

iSpark Learning Solutions Private Limited

Financial Statements

for the year ending March 31, 2022

Corporate Office:

**53/10, Soundarya Colony,
7th Avenue, Anna Nagar Western Extension,
Chennai 600 101**

iSpark Learning Solutions Private Limited

Financial Statements for the year ending March 31, 2022

<u>Particulars</u>	<u>Page Ref</u>
➤ Balance Sheet	1
➤ Statement of Profit and Loss	2
➤ Cash Flow Statement	3
➤ Significant Accounting Policies	4 - 8
➤ Notes Forming Part of Accounts	9 - 20


Balance sheet as at 31st March, 2022

Particulars	Note No.	31st March 2022	31st March 2021
ASSETS			
(Amount in ₹)			
Non-current assets			
Property, plant and equipment	2	5,229,203	4,014,799
Capital Work in Progress		-	-
Intangible assets	3	574,215	582,058
Intangible assets under development		225,000	-
Financial Assets		-	-
Deferred tax assets (net)	4	-	-
Other non-current assets		-	-
		6,028,418	4,596,857
Current assets			
Inventories		-	-
Financial assets		-	-
Investments		-	-
Trade receivable	5	477,668	-
Cash and cash equivalents	6	37,875	127,506
Bank balances other than (iii) above		-	-
Other financial assets	7	300,400	600,000
Current tax assets		-	-
Other current assets	8	632,518	325,093
		1,448,461	1,052,599
TOTAL ASSETS		7,476,879	5,649,456
EQUITY & LIABILITIES			
Equity			
Equity share capital	9	100,000	100,000
Other equity	10	(22,845,934)	(7,701,825)
		(22,745,934)	(7,601,825)
LIABILITIES			
Non-current liabilities			
Financial liabilities		-	-
Borrowings		-	-
Other financial liabilities		-	-
Provisions		-	-
Deferred tax liabilities (net)	4	56,135	76,801
Other non-current liabilities		-	-
		56,135	76,801
Current liabilities			
Financial liabilities		-	-
Borrowings		-	-
Trade payables	11	605,158	(197,332)
Other financial liabilities	12	29,561,521	13,371,812
Other current liabilities		-	-
Provisions		-	-
Current tax liabilities		-	-
		30,166,679	13,174,480
TOTAL EQUITY & LIABILITIES		7,476,879	5,649,456

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
for S. Muralidharan & Associates
Chartered Accountants

FRN: 010154S


C.A. Vishnupriya Ahand

Partner


M No. 236183

UDIN: 22236183AJXRRS3307

Place : Chennai

Date : 30th May 2022

for spark Learning Solutions Private Limited



Mr. Joseph Varghese
Director

DIN: 00585755



Mr. P.H. Mohanamurthy
Director


DIN: 02563514

Statement of Profit and Loss for the year ended 31st March 2022

Particulars	Note No.	31st March 2022	31st March 2021
		(Amount in ₹)	
Income			
Revenue from operations	13	977,514	-
Other income	14	27,165	-
Total Income		1,004,679	-
Expenses			
Purchase expense	15	85,212	-
Employee benefits expense	16	10,293,222	4,458,276
Finance cost	17	17,924	7,239
Depreciation and amortisation expense	18	1,347,836	90,015
Other expenses	19	4,425,261	2,231,684
Total expenses		16,169,454	6,787,214
Profit (Loss) before exceptional items		(15,164,775)	(6,787,214)
Exceptional Items		-	-
Profit (Loss) before tax		(15,164,775)	(6,787,214)
Tax expense:			
Current Tax		-	-
MAT Credit		-	-
Deferred Tax	4	20,666	(76,801)
Profit for the period/year attributable to equity share holders		(15,144,109)	(6,864,015)
Other Comprehensive Income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligation		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
Change in fair value of FVOCI debt instruments		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
OCI for the period / year (net of tax)		-	-
Total Comprehensive Income for the period/year attributable to equity shareholders		(15,144,109)	(6,864,015)
Earning per share (equity shares, par value ₹ 10 each)			
Basic		(1,514)	(686)
Diluted		-	-

