

V SAHAI TRIPATHI & CO
CHARTERED ACCOUNTANTS

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Independent Auditors' Report

To The Members

Shri Educare Limited

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statement of **Shri Educare Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The standalone financial statements of Shri Educare Limited for the year ended March 31, 2020 have been audited by predecessor auditor (M/s Luthra and Luthra LLP, Chartered Accountants having firm



registration number 002081N/N500092) who have issued an unmodified audit opinion on the financial statements for the year ended March 31, 2020 vide their report dated 2nd July, 2020.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("The Act"), with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an



audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing through a separate report on the complete set of the financial statements on whether the Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of the same. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 & 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books.
 - c) The Balance Sheet, the Statement of Profit and Loss including (other comprehensive income), the statement of changes in equity, and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts
 - d) In our opinion, the aforesaid IndAS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31st March 2021, from being appointed as a director in terms of section 164(2) of the Companies Act 2013.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B":
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act,

According to the information and explanation provided to us, the Company has not paid director's remuneration during the year. Accordingly, reporting as required u/s 197(16) of the Act is not applicable.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditor's) Rules, 2014, In our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position:
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

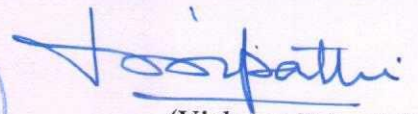


- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Delhi
Date: 27th May 2021



For V SAHAI TRIPATHI & CO
Chartered Accountants
Firms Registration No.000262N


(Vishwas Tripathi)
Partner
Membership No. 086897

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2021

1.
 - a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, and no discrepancy was noticed.
 - c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not have any freehold immovable property and lease/sub lease deeds of leasehold land are registered with Appropriate Authorities.
2. As the company does not hold any inventory, clause 3(ii) of the order is not applicable to the Company.
3. In our opinion and according to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to Companies, firms, Limited Liability partnerships of other parties covered in the register maintained under section 189 of the Companies Act, 2013
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans and investment made.
5. According to the information and explanations given to us the company has not accepted deposits.
6. According to the information and explanation given to us, the Company is not required to maintain cost records u/s 148(1) of the Companies Act, 2013.
7.
 - a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable except Professional Tax and Labour Welfare Fund (Haryana) amounting to Rs. 52,375 and 88,425 respectively.
 - b) According to the information and explanation given to us, there is no due on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of dispute.



8. As per the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to banks and financial institutions during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Loan taken by the company has been applied for the purpose it was taken.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

For V SAHAI TRIPATHI & CO
Chartered Accountants
Firms Registration No.000262N



A handwritten signature in blue ink, appearing to read "Vishwas Tripathi".

(Vishwas Tripathi)
Partner

Membership No. 086897

Place: Delhi
Date: 27th May 2021

Annexure-B to the Auditors' Report

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shri Educare Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The



procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For V SAHAI TRIPATHI & CO
Chartered Accountants
Firms Registration No.000262N



(Vishwas Tripathi)

Partner

Membership No. 086897

Place: Delhi

Date: 27th May 2021

SHRI EDUCARE LIMITED

Unit No. 236 & 237, 2nd Floor, DLF Galleria Mayur Place, Mayur Vihar, Phase - I Extension, Delhi - 110091
CIN : U80903DL2008PLC183146

**BALANCE SHEET AS AT MARCH 31, 2021**

Particulars	Note	Amount in Lakhs	
		As at March 31, 2021	As at March 31, 2020
ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	2(a)	412.94	488.27
(b) Right to use asset	2(b)	180.79	213.55
(c) Capital work-in-progress	2(c)	-	-
(d) Other Intangible Assets	2(d)	129.70	129.64
(e) Financial Assets			
Investments	3	1,419.68	1,552.18
Loans	4	66.35	50.17
(f) Deferred Tax Assets	5	98.77	135.57
(g) Current Tax Assets		161.81	266.42
(h) Other Non-Current Assets	6	-	1.18
		2,470.04	2,836.98
2 Current Assets			
(a) Financial Assets			
Trade receivables	7	463.19	266.09
Cash and cash equivalents	8	166.21	46.96
Loans	4	19.56	39.64
(b) Other current assets	6	8.55	9.51
		657.51	362.21
Total Assets		3,127.55	3,199.18
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share capital	9	951.00	951.00
(b) Other Equity	10	(714.94)	(266.35)
		236.06	684.65
2 LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
Lease liability	13	-	35.32
(b) Provisions	11	133.24	116.03
		133.24	151.35
Current Liabilities			
(a) Financial Liabilities			
Borrowings	12	2,509.30	2,068.75
Lease liability	13	35.32	32.62
Others	14	76.80	115.71
(b) Other current liabilities	15	124.55	135.39
(c) Provisions	11	12.28	10.71
		2,758.25	2,363.18
Total Equity And Liabilities		3,127.55	3,199.18

Significant accounting policies and accompanying notes forming part of the financial statements

As per our report of even date

For V Sahai Tripathi & Co.

