36	62.91
Other balances with banks	12	58.92	-
Loans		-	-
Other financial assets	13	1.02	-
Other current assets	14	2.36	1.65
		<u>455.52</u>	<u>889.55</u>
TOTAL ASSETS		<u>751.66</u>	<u>1,137.38</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	82.94	82.94
Instruments entirely in equity nature		-	-
Other equity	16	(878.11)	(459.32)
		<u>(795.17)</u>	<u>(376.38)</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	1,350.04	1,350.04
Provisions	18	14.03	12.63
Other non-current liabilities		-	-
		<u>1,364.07</u>	<u>1,362.67</u>
Current liabilities			
Financial liabilities			
Trade payables			
- Dues to micro and small enterprises		-	-
- Dues other than micro and small enterprises	19	40.01	30.78
Other financial liabilities	20	97.80	70.62
Other current liabilities	21	8.66	22.91
Provisions	22	36.29	26.78
		<u>182.76</u>	<u>151.09</u>
TOTAL EQUITY AND LIABILITIES		<u>751.66</u>	<u>1,137.38</u>

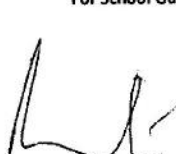
Significant accounting policies 1-4
Notes referred to above form an integral part of the standalone financial statements 5-39

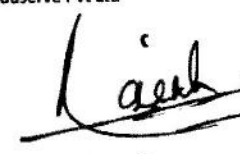
As per our report of even date attached
For Manian & Rao
Chartered Accountants
Firm Registration Number: 0019835

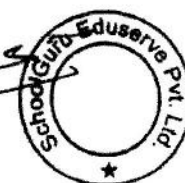

Paresh Daga
Partner
Membership No. 211468
Place: Bengaluru
Date: 02 June 2020



For School Guru Eduserve Pvt Ltd


Rituparna Chakraborty
Director
DIN : 07332241
Place: Bengaluru
Date: 02 June 2020


Ravi Vishwanath
Director
DIN : 07332234
Place: Bengaluru
Date: 02 June 2020



School Guru Eduserve Private Limited

Statement of Profit and Loss

for the year ended on 31 March 2020

(Amount in ₹ lakhs)

		Year Ended	Year Ended
	Note	31 March 2020	31 March 2019
Revenue from operations	23	858.88	861.95
Other income	24	22.75	49.57
Total income		881.63	911.52
Expenses			
Employee benefits expense	25	609.24	532.97
Finance costs	26	-	116.18
Depreciation and amortization expense	6	67.73	31.60
Other expenses	27	629.43	299.61
Total expenses		1,306.40	980.36
Profit before exceptional items and tax		(424.77)	(58.84)
Exceptional items		-	-
Profit before tax		(424.77)	(58.84)
Tax expense	41		
Current tax		-	-
Deferred tax (benefit)/charge		-	-
Total tax expense		-	-
Profit for the year		(424.77)	(68.84)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		3.58	2.33
Income tax on items that will not be reclassified to profit or loss		-	-
Total other comprehensive income		3.58	2.33
Total comprehensive income for the year		(421.19)	(66.51)
Earnings per equity share for continuing operations (face value per share ₹ 10 each)			
Basic	35	(51.21)	(8.30)
Diluted	35	(51.21)	(8.30)
Significant accounting policies	1-4		
Notes referred to above form an integral part of the standalone financial statements	5-39		

As per our report of even date attached

For Manian & Rao

Chartered Accountants

Firm Registration Number: 0019835



Paresh Daga
Partner

Membership No. 211468

Place: Bengaluru

Date: 02 June 2020



For School Guru Eduserve Pvt Ltd





Rituparna Chakraborty
Director

DIN : 07332241

Place: Bengaluru

Date: 02 June 2020



Ravi Vishwanath
Director

DIN : 07332234

Place: Bengaluru

Date: 02 June 2020

School Guru Eduserve Private Limited
Cash flow statement for the period ended 31 March 2020
(Amount in ₹ lakhs)

Particulars	Year Ended 31 March 2020 Audited	Year Ended 31 March 2019 Audited
A. Cash flow from operating activities		
Profit before tax for the period	(424.77)	(68.84)
Adjustments to reconcile profit for the year to net cash generated from operating activities:		
Depreciation and amortisation expense	67.73	31.60
Interest expenses	-	-
Interest on unwinding of financial instrument	-	116.18
Employee Compensation Expenses	2.40	9.78
Profit on Sales of Fixed Assets	-	-
Gain on Sales of Investments	(20.71)	(61.29)
Fair value changes of mutual funds	3.07	14.52
Liability written back	-	(0.10)
Provision for bad and doubtful debt	287.66	9.91
Provision for other receivables	-	1.72
Fair value changes of investment	-	-
Sundry balance w/ back	0.01	0.36
Operating profit before working capital changes	(84.60)	53.85
Changes in operating assets and liabilities		
(Increase) / decrease in trade receivables	(184.90)	(315.09)
(Increase) / decrease in inventories	-	-
(Increase) / decrease in Non current financial loans	14.10	(14.81)
(Increase) / decrease in Non current other current asset	-	1.01
(Increase) / decrease in current financial loans	-	1.04
(Increase) / decrease in current financial other assets	(1.02)	30.00
(Increase) / decrease in other current assets	26.46	0.62
Increase / (decrease) in non current financial borrowing	-	(0.00)
Increase / (decrease) in provisions (net of OCI)	14.49	15.96
Increase / (decrease) in other non current financial liabilities	-	0.00
Increase / (decrease) in trade payables	9.23	7.45
Increase / (decrease) in other financial liabilities	27.18	14.53
Increase / (decrease) in other current liabilities	(14.24)	12.28
Cash generated from operating activities	(193.31)	(193.17)
Income tax paid net of refunds	(18.98)	(24.80)
Net cash (used in) operating activities (A)	(212.29)	(217.98)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1.64)	(20.18)
Proceeds from sale of fixed assets	-	-
(Increase) / Decrease in intangibles under development	(15.75)	(16.51)
Increase in intangible assets	(120.94)	(107.77)
Sale of mutual funds	590.29	940.51
Gain on sale of mutual funds	20.71	61.29
Purchase of Fixed Deposit	(58.92)	-
Purchase of mutual funds	(180.00)	(580.00)
Net cash (used in) investing activities (B)	173.74	277.35
Cash flows from financing activities		
Proceeds from issue of equity share capital	-	-
Instruments entirely in equity nature	-	-
Share premium on Conversion of CCD & CCCPS to Equity	-	-
Equity component on financial instruments	-	-
Proceeds from / (repayment of) short-term borrowings (net)	-	-
Interest expense	-	-
Net cash generated from financing activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(38.55)	59.37
Cash and cash equivalents at the beginning of the period	62.91	3.54
Cash and cash equivalents at the end of the period	24.36	62.91
Components of cash and cash equivalents		
Cash on hand	0.02	0.13
Cheques on hand	-	-
Balances with banks	-	-
- On current account	24.34	62.78
Total cash and cash equivalents	24.36	62.91
Summary of significant accounting policies - Refer note 1 - 4		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For Manian & Rao
Chartered Accountants
Firm Registration Number: 0019835

Paresh Daga
Partner
Membership No. 211468

Place: Bengaluru
Date: 02 June 2020



For School Guru Eduserve Pvt Ltd

Rituparna Chakraborty
Director
DIN : 07332241

Place: Bengaluru
Date: 02 June 2020

Ravi Vishwanath
Director
DIN : 07332234

Place: Bengaluru

Date: 02 June 2020



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

1) The Corporate overview

School Guru Eduserve Private Limited ('the Company') is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company engages with Universities and helps them in providing distance learning courses through an online medium.

Teamlease Services Ltd acquired 22.19 % stake in the company by way of investment agreement dated 2nd November, 2017. Consequent to such acquisition the company is an associate enterprises of Teamlease Services Ltd within the meaning of section 2 (6) of Companies Act, 2013.

2) Significant Accounting Policies:

This note provides a list of significant policies adopted in the preparation of these IND AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

A. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

The financial statements were approved by the Board of Directors on June 02, 2020.

B. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.
- Equity settled share-based payments – measured at grant date fair value.