The accompanying notes are an integral part of the financial statements
As per our report of even date attached

for S. Muralidharan & Associates
Chartered Accountants
FRN: 010154S


CA. Vishnupriya Anand
Partner
M No. 236183
UDIN: 22236183AJXRRS3307

Place : Chennai
Date : 30th May 2022

for iSpark Learning Solutions Private Limited


Mr. Joseph Varghese
Director
DIN: 00585755


Mr. P.H. Mohanamurthy
Director
DIN: 02563514

Cash Flow Statement for the year ended 31st March 2022

Particulars	31st March 2022	31st March 2021
Cash flow from operating activities	(Amount in ₹)	
Profit before tax for the period/ year	(15,164,775)	(6,787,214)
Adjustments for :		
Provision for gratuity	-	-
Written off fringe Benefit Tax	-	-
Profit on Sale of Fixed Asset	-	-
Deferred Income Taxes	20,666	(76,801)
Depreciation and amortisation expense	1,347,836	90,015
Interest income	-	-
Finance cost	17,924	7,239
Operating profit before working capital changes	(13,778,349)	(6,766,761)
Movements in working capital :		
Increase / (Decrease) in trade payables	802,490	(197,332)
Increase / (Decrease) in other & financial liabilities	16,169,043	12,110,149
(Increase) / decrease in trade receivables	(477,668)	(325,093)
(Increase) / Decrease in other financial assets & non current assets	(7,825)	-
Net cash flow from / (used in) operating activities (A)	2,707,690	4,820,963
Cash flow from investing activities		
Purchase of property, plant and equipment, including intangible assets under development	(2,779,398)	(4,686,872)
Profit on Sale of Fixed Asset	-	-
Purchase of current investments	-	-
Interest received on fixed deposits	-	-
Net cash flow from/ (used in) investing activities (B)	(2,779,398)	(4,686,872)
Cash flow from financing activities		
Proceeds from issue of shares	-	-
Decrease in non current borrowings	-	-
Decrease in current borrowings	-	-
Finance Cost	(17,924)	(7,239)
Net cash used in financing activities (C)	(17,924)	(7,239)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	(89,631)	126,852
Cash and cash equivalents at the beginning of the period/ Year	127,506	654
Cash and cash equivalents at the end of the period (Note 11)	37,875	127,506
Components of cash and cash equivalents		
Cash in hand	1,764	11,700
Balances with bank	36,111	115,806
Deposit with original maturity of less than 3 months	-	-
Total cash and cash equivalents (Note 11)	37,875	127,506

The accompanying notes are an integral part of the financial statements
As per our report of even date attached

for S. Muralidharan & Associates

Chartered Accountants

FRN: 010154S


C.A. Vishnupriya Anand

Partner


M No. 236183

UDIN: 22236183AJXRRS3307

Place : Chennai

Date : 30th May 2022

for iSpark Learning Solutions Private Limited



Mr. Joseph Varghese
Director

DIN: 00585755



Mr. P.H. Mohanamurthy
Director

DIN: 02563514

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Significant Accounting Policies adopted in presentation of Financials as per Ind AS

Company Overview and Significant accounting policies

iSpark Learning Solutions Private Limited (the Company) was incorporated on 07th Jan 2020 with the primary objective of imparting IT /Internet enabled training and allied consulting services in the Education Portfolio. The Company is a Subsidiary Company of TCM Limited (a listed company) having its registered office at Cochin, Kerala, India. The Company is a Private Limited Company domiciled in India and has its registered office in Cochin, Kerala, India.

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

Basis of Preparation of Financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified).

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in Note 2.1.

Classification of Assets and Liabilities into Current/Non-Current:

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realise the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is 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.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification

All other liabilities are classified as non-current.

Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Critical Accounting estimates

a) Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Revenue recognition

a) Income from Services:

Revenue from Sale of goods and services are recognized as per guidelines specified in Ind AS 18 on Revenue Recognition.

Revenue is recognized when control of goods and services are transferred to the customer at an amount that reflects the consideration which the company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company is the principal in its revenue arrangements since it controls the goods or service before transferring to the customer. The Company considers whether there are other promises in the contract which are separate performance obligations to which apportion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the company considers the effects of variable consideration, the existence of significant financing components, non cash consideration and consideration payable to the customer, if any. Revenue from sale of products or services are recognized at a point in time, generally upon delivery of products or services.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of Schedule II of the Companies Act, 2013. The estimated useful lives of assets are as follows :

Property, Plant and Equipment	Number of years of useful lives
Furniture and Fixtures	10
Computers	3
Office equipment	5

Depreciation methods, useful lives and residual values are to be reviewed periodically, including at each financial year end.

Financial Instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

1.7.1 Initial Recognition:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.7.2 Subsequent Measurement

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

(i) Amortised Cost:

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

(ii) Fair Value through Other comprehensive Income (OCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Fair Value through Profit or Loss:

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

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

1.7.3 Derecognition of Financial Instruments

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

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Fair value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value is available quoted market prices. The methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Foreign Currency

(a) Functional Currency

The financial statements are presented in Indian Rupees (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Earnings per equity share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares)

Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Employee benefits

(i) Short term employee benefits:

All employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise of cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments. Cash credits are shown within borrowings in current liabilities in the balance sheet.