Chartered Accountants

Firm Regn. No. 000262N



Vishwas Tripathi
Partner
M.No. 086897

For SHRI EDUCARE LIMITED

Ashish Bharat Ram
Director
DIN No: 00671567

Kartik Bharat Ram
Director
DIN No: 00008557

Place:
Date: 27th May 2021

Himanshu Jain
Whole-time Director
DIN No: 00401822

SHRI EDUCARE LIMITED

Unit No. 236 & 237, 2nd Floor, DLF Galleria Mayur Place, Mayur Vihar, Phase - I Extension, Delhi - 110091

CIN : U80903DL2008PLC183146

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Notes	Year Ended	
		March 31, 2021	March 31, 2020
Revenue from operations	16	994.06	1,523.16
Other Income	17	51.66	49.47
Total Income (I+II)		1,045.72	1,572.63
Expenses			
Employee benefit expenses	18	985.14	1,067.44
Finance Cost	19	120.18	102.50
Depreciation and Amortization	20	130.13	139.42
Other expenses	21	198.55	480.73
Total Expenses (III)		1,434.00	1,790.09
Profit / (loss) before (III-IV)		(388.28)	(217.46)
Tax Expenses			
Current tax	22	-	-
Tax relating to earlier years	22	28.75	2.64
Deferred Tax	22	35.34	(58.86)
Total tax expenses		64.09	(56.22)
Profit/ Loss After tax		(452.37)	(161.24)
Other Comprehensive Income			
Total comprehensive Income for the period			
(A) (i) Items that will not be reclassified to profit or loss		5.23	(19.94)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.45)	3.99
Subtotal (A)		3.78	(15.95)
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		3.78	(15.95)
Total Comprehensive Income for the period		(448.59)	(177.19)
Earnings per equity share			
Basic	23	(4.76)	(1.70)
Diluted	23	(4.76)	(1.70)

Significant accounting policies and accompanying notes forming part of the financial statements

As per our report of even date

For V Sahai Tripathi & Co.

Chartered Accountants

Firm Regn. No. 000262N

Vishwas Tripathi

Partner

M.No. 086897

**Ashish Bharat Ram**

Director

DIN No: 00671567

Kartik Bharat Ram

Director

DIN No: 00008557

Place:

Date: 27th May 2021

Himanshu Jain

Whole-time Director

DIN No: 00401022

CASH FLOW STATEMENT
SHRI EDUCARE LIMITED

Unit No. 236 & 237, 2nd Floor, DLF Galleria Mayur Place, Mayur Vihar, Phase - I Extension, Delhi - 110091
CIN : U80903DL2008PLC183146



	Amount in Lakhs Year ended 31-Mar-21	Amount in Lakhs Year ended 31-Mar-20
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Taxation and Extra-ordinary items.	(388.28)	(217.46)
Adjustment for:		
Interest & Finance Charges	120.18	102.50
Interest received on Loans and deposits	(17.61)	(10.95)
(Profit)/Loss on sale of Fixed assets	(2.15)	(0.65)
Tax Saving on comprehensive Income	1.45	-
Adjustment for comprehensive Income for the period	3.78	(18.81)
Depreciation	130.13	139.42
	235.78	211.51
Operating profit before working capital changes	(152.50)	(5.95)
Adjustment for:		
Trade & Other receivables excluding Income Tax	(191.38)	128.79
Trade payables & provisions	(30.96)	68.62
	(222.34)	197.41
Cash generated from operations	(374.84)	191.46
Tax Paid	75.86	(78.85)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(298.98)	112.61
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (Including CWIP and Capital advance)	(20.92)	(120.49)
Proceed from fixed assets	2.15	0.83
(Cost)/Proceed of Investments	132.50	(212.55)
Short Term loan payment	(0.86)	(36.76)
Interest Income	17.61	10.95
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	130.48	(358.02)
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Short Term term borrowing (Net)	440.55	392.63
Repayment of finance lease liability	(32.62)	(30.12)
Interest & Finance charges paid	(120.18)	(102.50)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	287.75	260.01
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	119.25	14.60
CASH AND CASH EQUIVALENTS - OPENING BALANCE	46.96	32.36
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	166.21	46.96

In terms of our report attached


For V Sahai Tripathi & Co.

Chartered Accountants

Regd No. 00262N

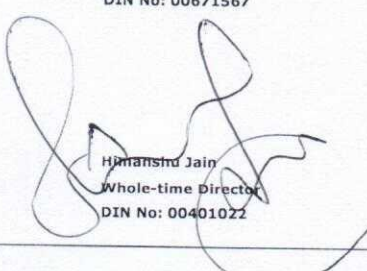

Vishwas Tripathi
Partner
M.No. 086897


Ashish Bharat Ram
Director
DIN No: 00671567


Kartik Bharat Ram
Director
DIN No: 00008557

Place :

Date : 27th May 2021


Himanshu Jain
Whole-time Director
DIN No: 00401022



SHRI EDUCARE LIMITED
Statement of Changes in Equity for the year ended March 31, 2021



A. Equity Share Capital

Particulars	Amount in lakhs
As at March 31,2020	951.00
Share Capital Issued during the period	
As at March 31,2021	951.00

B. Other Equity

Amount in lakhs

Particulars	Retained Earning	Other Comprehensive Income	Total
As at March 31,2020	(266.35)	-	(266.35)
Net Profit	(452.37)		(452.37)
Actuarial (gain)/loss in respect of defined benefit plan - Transfer from OCI	3.78	-	3.78
As at March 31,2021	(714.94)	-	(714.94)

Significant accounting policies and accompanying notes forming part of the financial statements

As per our report of even date

For V Sahai Tripathi & Co.

Chartered Accountants

Firm Regn. No. 000262N

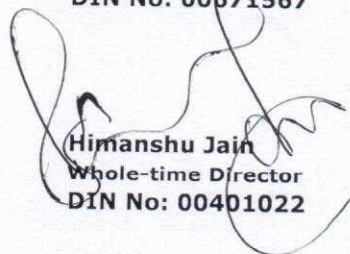

Vishwas Tripathi,
 Partner
 M.No. 086897



For SHRI EDUCARE LIMITED


Ashish Bharat Ram
 Director
 DIN No: 00671567


Kartik Bharat Ram
 Director
 DIN No: 00008557


Himanshu Jain
 Whole-time Director
 DIN No: 00401022

Place:
 Date: 27th May 2021



1 Corporate Information, Significant Accounting Policies and Significant Accounting Judgements, Estimates and Assumptions

A Corporate Information

Shri Educare Limited ("the Company/SEL") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is situated at The Galleria, DLF Mayur Vihar, Unit No. 236 and 237, Mayur Vihar Place, Mayur Vihar Phase I Extn, Delhi - 110091. The Company's parent and ultimate holding group is KAMA Holdings Limited.

