Deloitte Haskins & Sells

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar
Chennai - 600 017
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INDEPENDENT AUDITOR'S REPORT

To The Members of Veranda Race Learning Solutions Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Veranda Race Learning Solutions Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows 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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act 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, 2023, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the financial statements does not cover the other information and 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 during the course of our audit or otherwise appears to be materially misstated.

- When we read the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

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

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial.

   g) With respect to other matters to be included in the Auditor's Report, in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

      iv. (a) The Management has represented that, to the best of it's knowledge and belief, other than as disclosed in the Note 7.4 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the Note 18.2 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No: 008072S)

Ananth

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN : 23209252BGXMLB2757

Place: Chennai
Date: May 27, 2023

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of Veranda Race Learning Solutions Private Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

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Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No: 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN : 23209252BGXMLB2757

Place: Chennai
Date: May 27, 2023

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

<table>
<tr><td>(i)</td><td>(a)(A)

(B)</td><td>The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

The Company has maintained proper records showing full particulars of intangible assets.</td></tr>
<tr><td></td><td>(b)</td><td>The property, plant and equipment and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.</td></tr>
<tr><td></td><td>(c)</td><td>The Company does not have any immovable properties. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.</td></tr>
<tr><td></td><td>(d)</td><td>The Company has not revalued any of its property, plant and equipment and intangible assets during the year.</td></tr>
<tr><td></td><td>(e)</td><td>No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.</td></tr>
<tr><td>(ii)</td><td>(a)</td><td>The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.</td></tr>
<tr><td></td><td>(b)</td><td>According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.</td></tr>
<tr><td>(iii)</td><td></td><td>The Company has granted loans, during the year, in respect of which:</td></tr>
<tr><td></td><td>(a)</td><td>The Company has provided loans during the year and details of which are given below:
(Rs.in Lakhs)
<table>
<tr><th>Particulars</th><th>Loans</th></tr>
<tr><td>A. Aggregate amount granted / provided during the year

- Fellow subsidiary</td><td>

1,464.60</td></tr>
<tr><td>B. Balance outstanding as at balance sheet date in respect of above cases

- Fellow subsidiary</td><td>

1,464.60</td></tr>
</table>

The Company has not made investments or advances in the nature of loans and provided any guarantee or security to any other entity during the year.</td></tr>
<tr><td></td><td>(b)</td><td>The terms and conditions of the grant of all the above-mentioned loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.</td></tr>
</table>

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	(c)	In respect of loans granted by the Company to the fellow subsidiary, the schedule of repayment of principal and payment of interest has been stipulated and the receipts of interest are regular as per stipulation. No repayments have fallen due during the year.
	(d)	According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
	(e)	None of the loans granted by the Company have fallen due during the year.
	(f)	According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
(iv)		The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
(v)		The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
(vi)		The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
(vii)		According to the information and explanations given to us, in respect of statutory dues:
	(a)	Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Provident Fund dues. There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
	(b)	There are no statutory dues referred in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes.
(viii)		According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
(ix)	(a)	During the year, the Company has rescheduled the terms of repayment of loan with one of its lenders. Having regard to the terms of such approved rescheduling, in our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans, or in the payment of interest thereon to any lender during the year.
	(b)	The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
	(c)	To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
	(d)	On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
	(e)	The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

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	(f)	The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
(x)	(a)	The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
	(b)	During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
(xi)	(a)	To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
	(b)	To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
	(c)	As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).
(xii)		The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
(xiii)		In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
(xiv)		In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013.
(xv)		In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
(xvi)	(a,b,c)	The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order are not applicable.
	(d)	As represented to us by the Management, the Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
(xvii)		The Company has incurred cash losses amounting to Rs. 154.17 lakhs during the financial year covered by our audit and Rs. 1,233.86 lakhs in the immediately preceding financial year.
(xviii)		There has been no resignation of the statutory auditors of the Company during the year.
(xix)		On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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(xx)		The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore of more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No: 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN : 23209252BGXMLB2757

Place: Chennai
Date: May 27, 2023

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CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited
(formerly known as Bharathiyar Education Services Private Limited)
Balance sheet as at March 31, 2023
CIN: U80100TN2018PTC125803
[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
I. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	4	360.14	17.57
(b) Right-of-use assets	5	723.81	-
(c) Goodwill	6	838.89	-
(d) Other Intangible assets	4	99.52	193.16
(e) Financial assets			
(i) Loans	7	1,381.87	-
(f) Income tax assets	8	17.82	-
(g) Other Non Current Assets	9	90.24	-
Total non-current assets		**3,512.29**	**210.73**
2. Current assets			
(a) Inventories	10	90.02	20.31
(b) Financial assets			
(i) Cash and cash equivalents	11	222.29	162.20
(ii) Trade receivables	12	138.48	60.58
(iii) Loans	13	82.73	-
(iv) Other financial assets	14	78.84	5.29
(c) Other current assets	15	584.43	525.16
Total current assets		**1,196.79**	**773.54**
TOTAL ASSETS		**4,709.08**	**984.27**
II.EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	16	100.00	100.00
(b) Other equity	17	(2,350.89)	(1,077.21)
Total equity		**(2,250.89)**	**(977.21)**
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	1,412.74	-
(ii) Lease Liabilities	5	447.17	-
(iii) Other financial liabilities	19	496.09	-
(b) Deferred tax Liability (net)	20	-	-
(c) Provisions	21	19.61	10.87
Total non-current liabilities		**2,375.61**	**10.87**
3. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	2,612.27	762.30
(ii) Trade payables	23		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		159.57	338.15
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		484.63	290.15
(iii) Lease liabilities	5	354.87	-
(iv) Other financial liabilities	24	466.62	27.48
(b) Other current liabilities	26	506.01	532.28
(c) Provisions	25	0.39	0.25
Total current liabilities		**4,584.36**	**1,950.61**
TOTAL LIABILITIES		**6,959.97**	**1,961.48**
TOTAL EQUITY AND LIABILITIES		**4,709.08**	**984.28**

See accompanying notes forming part of the financial statements

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

Ananthi Amarnath
Partner
Membership No: 209252

Place : Chennai
Date : May 27, 2023

For and on behalf of the Board of Directors

K Praveen Kumar
Director
DIN: 00591450

Place : Chennai
Date : May 27, 2023

R Rangarajan
Director
DIN: 00591483

Place : Chennai
Date : May 27, 2023

DELOITTE HASKINS & SELLS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

Veranda Race Learning Solutions Private Limited
(formerly known as Bharathiyar Education Services Private Limited)
Statement of Profit and Loss for the Year ended March 31, 2023
CIN: U80100TN2018PTC125803
[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
A Income			
Revenue from operations	27	4,988.07	3,820.58
Other income	28	92.04	0.90
Total income		**5,080.11**	**3,821.48**
B Expenses			
Cost of materials consumed	29	11.70	7.14
Purchase of stock - in - trade	30	387.99	208.03
Changes in inventories of stock-in-trade	31	(67.43)	11.84
Employee benefits expense	32	(244.75)	872.30
Other expenses	35	4,961.89	3,927.94
Total expenses		**5,049.40**	**5,027.25**
C Profit / (Loss) before Finance Costs, Tax, Depreciation and Amortisation		**30.71**	**(1,205.77)**
Finance costs	33	213.77	28.09
Depreciation and amortization expenses	34	330.74	183.34
D Loss before tax		**(513.80)**	**(1,417.20)**
E Tax Expense	36		
Current tax		-	-
Deferred tax		-	-
		-	-
F Loss for the year		**(513.80)**	**(1,417.20)**
G Other comprehensive income / (loss)			
Items that will not be subsequently reclassified to profit or loss			
Re-measurement losses on defined benefit obligations		2.14	(5.44)
Income-tax relating to items that will not be subsequently reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit obligations		-	-
Other comprehensive Income / (loss) for the year, net of tax		**2.14**	**(5.44)**
H Total Comprehensive loss for the year		**(511.66)**	**(1,422.64)**
I Loss Per Share	37		
Basic Earnings per share Nominal value per equity share of Rs.10		(51.38)	(141.72)
Diluted Earnings per share Nominal value per equity share of Rs.10		(51.38)	(141.72)