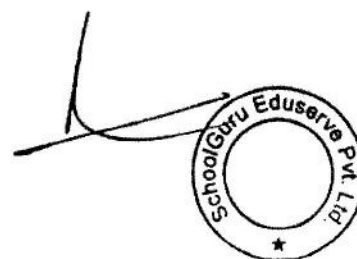
Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

The standalone financial statements are presented in Indian Rupee and all values are rounded to nearest lakhs except when otherwise stated.

C. Standards applied for the first time

The company has applied the following standards and amendments for the first time for the annual reporting period commencing 1 April, 2019:

- a) IND AS 116: Leases



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

D. Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when it is:

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

The company classifies all other liabilities 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 considered twelve months as its operating cycle.

E. Rounding of amounts

All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest lakhs in Indian Rupee (INR) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

F. Summary of significant accounting policies

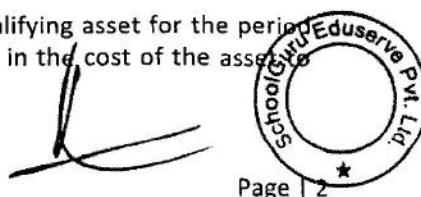
This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Property, plant and equipment

• Recognition and measurement

All the items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

- **Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013.

b) Intangible assets

- **Recognition and measurement**

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Derecognition**

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.



A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

c) Leases

Accounting policy applicable from 1 April 2019

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

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - the Company has the right to operate the asset; or
 - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or modified, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

I. As a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

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

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

d) Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

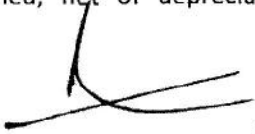
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

Impairment losses are recognised in the statement of profit and loss and to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Reversal of impairment loss

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.




Page | 5



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

f) Revenue recognition

The Company derives revenue primarily from providing Educational Support Services viz. Admission, Examination, Content Development and Other Educational Services to various universities, Schools, Corporates, etc.

Effective 1st April, 2018, the company adopted INDAS 115 (Revenue from Contracts with customers) using Modified Retrospective approach. In accordance with the modified retrospective approach, the comparatives have not been retrospectively adjusted. Following is the summary of the new and/or revised significant accounting policy relating to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:

- (1) Identify the contract with a customer,
- (2) Identify the performance obligations in the contract,
- (3) Determine the transaction price,
- (4) Allocate the transaction price to the performance obligations in the contract, and
- (5) Recognize revenues when a performance obligation is satisfied.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

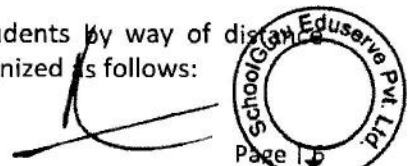
Revenue in excess of invoicing are classified as Contract Assets while invoicing in excess of revenue are classified as Contract liability.

As the company is into providing one service in nature of education support services, the company does not disaggregates revenue from contract with customers.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from Category A Universities

For services rendered on behalf of the Universities to the students by way of distance learning courses through an online medium. The revenue is recognized as follows:



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

- For all programs, the fee for the first term is recognized once the student confirms his admission, submits his documents and pays the fee for the same. The login details for the course is mailed by the system to the student immediately upon payment of the fees and confirmation of the submission of the documents
- Fees for subsequent term is recognized as revenue only after providing online access to course material to the students and receipt of fees for the term.

Revenue from Category B

For Services provided directly to the University by way of online access of course to the students assigned by the universities, the revenue is recognized as per the terms of the contract entered with Universities. We recognise revenue once the University provides the list of students for whom the access needs to be provided in the LMS and login is provided by Schoolguru. The students are free to use the course as per their wish thereafter. Revenue is recognised once the service has been provided/provisioned to the student.

Employment Linked Skilling Program (ELSP)

ELSP Success fee is recognized as revenue on enrolment to the course, provisioning of the access and delivery of the service.

g) Performance Obligations in relation to Long term Contracts:

Company enters into Long term contracts with the universities, there is no performance obligation outstanding in respect of these contracts as on the date of Balance Sheet. New performance obligations will commence from new Academic sessions of the Universities.

h) Other income:

• Interest income

Interest income is recognised using effective interest rate method (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.

In calculating interest income or expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

- Any other incomes are accounted for on accrual basis.

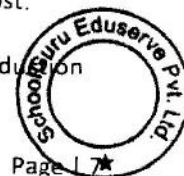
i) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, are expensed in the period in which they are incurred.



A handwritten signature in black ink.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

j) Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

k) Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per applicable regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

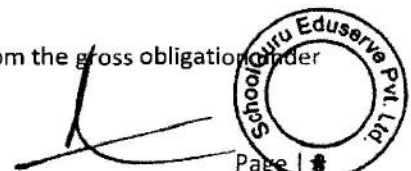
Defined benefit plans

The employees' gratuity fund scheme managed by LIC, is the company's defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

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

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or the fair value of the plan asset. The cost is included in employee benefit expense in the statement of profit and loss.

Other long-term employee benefits

The liabilities for earned leave which are not expected to be settled within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

l) Share-based payments

Employees of the Company who are entitled to receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the grant date using fair valuation model.

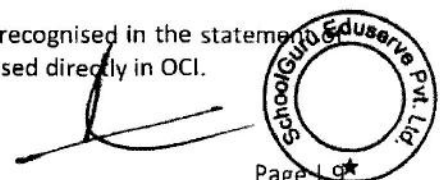
That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss represents the movement in cumulative expense recognised as at the beginning and at the end of the period and to be recognised in the employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

m) Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

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 based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax base 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, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. 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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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.

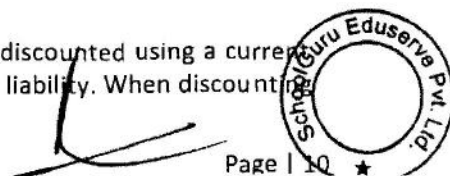
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n) Provisions and contingencies

A provision is 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.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss.

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 where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

o) Fair value measurement

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.


p) Financial instruments

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

Initial recognition and measurement

Financial instruments are initially recognised when the entity becomes party to the contract



 
Page | 11 ★

School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

Subsequent measurement of financial assets

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost.

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

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

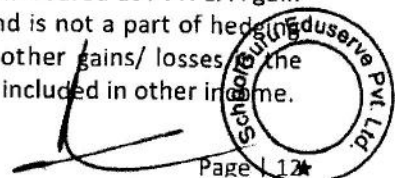
A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

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

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

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

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

Equity investments

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Subsequent measurement of financial liabilities

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

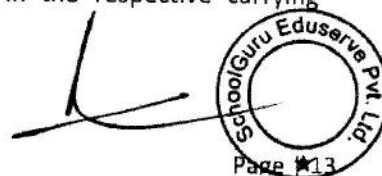
For financial liabilities measured at fair value, changes in fair value is recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit or loss.

Derecognition of financial instruments

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

Impairment of financial assets

The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables under Ind AS 18

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

q) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Operating reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director that makes strategic decisions

3) Significant accounting judgments, estimates and assumptions

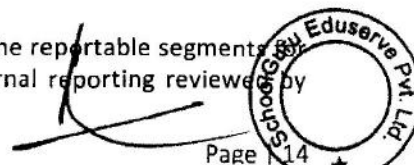
The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

Judgements

In the process of applying the Company's accounting policies, management have made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating segment

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD). Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit obligation

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligations and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on the expected future inflation rates for the country.

Further details about defined benefit obligations are provided in the respective note prepared elsewhere in the financial statement.

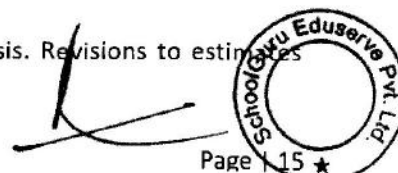
Income Tax:

Significant Judgements are involved in determining the provision for Income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Deferred Tax

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. 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 are unused tax losses can be utilized.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.



