

Independent Auditor's Report

To The Members of Hero Edu Systems Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Hero Edu Systems Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Responsibilities 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 we have obtained is sufficient and appropriate to provide a basis for our 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 including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility 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, total comprehensive income, changes in equity and cash flows 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the



preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities 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 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 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.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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 B**".
- g) 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, 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 its knowledge & belief, the Company has not advanced, loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Management has represented that to the best of its knowledge & belief, the Company has not received any funds from any persons or entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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; and
 - c. Based on such audit procedures 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 a. & b. contain any material mis-statement.
 - d. As Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and audit trail has been preserved. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
 - v. The Company has not declared or paid any dividend during the Year.



3. With respect to the matter to be included in the Auditors' report under Section 197(16):

In our opinion and according to the information and explanation given to us, the Company has not paid remuneration to its directors during the current financial year. Accordingly, the provisions of and limit laid down under section 197 read with Schedule V of the Act are not applicable.

For S.R Dinodia & Co. LLP.

Chartered Accountants,

Firm Registration Number 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number 083689

UDIN: 24083689 BKBTF 8849



Place of Signature: New Delhi

Date: 10th May, 2024

Annexure 'A' To the Independent Auditors' Report of even date on the financial statements of Hero EDU Systems Private Limited

The Annexure referred to in Paragraph 1 under 'Report on other legal and regulatory requirements' section of Independent Auditors Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report that:

i) In respect of Property, Plant & Equipment:

- a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(B)The Company has maintained proper records showing full particulars of intangible assets.
- b) All the items of Property, Plant and Equipment have been physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and records examined by us, the company does not hold any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the Company) Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
- e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

ii) In respect of its inventory:

- a) According to information and explanation given to us, the company does not have any inventory. Accordingly, the provision of clause 3(ii) (a) of the order are not applicable.
- b) According to the information and explanations given to us and the records examined by us, during the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provision of clause 3(ii) (b) of the order are not applicable.
- iii) According to the information and explanations given to us, the Company has neither made any investments nor provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clauses 3(iii)(a) to (f) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2016 dated July 14, 2016 & December, 2017 respectively to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.



vii) (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable. Except in respect of Provident Fund amount INR 150,000 pertaining to the month of June 2023.

(b) According to the information and explanations given to us, there are no dues in respect of statutory dues referred to in sub-clause (vii)(a) above that have not been deposited with the appropriate authorities on account of any dispute.

viii) According to the information and explanations given to us and the records examined by us, there are no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not hold any securities. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable

x) In respect of moneys raised by the Company through issue of shares & debt instruments:

(a) During the year, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable.

xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) The provisions of whistleblower mechanism are not applicable to the company under section 177(9) of the Act. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year



- xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a) to (c) of the Order are not applicable.
- xiii) In our opinion and according to the information and explanations given to us, all transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards. Further in pursuance of section 177, Company is not required to form audit committee and accordingly the provisions of section 177 are not applicable.
- xiv) In our opinion and based on our examination, the Company is not required to have an internal audit system as per provision contained in Section 138 of Companies Act 2013. Accordingly, provisions of clause 3 (xiv) (a) & (b) of the order are not applicable.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.
- xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, provisions of clause 3 (xvi)(b) of the order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3 (xvi)(c) of the order are not applicable.
- (d) As per the information and explanations given to us, the Group does not have more than one CIC in the Group. Accordingly, the provisions of clause 3 (xvi) (d) of the Order are not applicable to the Company.
- xvii) In our opinion and according to information and explanations given to us, the Company has incurred cash losses of Rs. 4.12 lakhs during the current financial year and Rs. 3.36 lakhs immediately preceding financial period.
- xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, provisions of clause 3 (xviii) of the Order are not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) In our opinion and according to the information and explanations given to us, as per provisions of section 135 of the Companies Act, 2013, the Company does not require to spend on corporate social responsibility. Accordingly, provisions of clause 3 (xx) (a) & (b) of the Order are not applicable.



xxi) The reporting under clause 3(xxi) of the Order is not applicable to the Company. Accordingly, no comment in respect of the said clause has been included in this report.