See accompanying notes forming part of the financial statements

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

Ananthi

Ananthi Amarnath
Partner
Membership No: 209252

Place : Chennai
Date : May 27, 2023

For and on behalf of the Board of Directors

K Praveen Kumar
Director
DIN: 00591450

Place : Chennai
Date : May 27, 2023

R Rangarajan
Director
DIN: 00591483

Place : Chennai
Date : May 27, 2023

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

Veranda Race Learning Solutions Private Limited
(formerly known as Bharathiyar Education Services Private Limited)
Statement of Cash Flows for the Year ended March 31, 2023
CIN: U80100TN2018PTC125803
[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Loss before tax	(513.80)	(1,417.20)
Adjustments to reconcile profit before tax to net cash flows		
Interest Income	(76.41)	(0.80)
Finance costs	213.77	28.09
Inventory Writeoff	1.48	-
Depreciation and amortization expenses	330.74	183.34
Expected Credit Loss	(1.55)	1.55
Employee share-based payment expense	(762.02)	634.19
	(807.79)	(570.83)
Change in operating assets and liabilities		
(Increase) / decrease in inventories	(71.18)	12.09
Increase in trade receivables	(76.35)	(30.62)
Increase in other assets	(6.00)	(368.05)
(Increase) / decrease in other financial assets	(73.55)	33.65
Increase in trade payables	15.90	323.85
Increase in other liabilities	798.80	433.49
Increase in Provisions	11.02	4.66
Cash used in operations	(209.15)	(161.76)
Less : Income taxes paid (net of refunds)	(17.82)	-
Net cash used in operating activities (A)	**(226.97)**	**(161.76)**
Cash flows from investing activities		
Capital Expenditure of property, plant and equipment & intangible assets including Intangible Asset Under Development	(277.02)	(162.62)
Right of Use assets	-	77.05
Investment in subsidiary	(1,175.00)	-
Loans advanced to fellow subsidiary	(1,464.60)	-
Interest on deposits	76.41	0.80
Net cash used in investing activities (B)	**(2,840.21)**	**(84.77)**
Cash flows from financing activities		
Proceeds from short term borrowings	1,929.97	832.05
Repayment of short term borrowings	(80.00)	(375.15)
Proceeds from long term borrowings	1,412.74	-
Repayment of long term borrowings	-	-
Repayment of lease liabilities	(61.25)	(77.06)
Finance Costs	(74.19)	(2.55)
Interest on lease liability	-	(2.37)
Net cash from financing activities (C)	**3,127.27**	**374.92**
Net increase (decrease) in cash and cash equivalents (A+B+C)	**60.09**	**128.39**
Cash and cash equivalents at the beginning of the year	162.20	33.81
Cash and cash equivalents at end of the year (Refer Note 11)	**222.29**	**162.20**

Notes:

1. Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

Balances with banks - current accounts	109.39	162.15
Balances with banks - deposit accounts	102.79	-
Cash on hand	10.11	0.05
	222.29	**162.20**

2. Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

DELOITTE HASKINS & SELLS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

Veranda Race Learning Solutions Private Limited
(formerly known as Bharathiyar Education Services Private Limited)
Statement of Cash Flows for the Year ended March 31, 2023
CIN: U80100TN2018PTC125803
[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

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

Particulars	As at March 31, 2022	Proceeds	Repayments	As at March 31, 2023
Long-Term borrowings	-	1,412.74	-	1,412.74
Short-Term borrowings (including Current maturity to Long-Term borrowings)	762.30	1,929.97	(80.00)	2,612.27
Total	**762.30**	**3,342.71**	**(80.00)**	**4,025.01**

Reconciliation of liabilities from financing activities for the year ended March 31, 2022:

Particulars	As at March 31, 2021	Proceeds	Repayments	As at March 31, 2022
Long-Term borrowings	-	-	-	-
Short-Term borrowings (including Current maturity to Long-Term borrowings)	305.40	832.05	(375.15)	762.30
Total	**305.40**	**832.05**	**(375.15)**	**762.30**

See accompanying notes forming part of the financial statements

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

Ananthi Amarnath
Partner
Membership No: 209252

Place : Chennai
Date : May 27, 2023

For and on behalf of the Board of Directors

K Praveen Kumar
Director
DIN: 00591450

Place : Chennai
Date : May 27, 2023

R Rangarajan
Director
DIN: 00591483

Place : Chennai
Date : May 27, 2023

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

Veranda Race Learning Solutions Private Limited
(Formerly known as Bharathiyar Education Services Private Limited)
Statement of Changes in Equity for the Year ended March 31, 2023
CIN: U80100TN2018PTC125803
[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

(A) Equity share capital

Year	Balance at the beginning of the current reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
2021-22	100.00	-	100.00	-	100.00
2022-23	100.00	-	100.00	-	100.00

(B) Other equity

Particulars	Share based payment Reserve	Deemed Equity contribution - Employee Share based payment	Retained earnings	Total
Balance as at March 31, 2021	-	**151.10**	**(439.86)**	**(288.76)**
Loss for the year	-	-	(1,417.20)	(1,417.20)
Other comprehensive (loss), net of tax	-	-	(5.44)	(5.44)
Transfer to Share based payment Reserve/ from Equity Contribution	151.10	(151.10)	-	-
Share based payment Reserve	634.19	-	-	634.19
Balance as at March 31, 2022	**785.29**	-	**(1,862.50)**	**(1,077.21)**
Loss for the year	-	-	(513.80)	(513.80)
Other comprehensive income, net of tax	-	-	2.14	2.14
Equity Contribution - Employee share based payment	-	23.27	-	23.27
Share based payment Reserve (Refer note 45.4)	(785.29)	-	-	(785.29)
Balance as at March 31, 2023	-	**23.27**	**(2,374.16)**	**(2,350.89)**

See accompanying notes forming part of the financial statements

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

Ananthi Amarnath
Partner
Membership No: 209252

Place : Chennai
Date : May 27, 2023

For and on behalf of the Board of Directors

K Praveen Kumar
Director
DIN: 00591450

Place : Chennai
Date : May 27, 2023

R Rangarajan
Director
DIN: 00591483

Place : Chennai
Date : May 27, 2023

DELOITTE HASKINS & SELLS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

1 Corporate Information

Veranda Race Learning Solutions Private Limited Ltd (Formerly known as Bharatiyar Education Services Private Limited) (the "Company" or "VRLS") was incorporated on 15th November, 2018 under the provisions of the Companies Act, 2013, with its registered office at Old No 54, New No 34, Thirumalai Pillai Road, T. Nagar, Chennai - 600017, Tamil Nadu. VRLS is offering learning programs to learners who are appearing for competitive exams like Tamilnadu Public Service Commission (TNPSC), SSC, RRB and Banking exams, through experienced

2A Recent accounting pronouncements

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

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

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

c) Ind AS 12 – Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

2B Basis of preparation of financial statements

i) Basis of preparation and presentation

Historical cost convention

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

Measurement of fair values

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

The Company has an established control framework with respect to the measurement of fair values and regularly reviews significant unobservable inputs and valuation adjustments..