School Guru Eduserve Private Limited

Notes to the financial statements for the year ended 31 March 2020

(All amounts are in Indian rupees lakh unless otherwise stated)

Estimation uncertainty relating to the global health pandemic on COVID-19

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, employee benefits payable, leases and Investment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal sources of information including economic forecasts etc. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Impact on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

4) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

As per our report of even date attached

For Manian & Rao
Chartered Accountants
Firm Registration Number: 0019835

For School Guru Eduserve Pvt Ltd

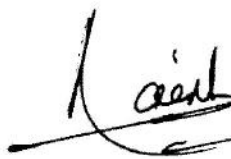

Paresh Daga
Partner
Membership No. 211468

Place: Bengaluru
Date: 02 June 2020




Rituparna Chakraborty
Director
DIN : 07332241

Place: Bengaluru
Date: 02 June 2020


Ravi Vishwanath
Director
DIN : 07332234

Place: Bengaluru
Date: 02 June 2020



School Guru Eduserve Private Limited

Note 5 : Statement of changes in equity

for the year ended on 31 March 2020

(Amount in ₹ lakhs)

A Equity share capital

Balance as at 31 March 2018	82.94
Changes in equity share capital during 2018-19	-
Balance as at 31st March 2019	82.94
Changes in equity share capital during 2019-20	-
Balance as at 31st March 2020	82.94

b Other equity

	Reserves and surplus			Equity component of financial instrument	Total
	Securities premium	Share-based payment reserve	Retained earnings		
Balance as on 31 March 2018	3,280.22	36.70	(3,880.18)	160.65	(402.60)
Profit for the Period	-	-	(68.84)	-	(68.84)
Other comprehensive income (net of tax)	-	-	2.33	-	2.33
Total comprehensive income for the year	-	-	(66.51)	-	(66.51)
Transactions with owners recognised directly in equity					
Dividends	-	-	-	-	-
On issue of equity share capital	-	-	-	-	-
On issue of preference shares to TeamLease	-	-	-	-	-
Share based payments to employees	-	9.78	-	-	9.78
Option lapsed after Vesting Date	-	(5.20)	5.20	-	-
Changes during the year	-	-	-	-	-
Balance as on 31 March 2019	3,280.22	41.28	(3,941.48)	160.65	(459.32)
Profit for the Period	-	-	(424.77)	-	(424.77)
Other comprehensive income (net of tax)	-	-	3.58	-	3.58
Total comprehensive income for the year	-	-	(421.19)	-	(421.19)
Transactions with owners recognised directly in equity					
Dividends	-	-	-	-	-
On issue of equity share capital	-	-	-	-	-
On issue of preference shares to TeamLease	-	-	-	-	-
Share based payments to employees	-	2.40	-	-	2.40
Option lapsed after Vesting Date	-	(6.71)	6.71	-	-
Changes during the year	-	-	-	-	-
Balance as on 31 March 2020	3,280.22	36.98	(4,355.97)	160.65	(878.11)

Significant accounting policies

1-4

Notes referred to above form an integral part of the standalone financial statements

5-39

For Manian & Rao
Chartered Accountants
Firm Registration Number: 0019835

Pareesh Daga
Partner
Membership No. 211468

Place: Bengaluru
Date: 02 June 2020



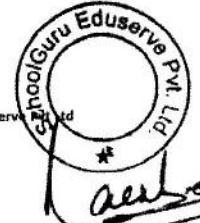
For School Guru Eduserve Private Limited

Rituparna Chakraborty
Director
DIN : 07332241

Place: Bengaluru
Date: 02 June 2020

Ravi Vishwanath
Director
DIN : 07332234

Place: Bengaluru
Date: 02 June 2020



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

(Amount in ₹ lakhs)

6A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment

	Computer System	Air Conditioners	Electrical Fittings	Furniture and Fixtures	Office Equipments	Camera	Total
Gross carrying amount as at 1 April 2019	73.33	5.28	4.40	32.88	13.78	4.85	134.51
Additions	1.64	-	-	-	-	-	1.64
Disposal/retirements/derecognition	-	-	-	-	-	-	-
Gross carrying amount as at 31 March 2020	74.97	5.28	4.40	32.88	13.78	4.85	136.16
Accumulated depreciation as at 01 April 2019	67.07	4.19	3.47	17.91	10.91	4.00	107.55
Depreciation	2.68	0.45	0.25	3.93	1.17	0.33	8.80
Disposal/retirements/derecognition	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2020	69.75	4.64	3.71	21.84	12.07	4.33	116.35
Carrying amount as at 01 April 2019	6.26	1.09	0.93	14.97	2.87	0.85	26.97
Carrying amount as at 31 March 2020	5.22	0.64	0.68	11.04	1.70	0.52	19.81

6B Intangible assets

Changes in the carrying amount of other intangible assets

	Other than Internally Generated	Internally Generated	Internally Generated	Total of Intangible Assets	Intangible Assets Under Development	Intangible Assets Under Development	Total of Intangible Assets under Development
	Software	UMS Software	Content		Technology	Content	
Gross carrying amount as at 1 April 2019	13.11	66.17	41.59	120.88	15.99	16.46	32.46
Additions	-	47.84	73.10	120.94	96.24	72.51	168.76
Deduction	-	-	-	-	79.90	73.10	153.00
Gross carrying amount as at 31 March 2020	13.11	114.01	114.69	241.82	32.34	15.87	48.21
Accumulated depreciation as at 01 April 2019	11.76	13.35	6.94	32.06	-	-	-
Depreciation	0.55	29.46	28.92	58.93	-	-	-
Disposal/retirements/derecognition	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2020	12.31	42.81	35.86	90.98	-	-	-
Carrying amount as at 01 April 2019	1.35	52.82	34.65	88.82	15.99	16.46	32.46
Carrying amount as at 31 March 2020	0.80	71.20	78.83	150.84	32.34	15.87	48.21

For the year ended on 31 March 2019

(Amount in ₹ lakhs)

6A Property, plant and equipment

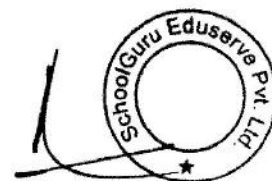
Changes in the carrying amount of property, plant and equipment

	Computer System	Air Conditioners	Electrical Fittings	Furniture and Fixtures	Office Equipments	Camera	Total
Gross carrying amount as at 1 April 2018	68.75	3.95	4.40	21.23	11.96	4.06	114.34
Additions	4.58	1.33	-	11.65	1.82	0.79	20.18
Disposal/retirements/derecognition	-	-	-	-	-	-	-
Gross carrying amount as at 31 March 2019	73.33	5.28	4.40	32.88	13.78	4.85	134.51
Accumulated depreciation as at 01 April 2018	64.10	3.43	3.13	14.10	9.18	3.32	97.26
Depreciation	2.97	0.76	0.34	3.81	1.73	0.68	10.29
Disposal/retirements/derecognition	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2019	67.07	4.19	3.47	17.91	10.91	4.00	107.55
Carrying amount as at 01 April 2018	4.64	0.52	1.27	7.13	2.77	0.74	17.08
Carrying amount as at 31 March 2019	6.26	1.09	0.93	14.97	2.87	0.85	26.97

6B Intangible assets

Changes in the carrying amount of other intangible assets

	Other than Internally Generated	Internally Generated	Internally Generated	Total of Intangible Assets capitalised	Intangible Assets Under Development	Intangible Assets Under Development	Total of Intangible Assets under Development
	Software	UMS Software	Content		Technology	Content	
Gross carrying amount as at 1 April 2018	13.11	-	-	13.11	15.94	-	15.94
Additions	-	67.76	41.59	109.36	69.41	58.05	127.46
Deduction	-	1.59	-	1.59	69.36	41.59	110.95
Capitalisation/Disposal/retirements/derecognition	-	-	-	-	-	-	-
Gross carrying amount as at 31 March 2019	13.11	66.17	41.59	120.88	15.99	16.46	32.46
Accumulated depreciation as at 01 April 2018	10.74	-	-	10.74	-	-	-
Depreciation	1.02	13.35	6.94	21.31	-	-	-
Disposal/retirements/derecognition	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2019	11.76	13.35	6.94	32.06	-	-	-
Carrying amount as at 01 April 2018	2.37	-	-	2.37	15.94	-	15.94
Carrying amount as at 31 March 2019	1.35	52.82	34.65	88.82	15.99	16.46	32.46



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements *(continued)*

for the year ended on 31 March 2020

(Amount in ₹ lakhs)