The Company is engaged in rendering assistance to the Schools for establishing, managing and running the schools including sub-licensing of copyrights, trademarks, and Software. Apart from these Shri Educare Limited is also engaged in the following activities:

- The Shri Ram Early Years: SEL owns a play school in name of "The Shri Ram Early Years" which is run and managed entirely by SEL.
- The Shri Ram Coaching Classes: SEL runs a coaching center by the name of "The Shri Ram Coaching Classes" for preparing students of class 06th to 12th for CBSE and competitive exams.
- Providing software application support to schools: SEL also provides software application support (Shri Connect) to various schools.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27th, 2021.

B Significant Accounting Policies

1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the 2013 Act. The financial statements up to year ended March 31, 2019 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP or IGAAP"). The Financial statements for the financial year 2019-2020 are the first financial statement of the Company under Ind AS.

2 Basis of Preparation

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

The principal accounting policies are set out below.

3 Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- 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.

Based on the nature of services provided, the Company has identified twelve months as its operating cycle for the purpose of current / non current classification of assets and liabilities.

4 Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

5 Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided on the cost of assets less their residual values on straight line method on the basis of estimated useful life of assets determined by the Company which are different from the useful life as prescribed in Schedule II of the 2013 Act. The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. and are as under:

Building	30 years
Data Processing Equipments	3 years
Vehicles	5 years

Depreciation is calculated on a pro rata basis except, assets costing upto Rs. 5,000 each, which are fully depreciated in the year of purchase.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding Trade Marks & Copyrights, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful lives considered are as follows:

Trademarks / Copyrights	10 years
Software	3 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised on disposal or when no future economic benefit are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

7 Impairment of tangible and intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.




Impairment loss is recognised when the carrying amount of an asset or CGU exceeds its recoverable amount. In such cases, the asset is considered impaired and is written down to its recoverable amount.

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

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

8 Leasing

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.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

9 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 to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

Borrowing costs for the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they occur.

10 Foreign Currencies

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss.

11 Provisions and Contingent Liabilities

Provisions

The company recognises a provision when there is a present obligation (legal or constructive) as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made.

When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, 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 is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

12 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.

a) Course fees and Royalty income is recognized over the duration of the course and as per agreed terms

b) Franchise fees is recognized as per the agreed terms of the agreement.

c) Revenue from other services is recognised as and when such services are completed/performed.

d) Interest income is recognised when it is probable that the economic benefits will flow to the company using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding.

e) Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax



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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss account i.e. in Other comprehensive income or equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such set off.

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 are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax relating to items recognised outside profit or loss is recognised in other comprehensive income or in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT asset is recognised in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the company.

14 Employee benefits

Short term employee benefits

Wages and salaries including non monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid

Defined contribution plans

Provident fund administered through Regional Provident Fund Commissioner and Employees' State Insurance Corporation are defined contribution schemes. Contributions to such schemes are charged to the statement of profit and loss in the year when employees have rendered services entitling them to the contributions. The company has no obligation, other than the contribution payable to such schemes.

Defined benefit plans

The company has defined benefit plan such as gratuity, provident fund for certain category of employees administered through a recognised provident fund trust.

Provision for gratuity, provident fund for certain category of employees administered through a recognised provident fund trust are determined on an actuarial basis at the end of the year and charged to statement of profit and loss, other than remeasurements. The cost of providing these benefits is determined using the projected unit credit method.

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

Other Long Term Employee Benefits

The group also has other long term benefits plan such as compensated absences and retention pay. Provision for compensated absences and long term retention pay are determined on an actuarial basis at the end of the year and charged to consolidated Statement of Profit and Loss. The cost of providing these benefits is determined using the projected unit credit method.

15 Earnings per share

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

16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and 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.

17 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.

A) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the company are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial asset is measured at amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets not classified as measured at amortised cost or FVTOCI as are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity Investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

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 recognised in other comprehensive income. This cumulative gain or loss is not reclassified to statement of profit and loss on disposal of such instruments.




Derecognition

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

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

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

Impairment of financial assets

The company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

B) Financial liabilities and Equity instruments**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs, if any. The company's financial liabilities include borrowings and trade and other payables.

Subsequent measurement**Borrowings**

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction cost) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the Effective interest rate method.

Trade and other payables

Trade and other payables represent the liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid.

Offsetting of financial instruments

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

Derecognition

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.

Equity Instruments

Equity Instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Debt or equity instruments issued by the company are classified as either financial liability or as equity in accordance with the substance of contractual arrangements and the definitions of a financial liabilities and an equity instruments.

18 Fair value measurement

The company measures some of its financial instruments at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b) Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3 — Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

19 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

20 Applicability of new and revised 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

C Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

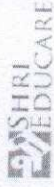
Judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.