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

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

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

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

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

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

Functional and presentation currency

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

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

3 Significant Accounting Policies

a) Current versus non-current classification

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

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle:

ii) Held primarily for the purpose of trading:

iii) Expected to be realised within twelve months after the reporting period, or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle:

ii) It is held primarily for the purpose of trading:

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

b) Revenue Recognition

Operating revenue:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The company derives its revenue from Edutech services (online and offline) by providing comprehensive learning programmes.

A. Online revenue : Revenue from sale of online courses is recognised based on satisfaction of performance obligations as below:

i) Supply of books is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled as per the contract understanding in exchange for the goods or services.

ii) Supply of online content is recognised upfront upon access being provided for the uploaded content to the learners.

iii) Supply of hosting service is recognised over the period of license of access provided to the learners at an amount that reflects the consideration entitled as per the contract / understanding in exchange for such services.

B. Offline revenue : Revenue from offline courses are recognised as revenue on a pro-rata based on actual classes conducted by the educators. The Company does not assume any post performance obligation after the completion of classes. Revenue received for classes to be conducted subsequent to the year end is considered as Deferred revenue which is included in other current liabilities.

C. Revenue from Delivery partner license fee is recognized at a point in time upon transfer of the license to customers.

Other operating revenue:

Shipping revenue is recognised at the time of delivery to end customers. Shipping revenue received towards deliveries subsequent to the year end is considered as Deferred revenue which is included in other current liabilities.

Revenue is recognised on accrual basis, net of refunds and taxes.

c) Interest Income

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS CHENNAI

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

d) Property, plant and equipment (PPE)

Presentation

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

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

Derecognition

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

Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Assets Category	Estimated useful life (in years)
Office Equipment	5
Furniture and Fixtures	10
Computers	3

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

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

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

e) Intangible assets

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

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

Useful life and amortisation of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

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

Assets Category	Estimated useful life (in years)
Content Development Cost	2
Intellectual Property Rights	10
Noncompete Fee	10

Intangible under development

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS CHENNAI

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

f) Loans and borrowings

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

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

Derecognition of financial liabilities

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

g) Borrowing Costs

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

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

h) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined by First in First Out basis. Cost includes all charges in bringing the goods to the point of sale.

i) Taxes

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be

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

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

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

DELOITTE HASKINS & SELLS
CHENNAI
CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited
T. Nagar
Chennai
600 017

j) Retirement and other employee benefits

Provident Fund

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

Gratuity

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

Compensated Absences

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

k) Share Based Payments

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

l) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its

m) Provisions, contingent liabilities and contingent asset

Provisions

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

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

Contingent liability

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

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

Contingent assets

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

DELOITTE HASKINS & SELLS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

n) Cash and cash equivalents

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

o) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

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

p) Earnings per share

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

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

q) Leases

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

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

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

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

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

r) Segment reporting

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

DELOITTE HASKINS & SELLS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

s) Financial instruments

Financial Assets

(i) Initial recognition and measurement:

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

(ii) Subsequent measurement:

-Financial assets carried at amortised cost (AC)

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

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

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

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

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

(iii) Impairment of financial assets

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

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

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

Financial liabilities

(i) Initial recognition and measurement:

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

(ii) Subsequent measurement:

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

3A Critical accounting judgements and key sources of estimation uncertainty :

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

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

• Useful lives of property, plant and equipment
• Useful lives of Intangible assets
• Fair value of financial assets and financial liabilities
• Provision for employee benefits
• Going concern assessment
• Provision for taxation
• Accounting for employee share based payments

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

Veranda Race Learning Solutions Private Limited
(formerly known as Bharathiyar Education Services Private Limited)
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CIN: U80100TN2018PTC125803
[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

4 Property, Plant and Equipment

Particulars	Tangible Assets								Intangible Assets				
	Office Equipment	Computers	Furniture & Fittings	Leasehold Improvements	Electricals & fittings	Plant & Machinery	Vehicle	Total	Content cost	Intellectual property	Non-Compete fees	Software	Total
Gross carrying value													
Balance as at March 31, 2021	1.54	30.70	-	-	-	-	-	32.24	75.65	81.00	10.00	-	166.65
Additions / Transfer	2.42	0.58	-	-	-	-	-	3.00	117.37	-	-	-	117.37
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	3.96	31.28	-	-	-	-	-	35.24	193.02	81.00	10.00	-	284.02
Additions / Transfer	73.94	41.90	80.19	223.42	25.64	19.82	0.26	465.17	2.94	0.73	-	0.79	4.46
Disposals	-	(0.02)	-	-	-	-	-	(0.02)	-	-	-	-	-
Balance as at March 31, 2023	77.90	73.16	80.19	223.42	25.64	19.82	0.26	500.39	195.96	81.73	10.00	0.79	288.48
Accumulated Depreciation / Amortization													
As at March 31, 2021	0.55	4.99	-	-	-	-	-	5.54	10.65	2.51	0.31	-	13.47
Additions / Transfer	2.31	9.82	-	-	-	-	-	12.13	68.32	8.07	1.00	-	77.39
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	2.86	14.81	-	-	-	-	-	17.67	78.97	10.58	1.31	-	90.86
Additions / Transfer	9.52	30.26	35.36	25.77	19.97	1.46	0.26	122.60	88.80	8.13	1.00	0.17	98.10
Disposals	-	(0.02)	-	-	-	-	-	(0.02)	-	-	-	-	-
As at March 31, 2023	12.38	45.05	35.36	25.77	19.97	1.46	0.26	140.25	167.77	18.71	2.31	0.17	188.96
Net Block													
As at March 31, 2023	65.52	28.11	44.83	197.65	5.67	18.36	-	360.14	28.19	63.02	7.69	0.62	99.52
As at March 31, 2022	1.10	16.47	-	-	-	-	-	17.57	114.05	70.42	8.69	-	193.16

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Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

Veranda Race Learning Solutions Private Limited
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[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

5 Leases

(i) Amounts recognised in

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets		
Buildings**	723.81	-
Total	**723.81**	-
Lease liabilities* **		
Current	354.87	-
Non-Current	447.17	-
Total	**802.04**	-

Movement of Right-of-use assets and Lease liabilities

** Description of Assets	Buildings	Total
I. Gross carrying amount		
As at March 31, 2021	**104.36**	**104.36**
Reclassification from property,plant & equipment	-	-
Additions during the year	16.77	16.77
Disposals	-	-
As at March 31, 2022	**121.13**	**121.13**
Reclassification from property,plant & equipment	-	-
Additions during the year	833.85	833.85
Disposals	-	-
As at March 31, 2023	**954.98**	**954.98**
II. Accumulated depreciation and impairment		
As at March 31, 2021	**27.31**	**27.31**
Reclassification from property,plant & equipment	-	-
Depreciation / amortisation charge during the year	93.82	93.82
Disposals	-	-
As at March 31, 2022	**121.13**	**121.13**
Reclassification from property,plant & equipment	-	-
Depreciation / amortisation charge during the year	110.04	110.04
Disposals	-	-
As at March 31, 2023	**231.17**	**231.17**
III. Net carrying amount as at March 31, 2023	**723.81**	**723.81**
III. Net carrying amount as at March 31, 2022	-	-