	31 March 2020	31 March 2019
7 Non current investments		
Investments (Unquoted)		
Investments in equity instruments of other entities measured at fair value through Profit and Loss		
Systematix Commodities Services Pvt. Ltd*	4.27	4.27
Less: Provision for Diminution in the Value of Investments	(4.27)	(4.27)
	<u>-</u>	<u>-</u>
8 Loans		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Security deposits	9.08	23.18
	<u>9.08</u>	<u>23.18</u>

Note:

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

9 Deferred tax assets

Deferred liabilities

- Difference WDV as per books and Tax laws on property, plant and equipment and intangible asset	6.25	
-Fair valuation of current investment	0.27	1.08
-Fair valuation of financial instruments		

Deferred assets

- Difference WDV as per books and Tax laws on property, plant and equipment and intangible asset	-	1.08
-Provision for employee benefits	6.52	
-Tax losses and unabsorbed depreciation		

Net deferred tax asset	<u>-</u>	<u>-</u>
-------------------------------	----------	----------

The Company have unabsorbed depreciation and losses under tax laws and it is not probable that taxable profits will be available in the near future. Hence, deferred tax assets on temporary differences have been recognized only to the extent of net deferred tax liabilities. (Also refer note no.38)



School Guru Eduserve Private Limited
Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

(Amount in ₹ lakhs)

	31 March 2020	31 March 2019
10 Current investments		
Investments in Mutual funds measured at fair value through Profit and Loss (quoted)		
Birla Sun Life Saving Fund	112.19	465.55
23,194,440 units (2018-19: 1,03,584,544 units)		
	<u>112.19</u>	<u>465.55</u>
Aggregate of quoted investments	<u>112.19</u>	<u>465.55</u>

Note:

Charge to the extent of Rs.50 Lakhs was created on the Mutual Funds towards provision of Overdraft Facility by HDFC Bank Ltd. As on 31st March 2020 there is no overdraft outstanding and the Company is in the process of filing for satisfaction of charge with ROC.

11 Trade receivables

(Unsecured)

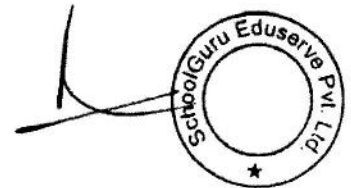
Trade receivables with related parties (refer note 33)	0.05	4.11
Trade receivables (Unsecured) :		
- Considered good	256.62	355.34
- Considered doubtful	<u>301.27</u>	<u>13.61</u>
	557.95	373.05
Less: Allowance for bad and doubtful trade receivables	301.27	13.61
	<u>256.67</u>	<u>359.44</u>

Break-up of security details

	31 March 2020	31 March 2019
Trade receivables considered good-Secured	-	-
Trade receivables considered good-Unsecured	256.67	359.44
Trade receivables which have significant increase in credit risk		
Trade Receivables- credit impaired	301.27	13.61
Total	557.95	373.05
Allowance for doubtful debts	301.27	13.61
Total trade receivable	256.67	359.44

Notes:

- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Includes dues from companies where directors are interested (refer note 33)
- Trade receivables are non-interest bearing.
- The Company's exposure to credit risk, currency risk and loss allowance on trade receivables are disclosed in Note 28.3
- Trade receivables are subject to balance confirmations.



School Guru Eduserve Private Limited
Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

(Amount in ₹ lakhs)	31 March 2020	31 March 2019
12 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	0.02	0.13
Balances with banks		
- In current accounts	24.34	62.78
	<u>24.36</u>	<u>62.91</u>
Other bank balances		
In Deposit Account with remaining maturity of less than 12 months	58.92	-
	<u>83.28</u>	<u>-</u>

Note:

(i) Information about the Company's exposure to interest rate risk and liquidity risk is disclosed in note 28.

13 Other current financial assets

(Unsecured, considered good unless otherwise stated)

Interest Accrued (HDFC FIXED DEPOSIT)	1.02	-
Stamp duty receivable	1.72	1.72
Less: Provision for Stamp Duty Receivable	1.72	1.72
	<u>1.02</u>	<u>-</u>

Note:

(i) Other financial assets are measured at amortised cost

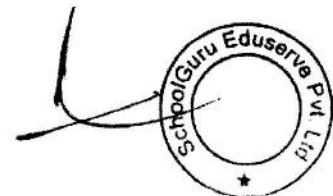
(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

14 Other current assets

(Unsecured, considered good unless otherwise stated)

Advance to suppliers	1.29	0.25
Prepaid expenses	0.62	0.87
Prepaid lease rentals	-	-
Imprest advance	0.45	0.52
	<u>2.36</u>	<u>1.65</u>

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

(Amount in ₹ lakhs)

	31 March 2020	31 March 2019
15 Share capital		
Authorised:		
89,59,700 (89,59,700,) equity shares of ₹ 10 each fully paid up	895.97	895.97
1,92,703 (1,92,703) Preference shares of ₹ 1000 each fully paid up	1,927.03	1,927.03
2,70,000 (2,70,000) Preference shares of ₹ 10 each fully paid up	27.00	27.00
	<u>2,850.00</u>	<u>2,850.00</u>
Issued subscribed and fully paid up:		
8,29,423 (8,29,423) equity shares of ₹ 10 each fully paid up	82.94	82.94
	<u>82.94</u>	<u>82.94</u>

15.1 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Equity shares				
At the beginning of the year	8,29,423	82.94	8,29,423	82.94
Add: Shares issued on conversion of CCPS	-	-	-	-
Add: Shares issued on conversion of CCD	-	-	-	-
Outstanding at the end of the year	8,29,423	82.94	8,29,423	82.94

15.3 The Company has only one class of equity shares having a par value of ₹ 10. Each shareholder of equity shares is entitled to one vote per share.

15.4 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

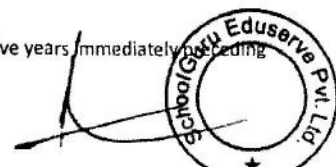
Name of the shareholders	Number of shares as at 31 March 2020	% of shares held	Number of shares as at 31 March 2019	% of shares held
TeamLease Services Limited	1,84,068	22.19%	1,84,068	22.19%
Broadlyne Infoservices Pvt Ltd	1,40,967	17.00%	1,40,967	17.00%
Consolidated Technical Services India LLP	95,928	11.57%	95,928	11.57%
Shantanu Rooj	92,278	11.13%	92,278	11.13%
N Squared Management LLC	65,187	7.86%	65,187	7.86%

15.5 Number of Preference shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholders	Number of shares as at 31 March 2020	% of shares held	Number of shares as at 31 March 2019	% of shares held
TeamLease Services Limited (Series D Convertible Cumulative Preference Shares (CCPS))*	2,69,681	100.00%	2,69,681	100.00%

*Series D Convertible Cumulative Preference Shares (CCPS) is issued to Teamlease Services Limited amounting to Rs. 26.96 lacs with premium of Rs. 1323.03 lacs. Series D CCPS with 0.1% dividend rate is treated as compound financial instrument and hence, the equity portion is presented as "Other Equity" and liability component is presented under borrowing.

15.11 Aggregate number of equity shares allotted as fully paid up by way of bonus shares for the period of five years immediately preceding the Balance Sheet date Nil (Previous year Nil).