- Leasing arrangement (classification and accounting)
- Assessment of useful life of property, plant and equipment and intangible asset
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions)



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021



2(a) : PROPERTY, PLANT & EQUIPMENT

Description	Gross Block			Depreciation			Amount in Lakhs	
	As at April 1, 2020	Additions	Deductions/Transfers	As at March 31, 2021	For the year	On deductions/T transfers	Upto March 31, 2021	As at March 31, 2021
a) Tangible assets								
Building	217.23	-	-	217.23	8.10	-	23.83	193.40
Plant & Machinery	5.69	-	-	5.69	0.36	-	0.88	4.81
Furniture and fixtures	148.43	-	-	148.43	16.34	-	50.68	97.75
Vehicles	175.68	-	28.05	147.63	38.34	28.05	63.31	84.32
Office Equipment	56.87	1.11	-	57.98	10.02	-	30.81	27.17
Others	-	-	-	-	-	-	-	-
Data Processing	21.71	1.61	-	23.32	4.89	-	17.83	5.49
Books	-	-	-	-	-	-	-	-
Tangible assets Total	625.61	2.72	28.05	600.28	78.05	28.05	187.34	412.94
								488.27

Previous year

Description	Gross Block/Deemed Cost			Depreciation			Amount in Lakhs	
	As at 1st April , 2019	Additions	Deductions/Transfers	As at March 31, 2020	For the year	On deductions/T	Upto March 31, 2020	As at March 31, 2019
a) Tangible assets								
Building	208.39	8.84	-	217.23	7.91	-	15.73	201.50
Plant & Machinery	5.69	-	-	5.69	0.36	-	0.52	5.17
Furniture and fixtures	140.88	7.55	-	148.43	17.03	-	34.34	114.09
Vehicles	122.97	59.52	6.81	175.68	32.69	6.75	53.02	123.57
Office Equipment	44.26	12.61	-	56.87	10.13	-	20.79	95.89
Others	-	-	-	-	-	-	-	-
Data Processing	23.32	2.77	4.38	21.71	7.93	4.26	12.94	14.05
Books	-	-	-	-	-	-	-	-
Tangible assets Total	545.51	91.29	11.19	625.61	76.05	11.01	137.34	488.27
								473.21

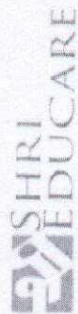
Note : As per lease agreement for lease hold property (Land), lease is valid for a period of 95 (ninety five) years from the Commencement Date (19th October, 2011) and accordingly depreciation is provided on the basis of lease period.



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

2(b) Right to Use Asset



Description	Gross Block			Depreciation			Amount in Lakhs Net Block	
	As at April 1, 2020	Additions	Other Adjustments	As at March 31, 2021	For the year	Other Adjustments	As at March 31, 2021	As at March 31, 2020
Lease hold Land	154.61	-	-	154.61	1.76	-	149.33	151.09
Others	125.87	-	-	125.87	31.00	-	31.46	62.46
Total	280.48	-	-	280.48	32.76	-	180.79	213.55

Description	Gross Block			Depreciation			Amount in Lakhs Net Block	
	As at April 1, 2019	Additions	Other Adjustments	As at March 31, 2020	For the year	Other Adjustments	As at March 31, 2020	As at March 31, 2019
Lease hold Land	154.61	-	-	154.61	1.76	-	151.09	152.85
Others	125.87	-	-	125.87	31.94	-	62.46	94.40
Total	280.48	-	-	280.48	33.70	-	213.55	247.25



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SHRI EDUCARE LIMITED**Notes to financial statement for the year ended March 31, 2021****2(c) Capital work in progress**

Particulars	As at 31-Mar-21	As at 31-Mar-20
Capital work in progress	-	-



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2(d) : INTANGIBLE ASSETS

Description	Gross Block			Depreciation			Amount in Lakhs	
	As at April 1, 2020	Additions	Deductions/ Transfers	As at March 31, 2021	As at April 1, 2020	For the year deductions /Transfers	Upto March 31,2021	As at March 31, 2021
Trade Marks & Copyrights Software	166.58 21.59	17.22 2.17	- -	183.80 23.76	38.04 20.49	18.35 0.97	56.39 21.47	127.41 2.29
Intangible assets Total	188.17	19.39	-	207.56	58.53	19.32	77.86	129.70
Description	Gross Block/Deemed Cost			Depreciation			Net Block	
	As at April 1, 2019	Additions	Deductions/ Transfers	As at March 31, 2020	As at April 1, 2019	For the year deductions /Transfers	Upto March 31, 2020	As at March 31, 2020
Trade Marks & Copyrights Software	134.97 21.04	31.61 0.55	- -	166.58 21.59	18.04 10.82	20.00 9.67	38.04 20.49	128.54 1.10
Intangible assets Total	156.01	32.16	-	188.17	28.86	29.67	58.53	129.64
								127.14



3. Investments

Particulars	Amount in Lakhs	
	As at 31-Mar-21	As at 31-Mar-20
Non-Current Investments		
* Investments in Equity Shares of Subsidiary – unquoted	478.88	478.88
Investments in Capital contribution in KAMA Real Estate Holdings LLP – unquoted	940.80	1,073.30
Total Non-Current investments	1,419.68	1,552.18
Aggregate amount of Non-Current unquoted investments (stated at face value)	1,419.68	1,552.18
Aggregate amount of impairment in the value of investments	-	-

Name and Relationship with reference to the company				Amount in Lakhs	
Relationship & Name	Nature of Investment	Number of shares	Face Value & paid Up Value		Cost
			MVR	INR **	
Wholly owned subsidiary					
Shri Educare Maldives Pvt. Ltd.	Equity Share (Unquoted)	137.95	1.00	3.4715	478.88
Fellow subsidiary					
KAMA Real Estate Holdings LLP	10% Contribution	-	-	-	1,073.30

* Represents the Exchange rate arrived by average rate in which the remittance were made.