*** Description of Liabilities	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	-	77.06
Add: Lease liabilities recognised during the year	833.85	16.63
Add: Interest cost accrued during the year	29.44	2.37
Less: Payment of lease liabiities including interest	(61.25)	(96.06)
Balance at the end	**802.04**	-

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

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

5.1 The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

5.2 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	354.87	-
One to five years	447.17	-
More than five years	-	-
Total	**802.04**	-

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

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

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation charge for right-of-use assets (Refer Note 34)	110.04	93.82
Total	**110.04**	**93.82**
Interest expense (included in finance costs) (Refer Note 33)	29.44	2.37
Expense relating to short-term leases (included in other expenses) (Refer Note 35)	97.51	71.22

(iii) Amounts recognized in cash flow statement

Particulars	As at March 31, 2023	As at March 31, 2022
Total cash outflows for leases	(61.25)	(96.06)

(iv) Critical judgements in determining the lease term

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

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

(a) If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend and not terminate.

(b) If any lease hold improvements are expected to have a significant remaining value the Company is typically reasonably certain to extend (or not terminate).

(c) Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances

(v) Extension and termination options

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

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Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

6 Goodwill

Particulars	As at March 31, 2023	As at March 31, 2022
Goodwill on acquisition of business	838.89	-
	838.89	-

6.1 **Movement of Goodwill during the year**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Acquired during the year (Refer Note 46)	838.89	-
Closing Balance	**838.89**	-

7 Loans and advances

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)		
Veranda XL Learning Solutions Private Limited (formerly Known as Veranda Excel Learning Solutions Private Limited)	1,381.87	-
	1,381.87	-

7.1 **Details of Loans and advances**

Particulars	Interest Rate	As at March 31, 2023	As at March 31, 2022
Veranda XL Learning Solutions Private Limited	11.55%	1,464.60	-
Less: Principal receivable within one year			
Veranda XL Learning Solutions Private Limited		(82.73)	-
		1,381.87	-

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

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

Type of Borrower	Amount of loan outstanding	% to the total
Promoters	-	0%
Directors	-	0%
KMPs	-	0%
Related Parties	1,464.60	100%

7.4 Loans advanced to Veranda XL Learning Solutions Private Limited amounting to Rs. 1,464.60 Lakhs during the year is repayable in 120 monthly installments at an Interest rate of 11.55%. The loans is advanced out of the proceeds from Loans taken from Hinduja Leyland Finance Limited.

8 Income Tax Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Tax Deducted at Source receivables	17.82	-
	17.82	-

9 Other Non Current Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	90.24	-
	90.24	-

10 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Valued at lower of cost and Net Realisable value unless otherwise stated		
Packing Material	2.86	0.58
Stock in Trade (Books)	87.16	19.73
	90.02	**20.31**

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

11 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks - In current accounts	109.39	162.15
Balances with Banks - In Deposit accounts	102.79	-
Cash - on - Hand	10.11	0.05
	222.29	**162.20**

12 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Considered good - Secured	-	-
(b) Considered good - Unsecured	138.48	60.58
(c) Have significant increase in Credit Risk	-	-
(d) Credit impaired	-	1.55
Less : Allowance for credit impaired	-	(1.55)
	138.48	**60.58**

12.1 Trade Receivables ageing schedule

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	138.48	-	-	-	-	**138.48**
(ii) Undisputed trade receivables – Credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
	138.48	-	-	-	-	**138.48**
Less : Allowance for credit loss						-
Total trade receivables						**138.48**

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	60.58	-	-	-	-	**60.58**
(ii) Undisputed trade receivables – Credit impaired	1.55	-	-	-	-	**1.55**
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
	62.13	-	-	-	-	**62.13**
Less : Allowance for credit loss						1.55
Total trade receivables						**60.58**

12.2 Of the trade receivable balance as at March 31, 2023, due from customers constituting individually 5% or more of the of the total outstanding trade receivable balance is Nil (March 31,2022 - Nil).

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Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

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13 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Veranda XL Learning Solutions Private Limited (formerly Known as Veranda Excel Learning Solutions Private Limited)	82.73	-
	82.73	**-**

14 Other Financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit	66.08	5.29
Interest accrued but not due on bank deposits	0.07	-
Interest receivable on loans to related parties	12.69	-
	78.84	**5.29**

15 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Government Authorities	115.26	21.02
Advances to Vendors	24.83	144.58
Advances to Employees	2.63	1.34
Prepaid expenses	413.32	358.22
Unamortized loan processing charges	28.39	-
	584.43	**525.16**

16 Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised Share Capital		
1,00,00,000 (March 31, 2022:10,00,000) Equity Shares of Rs.10/ each	1,000.00	100.00
	1,000.00	**100.00**
Issued Share Capital		
10,00,000 (March 31, 2022:10,00,000) Equity Shares of Rs.10/ each	100.00	100.00
	100.00	**100.00**
Subscribed and fully paid up share capital		
10,00,000 (March 31, 2022:10,00,000) Equity Shares of Rs.10/ each	100.00	100.00
	100.00	**100.00**

Notes:

1) **Reconciliation of number of equity shares subscribed**	As at March 31, 2023		As at March 31, 2022	
	No.of Shares	**Amount**	**No.of Shares**	**Amount**
Balance at the beginning of the year	10,00,000	100.00	10,00,000	100.00
Issued during the year	-	-	-	-
Balance at the end of the year	**10,00,000**	**100.00**	**10,00,000**	**100.00**

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Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

2) During the last 3 years immediately preceding the date of Balance Sheet, the Company has neither issued any shares as bonus shares nor for consideration other than cash and has not bought back any shares.
3) Rights, preferences and restrictions in respect of equity shares issued by the Company
a. The company has issued only one class of equity shares having a par value of Rs. 10 each. The equity shares of the company having par value of Rs.10/- rank pari-passu in all respects including voting rights.
b. The Company has not declared dividend on equity shares.
c. In the event of liquidation, shareholders will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholder.
4) The authorised share capital of the company has increased from Rs. 100 Lakhs to Rs. 1,000 Lakhs pursuant to the approval of the shareholders at the Extraordinary General Meeting of the Company held on May 31, 2022.