Notes to the Financial statements for the year ended March 31,2022

First time adoption of IND AS

These financial statements of the company for the year ended March 31, 2022 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First-Time Adoption of Indian Accounting Standards, with April 1, 2020 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has not resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2022 and the comparative information.

Reconciliations

2.2.1 Statement of Profit and Loss

There were no significant reconciliation items between the statement of Profit & Loss prepared under Indian GAAP and those prepared under Ind AS.

2.2.2 Cash flow statements

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Statement of Changes in Equity

	No of Shares	Rs
(a) Equity shares of ₹ 10 each issued, subscribed and fully paid Balance at the beginning of the year	10,000	100,000
Changes in equity share capital during the period	-	-
Balance at the end of the period	10,000	100,000
(b) Other equity		

Particulars	Securities Premium Reserve	ESOP Outstanding	Retained Earnings	Ind AS	Retained Earnings	General reserve	Total Reserves and Surplus
Balance at the beginning of the reporting period - 01 April 2020	-	-	-	-	-	-	-
Profit for the period ended 31 March 2021	-	-	-	-	-	-	-
Addition on shares	-	-	-	-	(6,864,015)	-	-
Balance at the end of the reporting period 31 March 2021	-	-	-	-	-	-	-
Balance at the beginning of the reporting period - 01 April 2021	-	-	-	-	(15,144,109)	-	-
Profit for the period ended 31 March 2022	-	-	-	-	-	-	-
Addition on shares	-	-	-	-	(22,008,124)	-	-
Balance at the end of the reporting period 31 March 2022	-	-	-	-	-	-	-

for S. Muralidharan & Associates
Chartered Accountants
FRN: 010154S


S. Muralidharan
Partner
M No. 236183
UDIN: 22236183AJXRRS3307

for iSpark Learning Solutions Private Limited


Mr. Joseph Varghese
Director
DIN: 00585755


Mr. P.H. Mohanamurthy
Director
DIN: 02563514

Notes to the financial statement for the period ended 31st March, 2022

Note 2 - Property, Plant and Equipment

	Property, Plant and Equipment				
	Computers	Office Equipments	Furniture and Fixtures	Building-Temporary Structure	Total
Gross Block Vaue as at March 31,2020	-	-	-	-	-
Additions	461,975	1,384,114	2,237,365	-	4,083,454
Disposals	-	-	-	-	-
Gross Block Vaue as at March 31,2021	461,975	1,384,114	2,237,365	-	4,083,454
Additions	914,534	414,213	-	975,650	2,304,397
Disposals	-	-	-	-	-
Gross Block Value as at March 31, 2022	1,376,509	1,798,327	2,237,365	975,650	6,387,851
Accumulated depreciation as at March 31, 2020	-	-	-	-	-
Depreciation for the year	32,418	19,544	16,693	-	68,655
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2021	32,418	19,544	16,693	-	68,655
Depreciation for the period	364,107	317,629	212,551	195,706	1,089,993
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	396,525	337,173	229,244	195,706	1,158,648
Net Block as at March 31, 2021	429,557	1,364,570	2,220,672	-	4,014,799
Net Block as at March 31, 2022	979,984	1,461,154	2,008,121	779,944	5,229,203

iSpark Learning Solutions Private Limited
 53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
 Chennai 600 101

Notes to the financial statement for the period ended 31st March, 2022

Note 3 - Intangible Assets

	Intangible Assets	
	Computer software	Intangible asset under development
Gross Block Value as at March 31,2020	-	-
Additions	603,418	-
Disposals	-	-
Transfers	-	-
Gross Block Value as at March 31, 2021	603,418	-
Additions	250,000	225,000
Disposals	-	-
Transfers	-	-
Gross Block Value as at March 31, 2022	853,418	225,000
Accumulated depreciation as at March 31, 2020		-
Amortisation for the year	21,360	-
Disposals	-	-
Accumulated depreciation as at March 31, 2021	21,360	-
Amortisation for the year	257,843	-
Disposals	-	-
Accumulated depreciation as at March 31, 2022	279,203	-
Net Block as at March 31, 2021	582,058	
Net Block as at March 31, 2022	574,215	

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Notes to the financial statement for the period ended 31st March, 2022