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**4. Loans**

Particulars	Amount in Lakhs	
	As at 31-Mar-21	As at 31-Mar-20
Non-Current		
Loans to employees	15.53	20.18
Loan to others	32.50	11.67
Security Deposits - Others	18.32	18.32
	66.35	50.17
Current		
Loans to employees	7.93	11.04
Loan to others	5.12	25.09
Security Deposits - Others	6.51	3.51
	19.56	39.64

5. Deferred Tax Asset(Net)

Particulars	Amount in Lakhs	
	As at 31-Mar-21	As at 31-Mar-20
MAT Credit available	109.74	109.74
Expenses deductible in future years	51.76	39.96
Difference in depreciation as per books and income tax	(62.73)	(14.13)
Total	98.77	135.57



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**6 Other Assets**

	Amount in Lakhs	
	As at 31-Mar-21	As at 31-Mar-20
Non-Current		
Capital advances	-	1.18
Tax Deducted/Collected At Source	-	-
	<u>-</u>	<u>1.18</u>
Current		
Prepaid Expenses	2.75	3.27
Advances	1.56	4.13
Interest Receivable on Term Deposit	-	-
Advance Income tax and GST recoverable	4.24	2.11
	<u>8.55</u>	<u>9.51</u>

7. Trade receivables

	As at 31-Mar-21	As at 31-Mar-20
Unsecured – considered good		
Past due for a period within six months	320.42	224.72
Past due for a period exceeding six months	142.77	41.37
Total trade receivables	<u>463.19</u>	<u>266.09</u>

* The credit period generally allowed on sales varies, on case to case basis and is based on market conditions. Maximum credit period allowed is upto 30 days



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**8. Cash and cash equivalents**

	Amount in Lakhs	
	As at 31-Mar-21	As at 31-Mar-20
Balance with banks in Current accounts	164.64	45.45
Cash in hand	1.57	1.51
Total cash and bank balances	166.21	46.96



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9. Equity Share Capital

	Amount in Lakhs	
	As at 31-Mar-21	As at 31-Mar-20
AUTHORISED		
100 Lakhs (Previous Year - 100 Lakhs) Equity shares of Rs. 10 each	1,000.00	1,000.00
ISSUED, SUBSCRIBED AND PAID UP		
95.1 Lakhs (Previous Year - 95.1 Lakhs) Equity Shares of Rs. 10 each fully paid up	951.00	951.00
The entire share capital is held by the Holding Company (KAMA Holdings Limited) and its nominees		
	951.00	951.00

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year

As at April 1, 2019
Movement during the year
As at March 31, 2020

In Nos.	Rs./lakhs
9,510,000	951.00
-	-
9,510,000	951.00

As at April 1, 2020
Movement during the year
As at March 31, 2021

9,510,000	951.00
-	-
9,510,000	951.00

(b) The entire share capital is held by the Holding Company (KAMA Holdings Limited) and its nominees

(c) Terms/ rights attached to equity shares :

The Company has only one class of equity shares having a par value of 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment, including the terms and amounts.

In the period of immediately preceding five years, the Company has neither allotted any shares nor bought back any shares.



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

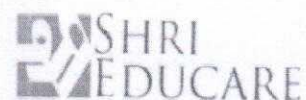
**10. Other Equity**

Particulars	Amount in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Retained earning		
As at the beginning of the year	(266.35)	(89.16)
Add: Profit during the year	(452.37)	(161.24)
Other Comprehensive income arising from remeasurement of defined payment obligation	3.78	(15.95)
Total	(714.94)	(266.35)



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**11 Provisions**

		Amount in Lakhs	
		As at 31-Mar-21	As at 31-Mar-20
Non-Current			
-For Gratuity (non-funded)		75.81	68.44
-For Leave Encashment (non-funded)		57.43	47.59
		133.24	116.03
Current			
-For Gratuity (non-funded)		5.82	5.15
-For Leave Encashment (non-funded)		6.46	5.56
		12.28	10.71



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**12 Borrowings**

	As at 31-Mar-21	Amount in Lakhs As at 31-Mar-20
SHORT TERM BORROWINGS		
Secured		
Overdraft Secured against Tax Free Bonds of fellow subsidiary		
-From Banks	578.05	770.00
Unsecured		
Loans repayable on demand		
-From Related Parties	1,931.25	1,298.75
Total short term borrowings	2,509.30	2,068.75

Detail of Related Parties

Name of the Party	Nature of Borrowing	Nature of relation	Amount in Lakhs	
			Amount As at 31- Mar -21	Amount As at 31- Mar-20
KAMA HOLDINGS LIMITED	Unsecured	Holding Company*	878.25	1,005.75
KAMA RELATY (DELHI) LTD.	Unsecured	Fellow Subsidiary**	1,053.00	293.00

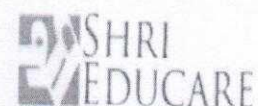
* Interest Free

** Carrying interest @10% p.a



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021
13 Lease Liability



Particulars	Amount in Lakhs	
	As at 31-Mar-21	As at 31-Mar-20
Non - Current	-	35.32
Total	-	35.32
Current	35.32	32.62
Total	35.32	32.62



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**14 Other Financial liabilities**

Amount in Lakhs

Particulars	As at 31-Mar-21	As at 31-Mar-20
Interest accrued and due on borrowings	3.90	5.31
Security deposits from		
-Students	14.27	37.41
Other payables		
-Due for Expenses Incurred	57.20	71.15
-Salaries and benefits	1.43	1.84
Total Other Financial Liabilities	76.80	115.71

15 Other Current liabilities

Amount in Lakhs

Particulars	As at 31-Mar-21	As at 31-Mar-20
Statutory dues	26.25	24.71
Employees Contribution Payable	7.03	6.98
Income received in advance		
-Fee from students	10.94	28.67
-Others	80.33	75.03
Total Other Current Liabilities	124.55	135.39