5) **Shares held by holding company, its subsidiaries and associates**

Name of the share holder	As at March 31, 2023		As at March 31, 2022	
	No of shares	% of Holding	No of shares	% of Holding
Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	9,99,990	100.00%	9,99,990	100.00%
Mr. K.Praveen Kumar*	10	0.00%	10	0.00%

*shares held on behalf of Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)

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

Name of the share holder	As at March 31, 2023		As at March 31, 2022	
	No of shares	% of Holding	No of shares	% of Holding
Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	10,00,000	100.00%	10,00,000	100.00%

17 **Other Equity**

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	(2,374.16)	(1,862.50)
Deemed Equity contribution - Employee Share based payment	23.27	-
Employee Stock Option Payment Reserve	-	785.29
	(2,350.89)	**(1,077.21)**
a) Retained Earnings		
Balance at the beginning of the year	(1,862.50)	(439.86)
Total comprehensive loss for the year	(511.66)	(1,422.64)
Balance at the end of the year	**(2,374.16)**	**(1,862.50)**
b) Deemed Equity contribution - Employee Share based payment		
Balance at the beginning of the year	-	151.10
Deemed equity contribution during the year (Refer Note 45.5)	23.27	-
Transfer to ESOP Reseve	-	(151.10)
Balance at the end of the year	**23.27**	-
c) Employee Stock option Reserve		
Balance at the beginning of the year	785.29	-
Transfer from Equity contribution	-	151.10
ESOP contribution during the year (Refer Note 45.4)	(785.29)	634.19
Balance at the end of the year	-	**785.29**

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

18 Long term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
From others		
Term Loan from Hinduja Leyland Finance Limited	1,412.74	-
	1,412.74	**-**

18.1 Details of Borrowings

Particulars	Repayment Schedule	Interest Rate / Security provided	As at March 31, 2023	As at March 31, 2022
Term Loan from Hinduja Leyland Finance Limited	120 monthly installments from April 2023	11% / Unsecured	1,500.00	-
Less: Current maturities of long term debt			(87.26)	
			1,412.74	-

18.2 Loans taken from Hinduja Leyland Finance Limited amounting to Rs. 1,500.00 Lakhs (net of proceeds) is advanced to Veranda XL Learning Solutions Private Limited during the year which is repayable in 120 monthly installments at an Interest rate of 11.55%. (Refer Note 7.4)

19 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Purchase consideration payable - Non Current	496.09	-
	496.09	**-**

20 Deferred Tax Liability - Net

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liability		
On property plant and equipment	31.75	3.20
On Right of use asset	19.69	-
On expenses allowable on payment basis	(51.43)	2.89
On Accrual on Share based component	-	(6.09)
	-	-
Net deferred tax Liability	-	-

Based on assessment of probability of taxable profits against which the deferred tax asset pertaining to disallowance of Share based compensation expense, unabsorbed business loss and depreciation loss amounting to Rs. 791.96 Lakhs (March 31, 2022 - 461.97 Lakhs) can be utilised, the Company has not recognized deferred tax asset thereon. The Company shall continue to assess the position at the end of every reporting period.

21 Long Term Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity (Refer Note 45.3)	14.93	7.71
Provision for Compensated Absences (Refer Note 45.2)	4.68	3.16
	19.61	**10.87**

22 Short Term Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Loan repayable on demand		
From related parties (unsecured) (Refer Note 44)		
Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	2,525.01	762.30
Current Maturities of Long-term debt (Refer Note 18.1)	87.26	-
	2,612.27	**762.30**

22.1 The inter corporate loans are availed at interest rate of 7% p.a. and repayable on demand (Unsecured).

DELOITTE HASKINS & SELLS
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23 Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of creditors of micro enterprises and small enterprises (Refer Note 23.1) *	159.57	338.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	484.63	290.15
	644.20	**628.30**

* Trade payables amounting to Rs. 86.37 Lakhs (PY - Rs. 17.86 Lakhs) is payable to related parties.(Refer Note 44(c))

23.1 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management and represents the principal amount payable to these enterprises. (Refer Note 38)

23.2 Trade Payables ageing schedule

Particulars	As at March 31, 2023						
	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	22.65	159.57	-	-	-	**182.22**
(ii) Others	-	81.94	399.46	3.23	-	-	**484.63**
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

23.3 Trade Payables ageing schedule

Particulars	As at March 31, 2022						
	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	276.43	338.15	-	-	-	**614.58**
(ii) Others	-	285.88	290.15	-	-	-	**576.04**
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

24 Other Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Purchase consideration payable - Current	329.00	-
Interest payable *	137.62	27.48
	466.62	**27.48**

* Interest payable amounting to Rs. 123.87 Lakhs (PY - Rs. 27.48 Lakhs) is payable to related party.(Refer Note 44(c))

25 Short Term Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity (Refer Note 45.3)	0.02	0.01
Provision for Compensated Absences (Refer Note 45.2)	0.37	0.24
	0.39	**0.25**

26 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues Payable	15.63	19.87
Deferred Revenue	470.86	481.65
Advance received from customers	19.52	30.76
	506.01	**532.28**

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

27 Revenue from Operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Online Courses	396.89	882.70
Sale of Offline Courses	3,836.25	2,559.38
Sale of Books	656.71	274.95
Institutional Sales	30.94	-
Web hosting fees	23.99	6.14
Franchisee license fee	25.00	60.00
Other operating revenue		
Shipping Revenue	18.29	37.41
	4,988.07	**3,820.58**

27.1 Disaggregated Revenue

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

Timing of recognition:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Over period of time		
Sale of Offline Courses	3,836.25	2,559.38
Web hosting fees	23.99	6.14
Institutional Sales	30.94	-
At a point in time		
Sale of Online Courses	396.89	882.70
Sale of Books	656.71	274.95
Shipping Revenue	18.29	37.41
Franchisee license fee	25.00	60.00
	4,988.07	**3,820.58**

27.2 Reconciliation of revenue with contract price

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract Price		
Sale of Online Courses	413.10	1,020.93
Sale of Offline Courses	4,682.70	3,041.03
Sale of Books	656.71	274.95
Institutional Sales	30.94	-
Shipping Revenue	18.29	37.41
Web hosting fees	23.99	6.14
Franchisee license fee	25.00	60.00
Adjustments:		
Discounts	(391.80)	(138.23)
Deferred Revenue	(470.86)	(481.65)
	4,988.07	**3,820.58**

27.3 Contract balances :

Revenue from operations recognised is collected as per the terms of the contract. Trade receivables have been disclosed under Note 12 and Deferred revenue disclosed under Note 26.

27.4 Performance Obligations :

The Contracts with customers are structured in such a way that the Company has the right to consideration from a customer in an amount that corresponds directly with the value to the customer of the performance obligation complete to date and the Company has the right to invoice. Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.

27.5 Information about major customers:

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

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Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

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

28 Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on loans	76.41	-
Miscellaneous Income	15.63	0.90
	92.04	**0.90**

29 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Stock of Packing Material	0.58	0.83
Purchase of Packing Material	13.97	6.89
Less : Closing Stock of Packing Material	(2.86)	(0.58)
	11.70	**7.14**

30 Purchase of Stock - in - trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchase of Books	387.99	208.03
	387.99	**208.03**

31 Changes in Inventory of Stock - in - trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Stock - in - trade		
Opening Stock of Books	19.73	31.57
Less : Closing Stock of Books	(87.16)	(19.73)
	(67.43)	**11.84**

32 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages & bonus	480.44	214.75
Staff welfare expenses	15.17	14.45
Contribution to provident and other funds	12.28	6.63
Contribution to Gratuity (Refer note 45.3)	9.38	2.28
Share based payment expense (Refer note 45.5)	23.27	-
Compensation cost for Restricted Stock Units (RSU) (Refer note 45.4)	(785.29)	634.19
	(244.75)	**872.30**

33 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Borrowings (Refer Note 44)	176.04	25.60
Interest on Lease liabilities	29.44	2.37
Interest on Deferred Purchase Consideration	1.69	-
Interest - Others (Refer Note 38)	4.99	0.12
Loan processing charges	1.61	-
	213.77	**28.09**