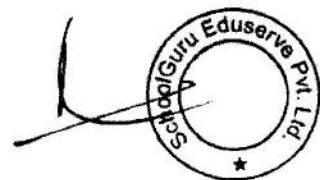


School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements *(continued)*
for the year ended on 31 March 2020

(Amount in ₹ lakhs)

	31 March 2020	31 March 2019
16 Other equity		
1 Securities premium		
Opening balances	3,280.22	3,280.22
Add : Equity Shares issued on premium	-	-
Closing balance	<u>3,280.22</u>	<u>3,280.22</u>
2 Equity component of financial instruments		
Opening balance	160.65	160.65
Add : On account of issuance of CCD	-	-
Add : On account of issuance of CCPS D Series	-	-
Less : On issue of equity shares	-	-
Closing balance	<u>160.65</u>	<u>160.65</u>
3 Share-based payment reserve		
Opening balances	41.28	36.70
Add : Employee stock option expense	2.40	9.78
Less : Effect of option lapsed after vesting date	6.71	5.20
Less : On issue of equity shares	-	-
Closing balance	<u>36.98</u>	<u>41.28</u>
4 Surplus / (Deficit)		
Opening balances	(3,941.48)	(3,880.18)
Add : Profit / (Loss) for the year	(424.77)	(68.84)
Add : Transfer from Other comprehensive income	3.58	2.33
Add: Transfer from share-based payment reserve	6.71	5.20
Closing balance	<u>(4,355.97)</u>	<u>(3,941.48)</u>
	<u>(878.11)</u>	<u>(459.32)</u>



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

(Amount in ₹ lakhs)

	31 March 2020	31 March 2019
NON CURRENT LIABILITIES		
17 Borrowings		
Unsecured borrowings		
Compulsorily convertible preference shares		
- CCPS D Series 2,69,681 preference shares (dividend	1,350.04	1,350.04
- CCPS B & C Series (0.5%)		
	1,350.04	1,350.04

Each of the CCPS is convertible into equity shares after 31.03.2018 or at any time at the option of the holder of the CCPS, not later than 20 years.

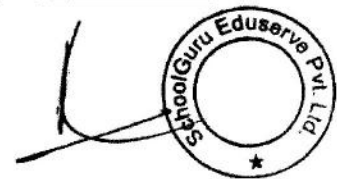
Net debt reconciliation

Particulars	Borrowings	Borrowings
Balance as at 1 April 2018	1,350.04	1,233.86
Cash flow changes		
Loan taken during the year	-	-
Repayment of loans	-	-
Liability component of CCPS D series (including interest)	-	-
Interest expenses	-	116.18
Interest paid	-	-
Interest pertaining to CCPS D	-	-
Conversion of liability component of CCPS (A, B & C Series) and CCD into equity shares	-	-
Balance as at 31 March 2019	1,350.04	1,350.04

Note:

18 Provisions

Provision for employee benefits		
- Compensated Absences	14.03	12.63
	14.03	12.63

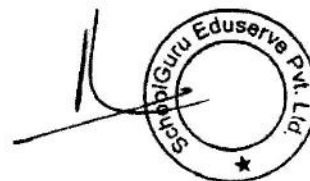


School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

(Amount in ₹ lakhs)

	31 March 2020	31 March 2019
CURRENT LIABILITIES		
19 Trade payables		
Trade payables (Micro and Small Enterprises)	-	-
Trade payables (Other than Micro and Small Enterprises)	40.01	30.78
	<u>40.01</u>	<u>30.78</u>
Notes:		
(i) Trade payables to related parties are disclosed in note 33.		
20 Other current financial liabilities		
Creditor for expenses	52.75	17.17
Payable to Freelancer	0.15	0.74
Payable to professors	2.57	0.60
Payable to partners	3.95	0.15
Payable to employees	37.64	45.94
Employee reimbursement	0.74	6.01
	<u>97.80</u>	<u>70.62</u>
(i) Balances payables to related parties are disclosed in note 33.		
21 Other current liabilities		
Contract liabilities (Refer note 39)	1.09	0.09
Statutor dues payable	7.57	22.82
	<u>8.66</u>	<u>22.91</u>
22 Provisions		
Provision for employee benefits		
- Compensated absences	3.94	3.81
- Gratuity (Refer note 31(2))	32.35	22.97
	<u>36.29</u>	<u>26.78</u>



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

(Amount in ₹ lakhs)

	Year Ended 31 March 2020	Year Ended 31 March 2019
23 Revenue from operations		
Education Support Services	851.53	849.90
Other operating revenues	7.35	12.06
	858.88	861.95
Reconciliation of revenue recognised with contract price:		
	31 March 2020	31 March 2019
Contract Price	858.88	861.95
Adjustments for:	-	-
Contract liabilities	-	-
Refund Liabilities	-	-
Incentives and performance bonus	-	-
Revenue from continuing operations	858.88	861.95

Impact of COVID-19

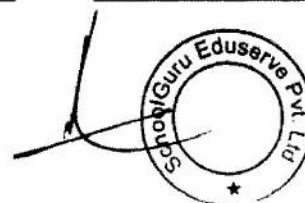
While the Company believes strongly that it has a rich portfolio of services to partner with customers, the impact on future revenue streams could come from

- the inability of our customers to continue their businesses due to financial resource constraints or their services no longer being availed by their customers
- prolonged lock-down situation resulting in its inability to deploy resources at different locations due to restrictions in mobility
- customers postponing their discretionary spend due to change in priorities

The Company has considered such impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. As of now, The Company believes that there will be a negligible impact on the Revenue recognition of the company for the period under review and thus no immediate changes are required in the Revenue recognition policy of the company.

24 Other income

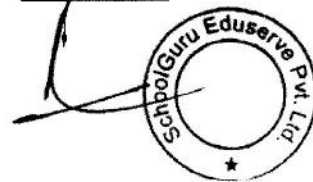
Interest income	4.15	0.80
Profit on sale of fixed assets (net)	-	-
Fair value changes in mutual funds (including gain on sale)	17.64	46.78
Sundry balances written back	-	1.72
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous)	0.96	0.28
	22.75	49.57



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

(Amount in ₹ lakhs)	Year Ended 31 March 2020	Year Ended 31 March 2019
25 Employee benefits expense		
Salaries, wages and incentives	511.66	432.46
Contribution to provident fund and Other funds(Refer note 31(1))	24.86	22.43
Employee Compensation Expenses (ESOP)	2.40	9.78
Staff welfare expenses	7.04	7.47
Leave encashment	4.71	7.15
Gratuity expenses (Refer note 31(2))	13.17	10.27
Directors remuneration	45.39	43.39
	609.24	532.97
26 Finance costs		
Interest expense	-	-
Interest expense on unwinding of preference shares liability	-	116.18
Interest expense on unwinding of debentures	-	-
Bank charges	-	-
	-	116.18
27 Other expenses		
Travelling expenses	55.11	46.50
Local conveyance	2.68	3.81
Advertising - Sales & Marketing	21.21	20.30
Cost of professional sub-contracting (net)	64.19	13.26
Office Expenses	7.18	8.27
Power and fuel	5.24	4.85
Rent (Refer note 34)	63.21	48.63
Repairs and maintenance -		
- plant & equipment	-	-
- others	3.04	5.00
Insurance	0.47	0.40
Rates & taxes	0.03	0.85
Telecom And Internet Expenses	8.80	8.18
Provision for bad and doubtful debts	287.66	9.91
Provision for other Receivable	-	1.72
Fair value changes of investment in systematrix controls india	-	-
Sundry balances written off	0.01	0.36
Promotion Sales And marketing	9.98	14.24
Printing & stationery	8.29	6.77
Auditors remuneration (net of service tax)		
- Audit fees	3.99	3.88
- Company Law Matters	-	-
- Fees for other services	-	-
- Out of pocket expenses reimbursed	-	-
Legal and professional services	1.78	4.51
Hosting services - Email / web	18.04	13.13
Comission Expenses	29.06	52.65
Miscellaneous expenses (net)	39.47	32.38
	629.43	299.61



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

28 Financial Instruments

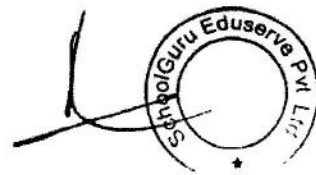
28.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2020 are as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value	Total fair value
Assets					
Investments in mutual funds	-	112.19	-	112.19	112.19
Trade receivables	256.67	-	-	256.67	256.67
Cash and cash equivalents	24.36	-	-	24.36	24.36
Other balances with banks	58.92	-	-	58.92	58.92
Loans	9.08	-	-	9.08	9.08
Other financial assets	1.02	-	-	1.02	1.02
Total Assets	350.05	112.19	-	462.24	462.24
Liabilities					
Borrowings	1,350.04	-	-	1,350.04	1,350.04
Trade payables	40.01	-	-	40.01	40.01
Other financial liabilities	97.80	-	-	97.80	97.80
Total Liabilities	1,487.85	-	-	1,487.85	1,487.85