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**16. Revenue from operation***

Particulars	Amount in Lakhs	
	Year Ended	
	31-Mar-21	31-Mar-20
Project Management Fees	828.07	1,083.03
** Annual Maintenance Fees	51.54	51.56
Students Fees	114.45	388.57
Total Revenue from operations	994.06	1,523.16

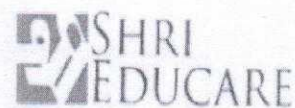
* All revenues deal with Education

** From schools using the Trademark of the Company



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

17. Other income

Particulars	Amount in Lakhs	
	Year Ended	
	31-Mar-21	31-Mar-20
Exchange currency fluctuation	-	6.50
Sale of Form	-	0.67
Transport Income	-	26.12
Commission Income	4.64	-
Interest income		
▪ on loans to Employees	2.86	4.48
▪ on loans to others	3.54	1.76
▪ on Income Tax	11.21	4.71
Liability no longer required	5.25	1.11
Lease waiver - COVID-19 Related Rent Concessions	15.26	-
Profit on Sale of Fixed Assets	2.15	0.65
GST Input claimed for expenses for F.Y. 2019-20	4.08	-
Miscellaneous income	2.67	3.47
Total other income	51.66	49.47



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

18. Employee benefits expenses



Particulars	Year Ended	
	31-Mar-21	31-Mar-20
Salaries and wages	912.33	965.15
Contribution to provident and other funds	66.48	62.06
Staff welfare expenses	6.33	40.23
Total employee benefits	985.14	1,067.44



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**19. Finance Costs**

Particulars	Amount in Lakhs	
	Year Ended	
	31-Mar-21	31-Mar-20
Interest expenses		
- On short term borrowing from Bank	46.56	65.56
- Interest on finance lease liability	4.01	6.51
- On Short term loan & borrowing other than banks*	69.61	30.43
Total financial costs	120.18	102.50

* Paid to related party, See note no. 25(ii)



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**20. Depreciation and amortization expenses**

Particulars	Amount in Lakhs	
	Year Ended	
	31-Mar-21	31-Mar-20
Depreciation on tangible assets	78.05	76.05
Depreciation on Right to use assets	32.76	33.70
Amortization on intangible assets	19.32	29.67
Total Depreciation and amortization	130.13	139.42



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

21. Other expenses

Particulars	Amount in Lakhs	
	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Rent	6.76	13.97
Repair & maintenance		
- On Building	13.09	19.38
- Other than building	2.84	10.36
Vehicle Running & Maintenance	3.62	18.44
Subscription Expenses	-	-
Software Expenses	9.52	10.09
Promotional Expenses	24.06	34.54
Legal & Professional Expenses	42.11	77.45
* Audit fees	2.00	2.33
Rates & taxes	2.03	1.86
Telephone & communication	26.72	25.89
Traveling and Conveyance Expenses	2.19	24.73
Insurance Expenses - Vehicle	1.29	1.75
Exchange Rate Difference (Net)	3.53	-
Meeting Expenses	-	0.54
Transportation expenses	-	27.11
Office expenses	2.03	4.69
Security Expenses	12.36	13.41
Filing Fees	0.25	0.34
Recruitment Expenses	0.66	5.44
Water and electricity	5.39	14.23
Postage and Courier	0.22	0.95
Printing and stationery	1.55	10.68
Donation	-	0.50
Education Aids	4.87	19.48
Festival & Celebrations	-	-
Bank Charges	0.22	0.48
Workshop and Training - Others	30.14	39.23
Bad Debts	-	100.91
With Holding Tax Write off	-	-
Loss on Sale of Fixed Assets	-	-
Miscellaneous expenses	1.10	1.95
Total other expenses	198.55	480.73

*** Auditor's remuneration includes**

Statutory Audit fees	2.00	2.00
Certification fees	-	0.10
Out of pocket expenses	-	0.23
Total	2.00	2.33



SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**22. Tax Expense**

Particulars	Amount in Lakhs	
	Year ended	
	31-Mar-21	31-Mar-20
Current tax	-	-
Tax related to earlier years	28.75	2.64
Deferred tax	35.34	(58.86)
	64.09	(56.22)
Reconciliation of Tax expense with accounting profit		
Profit before tax	(388.28)	(217.46)
Income tax expense @ 27.82%	(108.02)	(60.50)
Other differences	143.36	1.64
Tax related to earlier years	28.75	2.64
	64.09	(56.22)



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SHRI EDUCARE LIMITED

Notes to financial statement for the year ended March 31, 2021

**23. Earning Per Share**

Particulars	Amount in Lakhs	
	As at	
	31-Mar-21	31-Mar-20
Weighted Average Number of Shares*	95.10	95.10
Earnings available for Equity	(452.37)	(161.24)
Earning Per Share (EPS)	(4.76)	(1.70)

* No financial instrument was issued during the year which will have bearing on diluting the earning on equity.