34 Depreciation and amortization expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Property, plant and equipment (Refer Note 4)	122.60	12.13
Depreciation on Right to use of assets (Refer Note 5)	110.04	93.82
Amortisation on Intangible assets (Refer Note 4)	98.10	77.39
	330.74	**183.34**

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Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

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

35 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Delivery Partner Fee	2,811.30	2,149.55
Advertisement & sales Promotion	514.85	597.45
Manpower Charges - Outsourced	424.97	392.97
Cross charge of common expenses	606.09	324.68
Cross charge of Studio Expenses	45.20	76.30
Rent (Refer Note 5)	97.51	71.22
Repairs & Maintenance	49.16	8.64
Payment to the auditors (excluding Gst)*	8.00	7.75
Legal and professional charges	106.75	72.37
Rates and Taxes	9.63	5.64
Freight Charges	16.03	29.62
Printing & Stationery	5.38	6.66
Bank charges	18.94	14.20
Communication Expenses	9.95	24.94
Payment Gateway Charges	14.24	26.75
Faculty content Charges	14.11	10.56
Subscription Charges	110.91	81.77
Brokerage	2.75	4.50
Directors Sitting Fees	4.20	0.40
Expected credit loss	(1.55)	1.55
Travelling & Conveyance	30.83	6.11
Postage and Telegram	1.50	0.16
Power and fuel	35.65	2.37
Handling charges	20.41	10.87
Inventory Write Off Expenses	1.48	-
Miscellaneous expenses	3.60	0.91
	4,961.89	**3,927.94**

*** Payment to auditors**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory Audit	8.00	7.00
Tax Audit	-	0.75
	8.00	**7.75**

36 Tax expense:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax expense		
Recognised in profit and loss	-	-
	-	-

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

Deferred tax liabilities/(assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in OCI	MAT Credit	Closing balance
Property, plant, and equipment and Intangible Assets	3.20	(34.95)	-	-	(31.75)
Right of use Assets	-	(19.69)		-	(19.69)
On expenses allowable on payment basis	2.89	48.54	-	-	51.43
On Accrual on share based component	(6.09)	6.09	-	-	-
	-	-	-	-	-

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b) Movement of deferred tax expense / (income) during the year ended March 31, 2022

Deferred tax liabilities/(assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in OCI	MAT Credit	Closing balance
Property, plant, and equipment and Intangible Assets	3.69	(0.49)	-	-	3.20
On expenses allowable on payment basis	(0.27)	3.16	-	-	2.89
On Accrual on share based component	(0.80)	(5.29)	-	-	(6.09)
On Prepaid Income	(3.05)	3.05	-	-	-
On fair valuation of financial instruments	0.43	(0.43)	-	-	-
	-	-	-	-	-

36.1 Reconciliation of accounting Profits

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting (loss) before tax	(513.80)	(1,417.20)
Income tax rate	26.00%	26.00%
At Statutory income tax rate	(133.59)	(368.47)
Non - deductible expenses for tax purposes		
Property, plant, and equipment and Intangible Assets	(34.95)	(0.49)
On expenses allowable on payment basis	48.54	3.16
On Accrual on share based component	6.09	(5.29)
On Prepaid Income	-	3.05
On fair valuation of financial instruments	-	(0.43)
Deferred tax on disallowance of Share based compensation expense	(204.18)	164.89
Deferred tax not considered on Business loss and unabsorded depreciation	318.08	203.58
At the effective income tax rate		
Income tax expenses reported in the statement of profit and loss	-	-

Based on assessment of probability of taxable profits against which the deferred tax asset pertaining to unabsorbed business loss and depreciation loss amounting to Rs. 791.96 Lakhs (March 31, 2022 - Rs. 461.97 Lakhs) can be utilised, the Company has not recognized deferred tax asset thereon. The Company shall continue to assess the position at the end of every reporting period.

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Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

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

37 Loss per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loss for the year attributable to owners of the Company	(513.80)	(1,417.20)
Weighted average number of ordinary shares outstanding	10,00,000	10,00,000
Basic earnings per share (Rs)	(51.38)	(141.72)
Diluted earnings per share (Rs)	(51.38)	(141.72)

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Principal amount due to suppliers registered under MSMED Act and remaining unpaid	159.57	338.15
(ii) Interest due to suppliers registered under the MSMED act and remaining unpaid	4.99	0.12
(iii) Principal amounts paid to suppliers registered under the MSMED act, beyond the appointed day during the year	155.67	3.64
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	4.67	0.12
(vii) Further interest remaining due and payable for earlier years	0.12	-

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

39 Corporate Social Responsibility

No amount is required to be spent by the Company towards corporate social responsibility under Section 135 of the Companies Act, 2013 on account of losses.

40 Contingent liabilities & Commitments

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contigent Liabilities	-	-
Commitments	-	-
Corporate Guarantees	-	-

41 Operating Segment

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

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

42 Financial Instruments

Capital management

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

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

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

Gearing Ratio:	March 31, 2023	March 31, 2022
Debt	4,025.01	762.30
Less: Cash and bank balances	(222.29)	162.20
Net debt	**3,802.72**	**600.10**
Total equity	(2,250.89)	(977.21)
Net debt to equity ratio (%)	(168.94%)	(61.41%)

Credit risk management

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

Liquidity risk management

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

Liquidity tables

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

Particulars	March 31, 2023			
	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings (Fixed rate instrument)	2,612.27	462.41	950.33	4,025.01
Trade payables (Non- interest bearing)	644.20	-	-	644.20
Lease Liabilities (Non- interest bearing)	354.87	447.17	-	802.04
	3,611.34	**909.58**	**950.33**	**5,471.25**

Particulars	March 31, 2022			
	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings (Fixed rate instrument)	762.30	-	-	762.30
Trade payables (Non- interest bearing)	628.30	-	-	628.30
Lease Liabilities (Non- interest bearing)	-	-	-	-
	1,390.60	-	-	**1,390.60**

	March 31, 2023	March 31, 2022
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017

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

43 Fair value measurements

Financial instruments measured at Amortised cost

Financial assets	Note	Hierarchy	March 31, 2023	March 31, 2022
Trade receivables	12	Level 2	138.48	60.58
Cash and cash equivalents	11	Level 2	222.29	162.20
Loans and advances	7, 13	Level 2	1,464.60	-
Other financial assets	14	Level 2	66.08	5.29
Total financial assets			**1,891.45**	**228.07**

Financial liabilities	Note	Hierarchy	March 31, 2023	March 31, 2022
Borrowings	22	Level 2	4,025.01	762.30
Trade payables	23	Level 2	644.20	628.30
Lease Liabilities	5	Level 2	354.87	-
Other Financial Liabilities	24	Level 2	466.62	27.48
Total financial liabilities			**5,490.70**	**1,418.08**

Fair value measurement

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

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

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

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

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

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

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

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

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS CHENNAI

Race Learning Solutions Private Limited T. Nagar Chennai 600 017

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

44 Related party disclosure

a) List of related parties

Entities having control or controlled by the Company

Holding Company

Veranda Learning Solutions Limited
(formerly known as Veranda Learning Solutions Private Limited)

Fellow Subsidiary Companies

Veranda XL Learning Solutions Private Limited
(formerly known as Veranda Excel Learning Solutions Private Limited)