The carrying value and fair value of financial instruments by categories as on 31 March 2019 were as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value	Total fair value
Assets					
Investments in mutual funds	-	465.55	-	465.55	465.55
Trade receivables	359.44	-	-	359.44	359.44
Cash and cash equivalents	62.91	-	-	62.91	62.91
Other balances with banks	-	-	-	-	-
Loans	23.18	-	-	23.18	23.18
Other financial assets	-	-	-	-	-
Total Assets	445.54	465.55	-	911.09	911.09
Liabilities					
Borrowings	1,350.04	-	-	1,350.04	1,350.04
Trade payables	30.78	-	-	30.78	-
Other financial liabilities	70.62	-	-	70.62	70.62
Total Liabilities	1,451.44	-	-	1,451.44	1,420.65



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

28.1 Financial Instruments by category (continued)

28.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within 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 assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on March 31, 2020 :

Particulars	As at 31 March 2020	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in mutual funds	112.19	112.19		

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on March 31, 2019 :

Particulars	As at 31 March 2019	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in mutual funds	465.55	465.55		

28.2 Fair value hierarchy (continued)

Valuation technique and significant unobservable inputs:

Level 2:

(i) Borrowings are valued using the discounted cash flow method, the net cash flows expected to be generated are discounted using the cost of borrowing that are directly or indirectly observable in the market.

28.3 Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company has exposure to the following risks arising from financial instruments :

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations and arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

i. Trade receivables

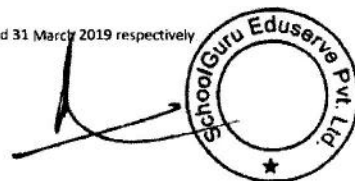
The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team at each geography which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

Trade receivables that were not impaired

Particulars	Carrying amount	
	31 March 2020	31 March 2019
Neither past due nor impaired		
Past due 1- 60 days	185.91	178.01
Past due 61 - 180 days	70.76	163.18
Past due 181 - 270 days	-	18.25
More than 270 days	-	-

iii. Cash and bank balances

The Company held cash and bank balances of ₹ 83.28 lakhs and ₹ 62.91 lakhs as on 31 March 2020 and 31 March 2019 respectively



School Guru Eduserve Private Limited
Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Company invests its excess funds in short term liquid assets like liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	31 March 2020	31 March 2019
Cash and cash equivalents	24.36	62.91
Other Bank Balances	58.92	-
Investments in Mutual funds (quoted)	112.19	465.55
Total	195.47	528.46

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020.

Particulars	Less than 1 year	Above 1 year	Total
Borrowings*	-	-	-
Trade payables	40.01	-	40.01
Other financial liabilities	97.80	-	97.80

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019.

Particulars	Less than 1 year	Above 1 year	Total
Borrowings*	-	-	-
Trade payables	30.78	-	30.78
Other financial liabilities	70.62	-	70.62

*Note: Compulsorily Convertible Preference Share and Compulsorily convertible Debenture shown under schedules of Borrowings are not shown in above ageing as they are not repayable and convertible to equity shares on maturity.

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and bank deposits. The interest rate profile of the Company's interest-bearing financial instruments is as follows:

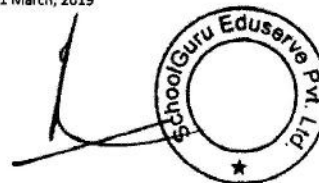
Particulars	31 March 2020	31 March 2019
Fixed rate instruments		
Financial liabilities	1,350.04	1,350.04
Variable rate instruments		
Financial liabilities	-	-

29 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March, 2019



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

30 Disclosure as per the requirement of section 22 of the Micro, Small and Medium Enterprise Development Act, 2006:

Company is in process of collecting information from its vendors for their status under "The Small, Medium and Micro Enterprises Development Act 2006", however in absence of any information no disclosures have been made in this regards.

31 Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under":

1 Defined contribution plan - Provident fund

The group has recognized following amounts in the profit & loss account for the year:

Particular	FY 2019-20	FY 2018-19
Contribution to employee provident fund	24.86	22.43
Total	24.86	22.43

2 Defined benefit plan

- i) The defined benefit plan comprises gratuity, which is funded.
- ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

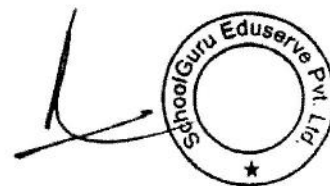
The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

31 Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under" (continued)

Changes in present value of the defined benefit obligation	FY 2019-20	FY 2018-19
Present value of defined benefit obligation at the beginning of the year	34.37	25.90
Current service cost	11.29	8.88
Interest cost	2.28	1.94
Past service cost	-	-
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in demographic assumptions	-	(0.00)
b) changes in financial assumptions	1.89	0.89
c) experience adjustments	(5.37)	(3.24)
Benefits paid	(3.48)	-
Present value of defined benefit obligation at the end of the year	40.99	34.37

Changes in Fair Value of Plan Assets	FY 2019-20	FY 2018-19
Fair value of plan assets at the beginning of the period	11.40	10.63
Interest income	0.68	0.81
Contributions	0.22	0.23
Mortality Charges and Taxes	(0.28)	(0.26)
Benefit Paid	(3.48)	-
Actuarial loss / (Gain) recognised in other comprehensive income		
a) Experience (Gain) / Loss on plan assets	0.15	(0.09)
b) Financial (Gain) / Loss on plan assets	(0.05)	0.08
Fair value of plan assets at the end of the period	8.64	11.40



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

Reconciliation of Net Assets / (Liability) recognised	FY 2019-20	FY 2018-19
Net asset/(liability) recognised at begning of the period	(22.97)	(15.27)
Company contribution	0.22	0.23
Benefit directly Paid by company	-	-
Amount recognised outside Profit & Loss for the Year	3.58	2.33
Expenses recognised at the end of the period	(12.89)	(10.02)
Mortality Charges and Taxes	(0.28)	(0.26)
Impact of Transer (In)/out	-	-
Net aseat/(liability) recognised at end of the period	(32.35)	(22.97)

Analysis of defined benefit obligation	FY 2019-20	FY 2018-19
Present Value of Obligation at end of the period	40.99	34.37
Fair Value of the Plan assets at the end of the period	8.64	11.40
Surplus / (Deficit)	(32.35)	(22.97)
Current liability	(32.35)	(22.97)
Non - Current liability	-	-
Amount not Recognised due to asset ceiling	-	-
Net asset/(liability) recognised in balance sheet	(32.35)	(22.97)

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	FY 2019-20	FY 2018-19
Current service cost	11.29	8.88
Past service cost	-	-
Interest cost net	1.60	1.14
Mortality Charges	0.28	0.25
Expenses recognized in the Statement of Profit and Loss	13.17	10.27

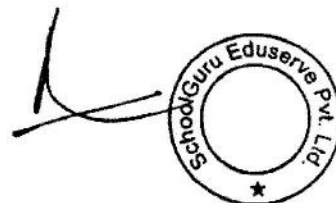
Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	FY 2019-20	FY 2018-19
Actuarial loss / (gain)	(3.58)	(2.33)
Net (income)/expense recognized in the OCI	(3.58)	(2.33)

Net Interest(Income)/expenses :	FY 2019-20	FY 2018-19
interest (Income)/Expenses - obligation	2.28	1.94
Interest (Income)/Expenses - Plan Assets	(0.68)	(0.81)
Net Interest (Income)/Expenses for the year	1.60	1.14

Remeasurements For The Year (Acturial (Gain)/Loss)	FY 2019-20	FY 2018-19
Experience (Gain)/Loss on plan liabilites	(5.37)	(3.24)
Demographic (Gain)/Loss on plan liabilites	-	(0.00)
Financial (Gain)/Loss on plan liabilites	1.89	0.89
Experience (Gain)/Loss on plan assets	(0.15)	0.09
Financial (Gain)/Loss on plan assets	0.05	(0.08)
Total Remeasurements Cost/(credit) for the year recognised in OCI	(3.58)	(2.33)

Actuarial Assumptions:	FY 2019-20	FY 2018-19
Discount rate	6.10%	7.00%
Salary Escalation	11.00%	11.00%

Attrition Rate	FY 2019-20	FY 2018-19
- For All age groups	20.00%	20.00%



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

31 Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under" (continued)