***Computation of Weighted EPS**

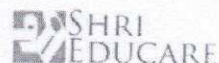
Particulars	No. of shares	No. of days(weights)	Weighted no. of Shares
Opening	9,510,000	365	9,510,000
Infusion during the year	-		-
closing	9,510,000		9,510,000



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SHRI EDUCARE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2021



24. Contingent Liabilities: Nil

25. Related Party Transactions

(i) List of related parties and relationships :

(a)	Holding Company	KAMA Holdings Limited
(b)	Subsidiary company	Shri Educare Maldives Pvt. Ltd.
(c)	Fellow Subsidiaries	KAMA Realty (Delhi) Limited
		SRF Limited
(d)	Key management personnel	Arun Bharat Ram
		Ashish Bharat Ram
		Kartik Bharat Ram
		V K Dua
		Himanshu Jain
(e)	Enterprises over which holding company has significant control	KAMA Real Estate Holdings LLP
(f)	Enterprises over which KMP have significant influence	KARMAV Holdings Pvt. Ltd. (KHPL)
		SRF Foundation
		SRFT

(ii) Transactions During the year with related parties :

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Rent Paid to		
KAMA Realty (Delhi) Limited	21.37	36.63
Workshop and Training Expenses (Profession Expenses) paid to		
SRF Foundation	-	0.72
Reimbursement of Expenses paid to		
SRF Limited	4.46	4.92
SRFT	0.51	-
Loans/ICD received:		
KAMA Holdings Limited	77.00	388.00
KAMA Realty (Delhi) Limited	775.00	440.00
KARMAV real Estate Holding (LLP)	-	-
Loans/ICD refunded:		
KAMA Holdings Limited	204.50	178.00
KAMA Realty (Delhi) Limited	15.00	450.00
KARMAV real Estate Holding (LLP)	-	-
Interest paid on ICD/Loan		
KAMA Realty (Delhi) Limited	69.61	30.43
KARMAV real Estate Holding (LLP)	-	-
Investment/ (Capital Refund) during year:		
KAMA Real Estate Holdings LLP	(132.50)	212.55
Management Fees:		
Shri Educare Maldives Pvt. Ltd.	131.36	198.48
AMC Fees received:		
SRF Foundation	38.14	38.06
Loan Provided - As per company Loan policy		
Himanshu Jain - as Whole time Director (From Sept 2020 to March 2021)	5.00	-
Loan Recovery - As per company Loan policy		
Himanshu Jain - as Whole time Director (From Sept 2020 to March 2021)	0.58	-
Remuneration paid during the year:		
Himanshu Jain - as Whole time Director (From Sept 2020 to March 2021)	60.09	-

(iii) Balances at year end with related parties :

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Security Deposit Receivable		
KAMA Realty (Delhi) Limited	18.32	18.32
Year end balances (receivables):		
Shri Educare Maldives Pvt. Ltd.	209.91	131.43
Investment at year end:		
KAMA Real Estate Holdings LLP	940.80	1,073.30
Shri Educare Maldives Pvt. Ltd.	478.88	478.88
Year end balances (payables):		
KAMA Holdings Limited	878.25	1,005.75
KAMA Realty (Delhi) Limited	1,053.00	298.28
SRF Limited (Reimbursement of Expenses)	0.00	0.46
Year end balances (receivables):		
Loan to Himanshu Jain - as Whole time Director (From Sept 2020 to March 2021)	4.42	-



SHRI EDUCARE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2021

**26. Employee Benefits**

Particulars	Amount in Lakhs	
	Year ended 31-Mar-21	Year ended 31-Mar-20
26.1 Defined Contribution Plan		
Provident Fund administered through Regional Provident Fund Commissioner (Refer note below)	10.53	12.09
Employees' State Insurance Corporation	0.38	0.75
Total	10.91	12.84

Provident Fund

All employees are entitled to Provident Fund benefits as per the law. For certain category of employees the Company administers the benefits through a recognised Provident Fund Trust. The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. For other employees contributions are made to the Regional Provident Fund Commissioners. The Government mandates the annual yield to be provided to the employees on their corpus. This plan is considered as a Defined Contribution Plan. For the first category of employees (covered by the Trust), the Company has an obligation to make good the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government and these are considered as Defined Benefit Plans accounted for on the basis of an actuarial valuation.



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26.2 Defined benefit plans

The Company sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by separate funds which are legally separate from the Company. These plans are:

- (a) Gratuity
- (b) Provident fund for certain category of employees administered through a recognised provident fund trust

(i) These plans typically expose the company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

(i) Principal assumption use for actuarial valuation

Particular	Gratuity		Provident Fund	
	Year ended		Year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Discount rate (per annum)	6.80%	6.80%	6.69%	6.77%
Future salary increases	7.00%	7.00%	-	-
Expected Statutory interest rate on the ledger balance	-	-	8.50%	8.50%
Expected short fall in interest earning on the fund	-	-	0.05%	0.05%
Retirement Age	58 years	58 years	58 years	58 years
In service mortality (Mortality rates inclusive of provision for disability)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Withdrawal rates				
- up to 30 years	3%	3%	20%	20%
- up to 44 years	2%	2%	7%	7%
- above 44 years	1%	1%	8%	8%

(ii) Amount recognised in the Statement of Profit and Loss is as under:

Particular	Gratuity		Provident Fund	
	Year ended		Year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Current service cost	11.48	11.42	16.04	18.54
Past Service cost	-	-	-	-
Interest cost	5.00	3.03	20.37	17.74
Expected return on planned assets	-	-	-	-
Net annual expense	16.48	14.45	36.40	36.28
Actuarial (gain)/loss recognised during the year	(5.23)	19.94	-	-
Amount recognised in other comprehensive income	(5.23)	19.94	-	-

(iii) Change in the present value of obligation:

Particular	Gratuity		Provident Fund	
	Year ended		Year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Present value of obligation as at the beginning of the year	73.58	39.56	235.64	173.36
Acquisition adjustment	-	-	-	-
Current service cost	11.48	11.42	16.04	18.54
Interest cost	5.00	3.03	20.37	17.74
Past Service Cost including curtailment Gains/Losses	-	-	20.93	24.44
Benefits paid	(3.21)	(0.37)	(3.08)	-
Actuarial loss/(gain)	(5.23)	19.94	(31.08)	1.56
Settlement /Transfer In	-	-	12.91	-
Present value of obligation as at the end of the year	81.63	73.58	271.73	235.64