Veranda IAS Learning Solutions Private Limited

Brain4ce Education Solutions Private Limited	(since 17th September 2021)
Veranda Learning Solutions North America, Inc.	(Since May 11, 2022)
Veranda Management Learning Solutions Private Limited	(Since September 01, 2022)
Veranda Administrative Learning Solutions Private Limited	(Since September 15, 2022)
J. K. Shah Education Private Limited	(Since October 31, 2022)

Key management personnel (KMP) and their Relatives

Sri. K Praveen Kumar	Director
Sri. R Rangarajan	Director
Sri. PB Srinivasan	Director

b) Transactions during the year

S. No.	Nature of transactions	Amount	
		2022-23	2021-22
1	**Loans taken from**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	1,762.71	832.05
	Brain4ce Education Solutions Private Limited	80.00	-
2	**Repayment of Loans**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	-	375.15
	Brain4ce Education Solutions Private Limited	80.00	-
3	**Cross charge of common Expenses**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	606.09	324.68
4	**Cross charge of studio expenses**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	45.20	76.30
5	**Interest on loan taken**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	102.29	25.60
	Brain4ce Education Solutions Private Limited	0.79	-
6	**Loans given to**		
	Veranda XL Learning Solutions Private Limited (formerly known as Veranda Excel Learning Solutions Private Limited)	1,464.60	-
7	**Interest on Loan given**		
	Veranda XL Learning Solutions Private Limited (formerly known as Veranda Excel Learning Solutions Private Limited)	74.81	-

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Race Learning Solutions Private Ltd. T. Nagar Chennai 600 017

Veranda Race Learning Solutions Private Limited
(formerly known as Bharathiyar Education Services Private Limited)
Notes to financial statements for the Year ended March 31, 2023
CIN: U80100TN2018PTC125803
[All amounts in Indian Rupees (Lakhs), unless otherwise stated]

S. No.	Nature of transactions	Amount	
		2022-23	2021-22
8	**Directors Sitting Fees**		
	Sri. K Praveen Kumar	1.40	0.20
	Sri. PB Srinivasan	1.40	-
	Sri. R Rangarajan	1.40	0.20
9	**Purchase of Assets from Veranda Learning Solutions Limited**		
	Computers	45.18	-
	Office Equipments	21.92	-
	Furniture & Fittings	3.77	-
	Software	0.28	-

c) Balance outstanding at the year end

S. No.	Particulars	Amount	
		As at March 31, 2023	As at March 31, 2022
1	**Loans taken from**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	2,525.01	762.30
2	**Advances (Other than Capital Advances)**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	-	4.77
3	**Trade Payables**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	81.46	17.86
	Veranda XL Learning Solutions Private Limited (formerly known as Veranda Excel Learning Solutions Private Limited)	4.89	-
4	**Interest Accrued**		
	Veranda Learning Solutions Limited (formerly known as Veranda Learning Solutions Private Limited)	123.87	27.48
5	**Loans given to**		
	Veranda XL Learning Solutions Private Limited (formerly known as Veranda Excel Learning Solutions Private Limited)	1,464.60	-
6	**Interest receivable on Loan given**		
	Veranda XL Learning Solutions Private Limited (formerly known as Veranda Excel Learning Solutions Private Limited)	12.69	-

DELOITTE HASKINS & SELLS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Veranda Race Learning Solutions Private Limited ★ T. Nagar Chennai 600 017

45 Retirement benefit plans

45.1 Defined Contribution plans

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

Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The obligation of the Company is limited to the amount of disbursement required and it has no further contractual nor any constructive obligation. The Company has recognized in the Statement of Profit and Loss for the year ended March 31, 2023 an amount of Rs. 12.28 Lakhs (March 31, 2022 - 6.63 Lakhs) towards expenses under defined contribution plans and included in 'Contribution to provident and other funds'.

45.2 Compensated absences

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

The amount of provision of Rs. 0.37 Lakhs is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

	March 31, 2023 (Amount in Rs. lakhs)		March 31, 2022 (Amount in Rs. lakhs)	
Particulars	**Current**	**Non-current**	**Current**	**Non-current**
Compensated absences	0.37	4.68	0.24	3.16

45.3 Gratuity

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

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

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

	March 31, 2023 (Amount in Rs. lakhs)		March 31, 2022 (Amount in Rs. lakhs)	
Particulars	**Current**	**Non-current**	**Current**	**Non-current**
Provision for Gratuity	0.02	14.93	0.01	7.71

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

Particulars	March 31, 2023	March 31, 2022
Attrition rate	5.00%	5.00%
Discount Rate	7.20%	7.31%
Rate of increase in compensation level	10.00%	10.00%

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

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

Particulars	March 31, 2023	March 31, 2022
Current service cost	8.81	2.28
Net interest expense	0.56	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	**9.37**	**2.28**
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the year	(2.14)	5.44
Components of defined benefit costs recognised in other comprehensive income	**(2.14)**	**5.44**
	7.23	**7.72**

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

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

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

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

Particulars	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	14.95	7.72
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**14.95**	**7.72**
Funded	-	-
Unfunded	14.95	7.72
	14.95	**7.72**

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

Particulars	March 31, 2023	March 31, 2022
Opening defined benefit obligation	7.72	-
Current service cost	8.81	2.28
Past service cost - (vested benefit)	-	-
Interest cost	0.56	-
Actuarial (gains)/losses	(2.14)	5.44
Benefits paid	-	-
Closing defined benefit obligation	**14.95**	7.72

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

Particulars	March 31, 2023	March 31, 2022
Opening fair value of plan assets	-	-
Expected return on assets	-	-
Contributions	-	-
Benefits paid	-	-
Expected return on plan assets (excluding amounts included in net interest expense)	-	-
Closing fair value of plan assets	-	-

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

Sensitivity analysis

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

Defined benefit obligation sensivities were as follows:	March 31, 2023	March 31, 2022
1) DBO - Base assumptions	14.95	7.72
2) Discount rate: +1%	12.76	6.52
3) Discount rate: -1%	17.67	9.21
4) Salary escalation rate: +1%	17.53	9.15
5) Salary escalation rate: -1%	12.79	6.54
6) Attrition rate: 25% increase	13.79	7.06
7) Attrition rate: 25% decrease	16.30	8.48

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45.4 Share-based payments

Restricted Stock Unit

During the year ended March 31 2021, the company had issued RSU to one of its employees, with a service condition that the employee shall remain in employment with VRLSPL till December 31, 2027. The employee had the following options:
a. Cash Option to the extent of Rs.4200 Lakhs; or
b. Equity Option to the extent of Rs.5600 Lakhs; or
c. Lower of Equity Option of Rs.5600 Lakhs or 1.33 times the turnover of calendar year ended 31.12.2027 (duly adjusted for proportionate debt) of the company.

On December 7, 2021, the company has amended the RSU contract as follows:
a) Upon IPO of the Holding Company, the exchange of shares to be allotted by the Company with the shares of the Holding Company are no longer applicable and to the extent shall stand rescinded and not enforceable.
b) The employee shall no longer have option of cash settlement of Rs. 4200 Lakhs and he shall receive only equity shares worth:
i) Rs. 5,600 Lakhs, or
ii) Shares valuing 1.33 times of turnover (duly adjusted for proportionate debt) of calendar year ending 31st December 2021 of the company valuing the enterprise at 3 times of turnover (duly adjusted for debt)
c) the employee receives such shares as per (b) above regardless of Veranda Liquidity / Veranda Partial Liquidity event.