- a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.
- c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Major Categories of Plan Assets (As % of total Plan Assets)	FY 2019-20	FY 2018-19
Funds managed by insurer	100%	100%
Others	0.00%	0.00%
Total	100%	100%

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions	FY 2019-20		FY 2018-19	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	38.89	43.29	32.63	36.28
Future salary growth (1 % movement)	42.68	39.39	35.81	33.01
Attrition rate (1 % movement)	40.46	41.55	34.84	33.94

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	FY 2019-20	FY 2018-19
With 1 year	4.87	3.46
1-2 year	6.44	4.45
2-3 year	6.82	5.85
3-4 year	9.12	6.37
4-5 year	7.77	9.59
5-10 years	53.31	49.02

31 Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under" (continued)

Weighted average assumptions used to determine net periodic benefit cost	FY 2019-20	FY 2018-19
Number of active members	100	116
Per month salary cost for active members (₹ lakhs)	22.15	22.33
Weighted average duration of the projected benefit obligation (years)	7.80	7.97
Average expected future service (years)	35.26	34.18

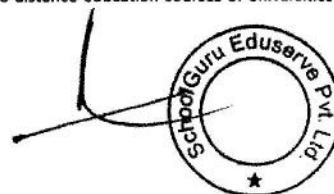
Expected Contribution for the next year

The Company has contributed Rs 0.22 lakhs to its gratuity fund in 2020. The Company expects to contribute Rs 10 lakhs towards gratuity fund in 2021.

Expected expenses to be recognized in Profit & Loss Account for Next Year	FY 2019-20	FY 2018-19
Service Cost	15.42	11.29
Net Interest Cost	1.67	1.60
Expected Expenses for next years	17.09	12.89

32 Segment information

The Company's operating business predominantly relates to providing Technology enabled learning solutions to distance education courses of universities and hence the Company has considered "Distance learning solutions" as the single reportable segment.



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

33 Related party disclosures

A. Relationship between the entities

Relationship	Name of related party
Enterprise over which key Managerial Personnel are able to exercise significant influence.	Teamlease Services Ltd Broadlyne Infoservices Pvt. Ltd.

B. List of Key Management Personnel :

Key Management Personnel (KMP)		
	Shantanu Rooj	Executive Director
	Ravi Vishwanath	Non- executive Director
	Sandeep Mehta	Non- executive Director
	Kunal Kumthekar	Non- executive Director
	Rituparna Chakraborty	Non- executive Director

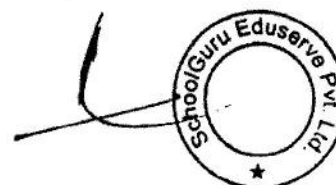
C. List of other related parties with whom there are transactions

Relative of KMP	
	Kavita Rooj - Spouse of Director

D. Transactions with related parties

No.	Name of related party	FY 2019-20		FY 2018-19	
		Amount of transactions during the year (₹ Lakhs)	Balance as on 31 March 2020 Debit/(Credit) (₹ lakhs)	Amount of transactions during the year (₹ Lakhs)	Balance as on 31 March 2019 Debit/(Credit) (₹ lakhs)
Transactions with Parties Having Substantial Interest					
1	Teamlease Services Ltd				
	Rent	0.36	(0.02)	-	-
	Allotment of CCPS	-	-	-	-
	Professional fees	0.81	-	-	-
	Revenue	0.42	(0.05)	4.11	4.11
	Reimbursement	-	-	-	-
2	Broadlyne Infoservices Pvt. Ltd				
	Rent	36.00	-	36.00	-
	Reimbursement of expenses (net)	2.48	-	2.49	-
	Professional fees	-	-	2.27	-
Transactions with Key Management Personnel					
1	Shantanu Rooj				
	Short term employee benefits	52.40	(6.66)	43.39	3.16
	Conversion of CCPS/CCD to Equity Shares	-	-	-	-
	Loan taken by company	-	-	-	-
	Repayment of loan taken	-	-	-	-
	Interest received	-	-	-	-
	Reimbursement of expenses (net)	47.32	(0.13)	51.95	0.10
Transactions with relative of Key Management Personnel					
1	Kavita Rooj				
	Short term employee benefits	14.62	(0.76)	12.00	0.89
	Post employment benefit plans	-	-	-	-
	Reimbursement of expenses (net)	0.55	(0.05)	0.60	0.05

Note : Remuneration excludes provision for employee benefits as separate actuarial valuation for the directors, key management personnel and their relatives is not available.



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)
for the year ended on 31 March 2020

34 Lease transactions

The Company has applied Ind AS 116 Leases from the accounting periods beginning from 1 April 2019 using the modified retrospective approach. Accordingly, the comparative information for the year ended 31 March 2019 has not been restated and continues to be reported under Ind AS 17 and relevant appendices. The details of accounting policies under Ind AS 17 and relevant appendices are disclosed separately if they are different from those under Ind AS 116.

The Company has evaluated all the Lease Agreements live as on 1st April, 2019 and is of the opinion that there is no material impact on application of Ind AS 116 on financial statements.

Disclosure under Ind AS 116

Amounts Recognised in the Statement of Profit & Loss Account	31 March 2020 ₹ lakhs
Interest on Lease Liabilities	-
Variable lease payments not included in the measurement of lease liabilities	-
Income Form sub-leasing right-to-use assets	-
Expenses relating to short-term leases	63.21
Expenses relating to leases of low-value assets	-
Total	63.21

Disclosure of Operating leases under Ind AS 17

Obligations towards non-cancellable operating Leases:

The Company has taken facilities and office premises on lease. The future lease payments for these facilities are as under:

Particulars	31 March 2020 ₹ lakhs	31 March 2019 ₹ lakhs
Minimum lease payments		
- Not later than one year	59.65	12.48
- later than one year and Not later than five years	-	-
- Later than five years	-	-
Total minimum lease payments	59.65	12.48

Rental expenses of ₹ 63.21 lakhs (Previous year ₹ 48.63 lakhs) in respect of obligation under operating leases have been recognized in the Statement of Profit and Loss.

Most of the operating lease arrangements are renewable on a periodic basis. Some of these lease agreements have price escalation clauses.

Impact of COVID-19:

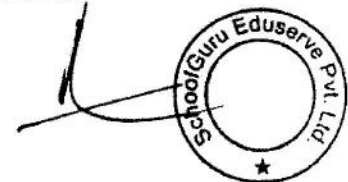
The Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant.

35 Basic and diluted earnings per share

Particulars		FY 2019-20	FY 2018-19
Nominal value per equity share	₹	10	10
Profit for the year	₹ lakhs	(424.77)	(68.84)
Weighted average number of equity shares	No. of shares	8,29,423	8,29,423
Earnings per share - Basic		(51.21)	(8.30)
Earnings per share - Diluted*		(51.21)	(8.30)

* The effect of potential equity shares i.e. ESOP and CCPS issued by teamlease has anti-dilutive effect as there is loss. Thus, the diluted EPS is same as basic EPS.

36 There are no contingent liabilities and capital commitment required to be disclosed as at 31 March 2020 and 31 March 2019.



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

37 Stock option plans

1 Employee Stock Option Scheme - 2016 (ESOS - 2016)

The Company has instituted Employee Stock Option Scheme-2016 (ESOS) duly approved by the shareholders in the extra-ordinary general meeting of the Company held on 25 August, 2016. As per the scheme, the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period subject to fulfilment of certain conditions.

Under the said plan, following options have been granted:

- 29,560 options as on 02 September 2016 to the employees of the company. Out of which 4,616 were not accepted by employees.
- 4,105 options as on 04 September 2016 to the employees of the company.
- 860 options as on 01 December 2016 to the employees of the company.
- 1,172 options as on 04 September 2017 to the employees of the company.