Note 4 - Deferred Tax

Particulars	31.03.2022
Depreciation as per Companies Act	1,347,836
Depreciation as per Income tax Act	1,563,739
Timing difference	(215,903)
Tax rate	26.00%
Deferred tax Liability (A)	(56,135)
Deferred Tax Asset (B)	-
Net Deferred Tax Liability (A-B)	(56,135)
Less: Excess deferred tax asset of PY to be reversed (C)	-
Net Deferred Tax Liability as on 31.03.2022 (A+C)	(56,135)
Add: Opening deferred tax Liability as on 01.04.2021	(76,801)
Deferred tax liability Credited to P&L	20,666

Note 5 - Trade receivables

Particulars	31.03.2022	31.03.2021
Trade receivables		
Unsecured considered good	477,668	-
Doubtful	-	-
Impairment Allowance (allowance for bad and doubtful debts)		
Doubtful	-	-
Total	477,668	-

Movement of provision for Trade receivables		
Opening provision	-	-
Provision added during the year	-	-
Provision reversed during the year	-	-
Closing provision	-	-

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Note 6 - Cash and cash equivalents

Particulars	31.03.2022	31.03.2021
Cash on hand	1,764	11,700
Balances with banks		
- in current accounts	36,111	115,806
- in fixed Deposits with original maturity for less than 3 months	-	-
	37,875	127,506

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	31.03.2022	31.03.2021
Balances with banks:		
-On Current accounts	36,111	115,806
-Deposits with original maturity of less than three months	-	-
Cash on hand	1,764	11,700
Total	37,875	127,506

Note 7 - Other financial assets

Particulars	31.03.2022	31.03.2021
Unsecured, considered good		
Telephone deposit	400	-
Rental deposit	300,000	600,000
Travelling Advance	-	-
Total	300,400	600,000

Note 8 - Other current assets

Particulars	31.03.2022	31.03.2021
GST Input Credit	632,518	325,093
Total	632,518	325,093

ISpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Notes to the financial statement for the period ended 31st March, 2022
Note 9 - Share Capital

March 31, 2022 March 31, 2021

Authorised shares	1,000,000.00	1,000,000.00
1,00,000 (March 31, 2021: 1,00,000) equity shares of ₹ 10 each	1,000,000.00	1,000,000.00
Issued, subscribed and fully paid-up	100,000.00	100,000.00
10,000 (March 31 2021: 10,000) equity shares of ₹ 10 each	100,000.00	100,000.00

(a) Details of shareholders holding more than 5% share in the Company

Name of the shareholder	31-Mar-2022		31-Mar-2021	
	No of Shares	% Holding	No of Shares	% Holding
TCM Limited	5,100	51.00%	5,100	51.00%
P.H. Mohanamurthy	4,900	49.00%	4,900	49.00%
	10,000	100.00%	10,000	100.00%

(b) Shares held by holding/ultimate holding company and / or their subsidiaries / associates

Out of the equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Name of the shareholder	31-Mar-2022		31-Mar-2021	
	No of Shares	₹	No of Shares	₹
TCM Limited	5,100	51,000.00	5,100	51,000.00

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31-Mar-2022		31-Mar-2021	
	Number	Rs	Number	Rs
At the beginning of the period / year	10,000	100,000	10,000	100,000
Issued during the period / year	-	-	-	-
Outstanding at the end of the period / year	10,000	100,000	10,000	100,000

(d) Terms/rights attached to equity shares

i. Voting rights

Each shareholder is entitled to one vote per equity share having value of ₹ 10 per equity share.

iSpark Learning Solutions Private Limited
 53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
 Chennai 600 101

Notes to the financial statement for the period ended 31st March, 2022

Note 10 - Other equity

	31.03.2022	31.03.2021
Reserves and surplus		
	(Amount in ₹)	
Securities premium reserve		
Balance as per last financial statements	-	-
Addition on Issue of shares	-	-
Closing balance	-	-
Surplus in the statement of profit and loss		
Balance as per last financial statements	(7,701,825)	(837,810)
Add: amount transferred from surplus balance in the statement of profit and loss	(15,144,109)	(6,864,015)
Closing balance	(22,845,934)	(7,701,825)
General reserve	-	-
Closing balance	-	-
Capital Contribution from Shareholder		
Balance as per last financial statements	-	-
Add: ESOPs to employees granted during the year	-	-
Closing balance	-	-
Total Other Equity	(22,845,934)	(7,701,825)

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Notes to the financial statement for the period ended 31st March, 2022

Note 11 - Trade Payables

Particulars	31.03.2022	31.03.2021
Trade payables	605,158	(197,332)
Total	605,158	(197,332)