The IPO of the Holding Company was completed, and its shares were listed with effect from April 11, 2022. Consequently, exchange of shares of the holding company against the shares allotted by VRSPL under the RSU will no longer be enforceable and accordingly, balance in Deemed Equity Contribution as on March 31, 2022 amounting to Rs. 151.10 Lakhs was transferred to Share based payment Reserve.

Amendments during 2022-23

During the year, the said employee has resigned from the services of VRLSPL and the service condition related to RSUs is not satisfied thereby resulting in forfeiture in accordance with Indian Accounting Standard 102 - Share-Based Payment. Consequent to the above, compensation costs aggregating to Rs.1,121.06 Lakhs (for the period April 01, 2022 to September 30, 2022 amounting to Rs.335.77 Lakhs and compensation cost accrued upto March 31, 2022 amounting to Rs.785.29 Lakhs) has been adjusted to the Employee Benefit Expenses during the year.

45.5 Employee Stock option Scheme

During the year, the Holding Company "Veranda Learning Solutions Limited" has approved the plan to grant 27,88,775 (Twenty seven lakhs eighty eight thousand seven hundred and seventy five) options comprising of 16,73,265 (sixteen lakhs seventy three thousand two hundred and sixty five) options to the strategic team and 11,15,510 (eleven lakhs fifteen thousand five hundred and ten) options to other eligible Employees (including employees of VRSPL) in one or more tranches from time to time under the scheme tiltled " Veranda Learning solutions Limited Employee Stock option Plan 2022" ("ESOS 2022")

Exercise period:
As per the Scheme, the options can be exercised with in a period of 3-5 years from the date of vesting.
The expense recognised (net of reversal) for share options during the year is Rs. 23.27 lakhs (March 31, 2022: Nil) and the same has been considered as Deemed Equity Contribution by the Holding company.

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46 Business Combinations

46.1 Chennai Race Coaching Institute Private Limited

Veranda Race Learning Solutions Private Limited ("Transferee Company") has entered into a Business Transfer Agreement ("BTA") on January 31, 2023 with Chennai Race Coaching Institute Private Limited ("Transferor Company"), for the acquisition of the Business of the Transferor Company as a going concern for a consideration of Rs.1,175.00 Lakhs.

Goodwill has been computed for the above transaction as follows:

Particulars	Amount
Property, plant and equipment	192.61
Other Current Assets	143.50
Total Assets	**336.11**
Total Liabilities	-
Net identifiable Asset Acquired	**336.11**

Particulars	Amount
Purchase Consideration	1,175.00
Less: Net identifiable assets acquired	336.11
Goodwill	**838.89**

47 Ratio analysis

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

Particulars	March 31, 2023	March 31, 2022
Current assets	1,196.79	773.54
Current liabilities	4,584.36	1,950.61
Ratio	**0.26**	**0.40**

Change in ratios of more than 25% compared to previous year is because Company during the year has borrowed short term loans from it's holding company to maintain working capital. Also, the Company has entered into a Business Transfer Agreement, for which a deferred consideration payable has been recognised.

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

Particulars	March 31, 2023	March 31, 2022
Total debt	2,612.27	762.30
Total equity	(2,250.89)	(977.21)
Ratio	**(1.16)**	**(0.78)**

Change in ratios of more than 25% compared to previous year is because the Company during the year has borrowed loans to maintain working capital.

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

Particulars	March 31, 2023	March 31, 2022
Loss for the year	(513.80)	(1,417.20)
Add: Non cash expenses and finance costs	**544.51**	**211.43**
Depreciation and amortization expense	330.74	183.34
Finance costs	213.77	28.09
Earnings available for debt services	**30.71**	**(1,205.77)**
Interest cost on borrowings	176.04	25.60
Total interest and principal repayments	**176.04**	**25.60**
Ratio	**0.17**	**(47.10)**

Change in ratios of more than 25% compared to previous year is because the Company during the year has borrowed loans to maintain working capital for which interest expenses were incurred. Also, during the year, Company has recognised Right of use assets for which depreciation has been charged.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

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

Particulars	**March 31, 2023**	**March 31, 2022**
Loss before tax (A)	(513.80)	(1,417.20)
Finance Costs (B)	213.77	28.09
Other income (C)	92.04	0.90
EBIT (D) = (A)+(B)-(C)	**(392.07)**	**(1,390.01)**
Capital Employed- Pre Cash (J)=(E)-(F)-(G)-(H)-(I)	**(97.58)**	**(1,128.54)**
Total Assets (E)	4,709.08	984.27
Current Liabilities (F)	4,584.36	1,950.61
Current Investments (G)	-	-
Cash and Cash equivalents (H)	222.29	162.20
Bank balances other than cash and cash equivalents (I)	-	-
Ratio (D/J)	**4.02**	**1.23**

Change in ratios of more than 25% compared to previous year is because Company during the year has borrowed short term loans from it's holding company to maintain working capital. Also, the Company has entered into a Business Transfer Agreement, for which a deferred consideration payable has been recognised.

48 Going Concern

Based on the business projection for FY 2023-24, the Company is expected to have adequate funds to meet its obligation as they occur. Further, the Holding Company [Veranda Learning Solutions Limited (formerly Veranda Learning Solutions Private Limited)] has provided a letter of continued financial support up to June 30, 2024. Therefore, despite erosion in the net worth of the Company, considering the continued financial support from the holding company and the current initiatives of the Company during the year which are expected to yield revenue in the future, the financial statements have been prepared on a going concern basis.

49 Other Statutory Information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

ii) The company reviewed the status of all its customers and vendors as at March 31, 2023 and March 31, 2022, in MCA portal, and observed that the company do not have any transaction with struckoff companies under section 248 of companies Act, 2013 or Section 560 of Companies Act, 1956.

iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The company has not been declared wilful defaulter by any bank or financial institution or other lender.

v) The Company have not traded or invested in Crypto currency or virtual currency during the year.

vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) other than as disclosed in Note 7.4 of the financial statements with any oral or written understanding that the intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

vii) The company have not received any fund from any person(s) or entity(ies) including foreign entities (funding party) other than as disclosed in Note 18.2 of the financial statements with any oral or written understanding (whether recorded in writing or Otherwise) that the company shall:
(a) directly or indirectly lend or invest in any other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

ix) During the financial year, the Company has not revalued any of it's property, plant and Equipment, Right of use asset and Intangible Assets.

x) The Company has compiled with the number of layers prescribed under clause (87) of section 2 of the act read with the companies (Restriction on number of layers) Rules, 2017.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

50 Previous Year Comparatives

Previous year figures have been reclassified / regrouped wherever necessary to conform to current year's classification.

51 Approval of Accounts

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issuance on May 27, 2023

For and on behalf of the Board of Directors

DELOITTE HASKINS & SELLS CHENNAI CHARTERED ACCOUNTANTS

K Praveen Kumar	**R Rangarajan**
Director	Director
DIN: 00591450	DIN: 00591483
Place : Chennai	Place : Chennai
Date : May 27, 2023	Date : May 27, 2023

Veranda Race Learning Solutions Private Limited T. Nagar Chennai 600 017