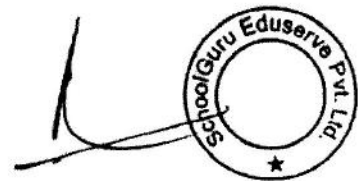
Particulars	FY 2019-20		FY 2018-19	
	Weighted average exercise price per share per option INR	Number of options	Weighted average exercise price per share per option INR	Number of options
Opening Balance	282	16,911	282	18789
Granted during the year	-	-	0	0
Exercised during the year	-	-	0	0
Forfeited during the year	282	2,620	282	1878
Closing Balance	282	14,291	282	16,911
Options Exercisable at the end of the period	282	14,291	282	11,166
Weighted average share price (INR)#	-	-	-	-

Weighted average exercise price of shares is required to be disclosed, where share options are exercised during the period. As no options are exercised in the reporting period, information is not disclosed.

No Options have been granted in the financial year 2019-20.

Share options outstanding at the end of the period have the following expiry date and exercise prices as on 31 March 2020:

Grant date	Expiry date	Exercise price (INR)	No. of options
02-Sep-16	02-Sep-20	282	3,096
02-Sep-16	02-Sep-21	282	3,614
02-Sep-16	02-Sep-22	282	3,616
04-Sep-16	04-Sep-20	282	1,132
04-Sep-16	04-Sep-21	282	1,237
04-Sep-16	04-Sep-22	282	736
01-Dec-17	01-Dec-20	282	258
01-Dec-17	01-Dec-21	282	302
01-Dec-17	01-Dec-22	282	300
Total			14,291
Weighted average remaining contractual life of the options outstanding at the end of the period			1.45 years



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

Stock option plans (continued)

Share options outstanding at the end of the period have the following expiry date and exercise prices as on 31 March 2019:

Grant date	Expiry date	Exercise price (INR)	No. of options
02-Sep-16	02-Sep-20	282	3,530
02-Sep-16	02-Sep-21	282	4,121
02-Sep-16	02-Sep-22	282	4,123
04-Sep-16	04-Sep-20	282	1,132
04-Sep-16	04-Sep-21	282	1,237
04-Sep-16	04-Sep-22	282	736
01-Dec-17	01-Dec-20	282	258
01-Dec-17	01-Dec-21	282	302
01-Dec-17	01-Dec-22	282	300
04-Sep-17	04-Sep-21	282	586
04-Sep-17	04-Sep-22	282	586
Total			16,911
Weighted average remaining contractual life of the options outstanding at the end of the period			2.24 years

Fair value of the options granted:

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes-Merton model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation), the expected dividend yield and risk-free interest rate for the term of the option.

1. Fair value and assumptions for the equity-settled grant made on 02 September 2016, 04 September 2016 and 01 December 2016.

Particulars	1-year	2-year	3-year
	vesting	vesting	vesting
Stock Price per share (Rs.)	450	450	450
Standard Deviation (Volatility)	44.92%	43.16%	41.97%
Risk-free Rate	6.89%	6.94%	7.01%
Exercise Price (Rs.)	887.25	887.25	887.25
Time to Maturity (in years)	2.50 years	3.50 years	4.50 years
Dividend yield	0.00%	0.00%	0.00%
Fair value of option (INR)	55.51	80.46	104.29

2. Incremental fair value and assumptions for modification in equity-settled grant made on 04 May 2017 for grants dated 02 September 2016, 04 September 2016 and 04 December 2016.

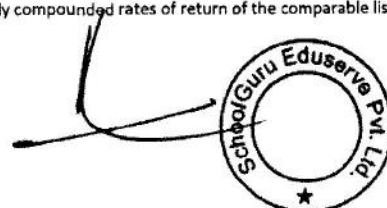
Particulars	1-year	2-year	3-year
	vesting	vesting	vesting
Stock Price per share (Rs.)	450	450	450
Standard Deviation (Volatility)	43.37%	43.69%	42.45%
Risk-free Rate	6.68%	6.79%	6.93%
Time to Maturity (in years)	1.83	2.83	3.83
Dividend yield	0.00%	0.00%	0.00%
Exercise Price (Original)	887.25	887.25	887.25
Exercise Price (Modified)	282	282	282
Incremental fair value of option (Rs.)	185.07	178.46	171.91

3. Fair value and assumptions for equity-settled grant made on 04 September 2017

Particulars	1-year	2-year
	vesting	vesting
Stock Price per share (Rs.)	500.5	500.5
Standard Deviation (Volatility)	42.77%	43.62%
Risk-free Rate	6.39%	6.43%
Exercise Price (Rs.)	282	282
Time to Maturity (in years)	2.5	3.5
Dividend yield	0.00%	0.00%
Fair value of option (Rs.)	276.12	297.89

Rationale for principle variables used:

- Time to maturity of options is the period of time from the grant date to the date on which option is expected to be exercised. The minimum life of stock option is the minimum period before which the options cannot be exercised and maximum life is the period after which the options cannot be exercised.
- The expected price volatility is based on is average of annualized standard deviation of the continuously compounded rates of return of the comparable listed companies in education sector over a period.



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

Stock option plans (continued)

Annexure A: Employee-benefit expenses to be recognised in financials

The company has recorded employee stock-based compensation expense to the options provided to the employees:

Financial year	Amount INR (In Lakhs)
31st March 2020	2.40
31st March 2019	9.78

38 Income taxes

The income tax expense consists of following:

Particulars	FY 2019-20 ₹ lakhs	FY 2018-19 ₹ lakhs
Tax expense		
Current tax	-	-
Deferred tax (benefit) / charge	-	-
Total tax expense	-	-

The deferred tax relates to origination/reversal of temporary differences.

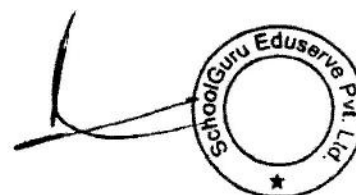
The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	FY 2019-20 ₹ lakhs	FY 2018-19 ₹ lakhs
Profit before tax	(424.77)	(68.84)
Indian statutory income tax rate	25.17%	26.00%
Expected tax expense	(106.91)	(17.90)
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Provision on employee benefits	(3.78)	17.90
Property, plant and equipment	(1.89)	
Provision for Trade Receivables and Advances	(72.40)	
Fair Value of current investment	(0.77)	
Unrecognised deferred tax asset on account of losses and unabsorbed depreciation	(28.07)	
Total tax expense	-	-

Deferred Tax

The gross movement in the deferred income tax account for the year ended March 31, 2020 and March 31, 2019, is as follows:

Particulars	FY 2019-20 ₹ lakhs	FY 2018-19 ₹ lakhs
Net deferred income tax asset at the beginning	-	-
MAT Credit entitlement for the year	-	-
Credits / (charge) relating to temporary differences	-	-
Temporary differences on other comprehensive income	-	-
Net deferred income tax asset at the end	-	-



School Guru Eduserve Private Limited

Notes forming part of the standalone financial statements (continued)

for the year ended on 31 March 2020

Unrecognised deferred tax asset

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the company can use the benefits therefrom:

As at 31 March 2020

Particulars	31-Mar-20	
	Amount	Expiry date
Tax losses	758.45	F.Y.2021-22 to F.Y.2026-27
Unabsorbed depreciation	40.07	No expiry
Property, plant and equipment	-	NA
Provision for Trade Receivables and Advances	76.26	NA
Provision on employee benefits	6.14	NA
Total	880.92	

As at 31 March 2019

Particulars	31-Mar-19	
	Amount	Expiry date
Tax losses	762.45	F.Y.2020-21 to F.Y.2025-26
Unabsorbed depreciation	25.94	No expiry
Property, plant and equipment	1.96	NA
Provision for Trade Receivables and Advances	3.99	NA
Provision on employee benefits	5.97	NA
Total	800.31	

39 Contract Liabilities:

Particulars	FY 2019-20	FY 2018-19
	₹ lakhs	₹ lakhs
Opening balance	0.09	1.68
Add : Additons during the Year	2.54	2.22
Less :Revenue recognised during the Year	1.54	3.81
Closing balance	1.09	0.09

As per our report of even date attached

For Manian & Rao

Chartered Accountants

Firm Registration Number: 0019835



Paresh Daga

Partner

Membership No. 211468

Place: Bengaluru

Date: 02 June 2020



For School Guru Eduserve Pvt Ltd





Rituparna Chakraborty

Director

DIN : 07332241

Place: Bengaluru

Date: 02 June 2020

Ravi Vishwanath

Director

DIN : 07332234

Place: Bengaluru

Date: 02 June 2020