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

Note 12 - Other financial liabilities

Particulars	31.03.2022	31.03.2021
Payable to employees	2,968,471	1,239,816
Tax deducted at source	489,883	114,529
Provident Fund	420,000	-
Professional Tax	8,750	-
Loans from Directors	5,052,000	-
Others	238,005	172,467
TCM Limited	20,384,412	11,845,000
Total	29,561,521	13,371,812

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Notes to the financial statement for the period ended 31st March, 2022

Note 13 - Revenue from Operations

Particulars	31.03.2022	31.03.2021
Sale of service - outside India	-	-
Sale of service - within India	977,514	-
Total	977,514	-

Note 14 - Other Income

Particulars	31.03.2022	31.03.2021
Discount Received	7,415	-
Other Income	19,750	-
Written off Provision for FBT	-	-
Profit on Sale of Fixed Asset	-	-
Fair value gain on restatement of Current Investment	-	-
Total	27,165	-

Note 15 - Purchases

Particulars	31.03.2022	31.03.2021
Purchases	85,212	-
Total	85,212	-

Note 16 - Employee benefits expense

Particulars	31.03.2022	31.03.2021
Salaries, Wages and Bonus	9,896,564	4,400,149
Recruitment charges	35,000	28,000
Labour Welfare Fund/Professional Tax	5,190	120
Provident Fund Employer Contribution	218,400	-
Staff welfare expenses	138,068	30,007
Total	10,293,222	4,458,276

Note 17 - Finance Cost

Particulars	31.03.2022	31.03.2021
Interest	13,607	1,755
Bank charges	4,317	5,484
Total	17,924	7,239

iSpark Learning Solutions Private Limited
53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
Chennai 600 101

Note 18 - Depreciation & amortisation expense

Particulars	31.03.2022	31.03.2021
Depreciation of property .plant and equipment (refer Note 1)	1,089,993	68,655
Amortisation of intangible assets (refer Note 2)	257,843	21,360
Total	1,347,836	90,015

Note 19 - Other Expenses

Particulars	31.03.2022	31.03.2021
Rent expenses	1,296,000	1,020,000
Rates and taxes	21,887	13,093
Electricity	145,549	21,802
Repairs and Maintenance - Computers	51,931	-
Repairs and Maintenance - Office	412,167	120,111
Sales promotion and business development	4,760	249,361
Streaming and Video Recording Charges	941,550	-
Travelling and conveyance	99,371	179,068
Communication expenses	149,387	20,871
Printing and stationery	55,142	128,708
Inauguration Expenses	254,075	-
Books and Periodicals	2,325	-
Legal and professional fees	621,021	409,625
Postage and Courier	2,293	229
Product Development	326,065	-
Audit Fees	40,000	40,000
Website expense	1,264	28,816
Miscellaneous expenses	475	-
Total	4,425,261	2,231,684

iSpark Learning Solutions Private Limited
 53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
 Chennai 600 101

Notes to the financial statement for the period ended 31st March, 2022

Note 20 - Related Party Disclosure

A) Names of the related parties and related party relationship

Key management personnel	Mr. Joseph Verghese-Director Mr. P.H. Mohanmurthy-Director & CEO Mr. Benjamin-Director
--------------------------	--

Enterprises in which key management personnel is director	Mr. Joseph Verghese - TCM Limited
---	-----------------------------------

B) Related parties with whom transactions have taken place during the year

Related party transactions:

	For the period ended March 31 2022	For the year ended March 31 2021
Remuneration to Key management personnel		
P.H. Mohanmurthy - Director /CEO	1,200,000	1,200,000
Benjamin - Director	250,000	75,000
Total remuneration	1,450,000	1,275,000

C) Amounts outstanding as at the balance sheet date:

	March 31 2022	March 31 2021
Balance payables at year end		
TCM Limited	20,384,412	11,845,000
Joseph Verghese	4,795,000	-
Benjamin CI	257,000	-
Total	25,436,412	11,845,000

Remuneration Payable	429,703
P.H. Mohanmurthy - Director /CEO	79,100
Benjamin CI	372,481

iSpark Learning Solutions Private Limited
 53/10, Soundarya Colony, 7th Avenue, Anna Nagar West Extension
 Chennai 600 101

508,803
372,481

Total

D) Compensation of Key management personnel

	March 31 2022	March 31 2021
Short-term employee benefits	-	-
Share based payment transactions	50,000	50,000
Other benefits	50,000	50,000
Total remuneration	<u>50,000</u>	<u>50,000</u>

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operations. Outstanding balances at the year-end are unsecured and settlement occurs in cash.