Bifurcation of present value of obligation

Current Liability	5.82	5.15	-	-
Non-current Liability	75.81	68.44	-	-

(vi) Sensitivity analysis of the defined benefit obligation:

Description	Gratuity		Provident Fund	
	Year ended		Year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Impact of change in discount rate				
Present value of obligation at the end of the period/year	81.63	73.58	271.73	235.64
- Impact due to increase of 0.50%	(4.08)	(3.73)	(0.02)	(0.02)
- Impact due to decrease of 0.50%	4.42	4.05	0.02	0.02
Impact of change in salary increase				
Present value of obligation at the end of the period/year	81.63	73.58		
- Impact due to increase of 0.50%	4.39	4.03		
- Impact due to decrease of 0.50%	(4.09)	(3.74)		



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SHRI EDUCARE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2021



27 Shri Educare Limited has made an agreement with Government of Maldives to run a school jointly in Maldives. For this, Shri Educare Limited has incorporated wholly owned subsidiary in Maldives named 'Shri Educare Maldives Private Limited'.

28 The Company is engaged in the business of providing Education and related consultancy services. This being the only segment, the reporting under the provision of Ind AS 108 (operating segment) does not arise



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29. Financial Instruments & Risk management**29.1 Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern and provide reasonable return to the shareholders through maintaining reasonable balance between Debt and equity. The capital structure of the Company consists of net debt (borrowings net of cash and cash equivalents) and total equity of the Company. The Company's management reviews the capital structure of the Company on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Company also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to EBITDA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

Particular	31st March 2021	31st March 2020
Debt	2,509.30	2,068.75
Cash & Cash Equivalents	166.21	46.96
Net Debt	2,343.09	2,021.79
Total Equity	236.06	684.65
Net debt to equity ratio	9.93	2.95

29.2 Financial Risk Management

The Company's principal financial liabilities comprises borrowings and other payables. The main purpose of these financial liabilities is to support Company's operations. The Company's principal financial assets include investment, loans, cash and cash equivalents and other receivables.

The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's management oversees the management of these risks. The Company's management reviews the financial risks and the appropriate financial risk governance framework for the Company. The Company's management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk objectives. The major risks are summarised below:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily impacts financial instruments measured at fair value through profit or loss.

Interest Rate Risk

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest expenses resulting from interest-bearing liabilities. The Company is not exposed to the risk of changes in market interest rates because the Company's short term borrowings are at fixed interest rates.

Foreign Currency Risk

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities. In the operating activities, the Company's exchange rate risk primarily arises when revenue are generated in a currency that is different from the reporting currency (transaction risk). This foreign currency risk exposure of the Company are mainly in U.S. Dollar (USD).

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in are as follows:

Particulars	Amount in Lakhs			
	Year Ended 31.03.2021		Year Ended 31.03.2020	
	USD	INR	USD	INR
Unhedged				
Receivable	2.87	209.90	1.75	131.43
Payable	-	-	-	-
Hedged				
Receivable	-	-	-	-
Payable	-	-	-	-
Total	2.87	209.90	1.75	131.43

Foreign currency sensitivity analysis

Particulars	Amount in Lakhs			
	March 31, 2021		March 31, 2020	
	exchange rate strengthens by 1 %	exchange rate weakens by 1 %	exchange rate strengthens by 1 %	exchange rate weakens by 1 %
Profit before tax	2.10	(2.10)	1.31	(1.31)

Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Equity price risk:

The Company's investment in non-listed equity securities are accounted at cost in the financial statement net of impairment. The expected cash flow from these entities are regularly monitored to identify impairment indicators.



Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flow of financial assets and financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through issuance of equity shares etc. The Company invests its surplus funds in subsidiary companies.

The table below analyze the Company's financial liabilities into relevant maturity profiles based on their contractual maturities:

	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
As at March 31, 2021				
Borrowings	2,509.30	-	-	2,509.30
Lease liability	35.32	-	-	35.32
Other Financials Liabilities	76.80	-	-	76.80
	2,621.42	-	-	2,621.42
As at March 31, 2020				
Borrowings	2,068.75	-	-	2,068.75
Lease liability	32.62	35.32	-	67.94
Other Financials Liabilities	115.71	-	-	115.71
	2,217.08	35.32	-	2,252.40

29.3 Categories of financial instruments by categories

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial assets measured at amortised cost				
Trade receivables	463.19	463.19	266.09	266.09
Loans	85.91	85.91	89.81	89.81
Cash and cash equivalents	166.21	166.21	46.96	46.96
	715.31	715.31	402.86	402.86
Financial Liabilities measured at amortised cost				
Borrowings	2,509.30	2,509.30	2,068.75	2,068.75
Lease liability	35.32	35.32	67.94	67.94
Other Non Financial liabilities	76.80	76.80	115.71	115.71
	2,621.42	2,621.42	2,252.40	2,252.40

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

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- Above table excludes Investment in subsidiary and other group entities which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2020 and March 31, 2019.

Level 1:

Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of open ended mutual funds.

Level 2:

Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of over the counter (OTC) derivative contracts.

Level 3:

Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments and financial guarantees contracts.

Significant accounting policies and accompanying notes forming part of the financial statements

As per our report of even date
For V Sahai Tripathi & Co.
Chartered Accountants
Firm Regn. No. 000262N

Vishwas Tripathi
Partner
M.No. 086897



For SHRI EDUCARE LIMITED

Ashish Bharat Ram
Director
DIN No: 00671567

Himanshu Jain
Whole-Time Director
DIN No: 00401022

Kartik Bharat Ram
Director
DIN No: 00008557

Place:
Date: 27th May 2021