For S.R Dinodia & Co. LLP

Chartered Accountants,

Firm's Registration Number 001478N/N500005



(Sandeep Dinodia)

Partner

Membership Number: 083689

UDIN: 24083689 BKBLTF 8849

Place of Signature: New Delhi

Date: 10th May, 2024



Annexure 'B' to the Independent Auditors' Report of even date on the financial statement of Hero Edu Systems Private Limited

Report on the Internal Financial Controls 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 **Hero Edu Systems Private Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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.



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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on "the 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.

For S.R Dinodia & Co. LLP

Chartered Accountants,

Firm's Registration Number 001478N/N500005



(Sandeep Dinodia)

Partner

Membership Number 083689

UDIN: 24083689 BKBLTF 8849



Place of Signature: New Delhi

Date: 10th May, 2024

Hero Edu Systems Private Limited

Balance Sheet as at March 31, 2024

(All amounts in ₹lakhs, unless otherwise stated)

Particulars	Note No.	As At March 31, 2024	As At March 31, 2023
Assets			
I. Non-Current Assets			
(a) Property, Plant and Equipment	4	6.76	-
(b) Right of use Asset	5	45.74	-
(c) Capital work in progress	4A	231.63	-
(d) Other Intangible Assets	6	14.85	-
(e) Intangible assets under development	6A	1,472.92	-
(f) Financial Assets			
(i) Other financial assets	7	3.63	-
(g) Other Non Current Assets	8	46.33	-
(h) Deferred tax assets (net)	9	0.39	0.85
Total Non-Current Assets		1,822.25	0.85
Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Trade Receivables	10	22.52	-
(ii) Cash and Cash Equivalents	11	15.43	100.00
(iii) Bank Balances other than Cash and Cash Equivalents		-	-
(c) Other Current Assets	8	201.15	-
Total Current Assets		239.10	100.00
Total Assets		2,061.35	100.85
II. Equity And Liabilities			
Equity			
(a) Equity Share Capital	12	100.00	100.00
(b) Other Equity	13	(8.28)	(2.51)
Total Equity		91.72	97.49
Liabilities			
Non- Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	1,020.83	-
(ii) Lease Liability	5	27.77	-
(b) Provisions	15	35.31	-
Total Non- Current Liabilities		1,083.91	-
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	204.17	-
(ii) Lease Liability	5	19.51	-
(iii) Trade Payables	17		
(A) total outstanding dues of micro enterprises and small enterprises; and		13.08	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		508.43	3.31
(iv) Other Financial Liabilities	18	46.15	-
(b) Other Current Liabilities	19	91.02	0.05
(c) Provisions	15	3.36	-
Total Current Liabilities		885.72	3.36
Total Equity and Liabilities		2,061.35	100.85
Summary of Material Accounting Policies	3		

Summary of Material Accounting Policies

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

For S.R Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number :- 083689

Place of Signature: New Delhi

Date: May 10, 2024



For and on behalf of the board of directors of
Hero Edu Systems Private Limited

(Abhishek Munjal)

Director

DIN:05355274

Date: May 10, 2024

(Amit Gupta)

Director

DIN:02990732

Date: May 10, 2024

Hero Edu Systems Private Limited
Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in ₹Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2024	For the period ended March 31, 2023
I Revenue from Operations		-	-
II Total Income (I+II)		-	-
III Expenses			
(a) Cost of Materials Consumed		-	-
(b) Changes in inventories of finished goods, stock in trade & work in progress		-	-
(c) Employee benefits expense		-	-
(d) Finance costs		-	-
(e) Depreciation and amortization expense	4 & 6	1.19	-
(f) Other expenses	20	4.12	3.36
Total expenses		5.31	3.36
IV Profit/ (loss) before exceptional items and tax (II-III)		(5.31)	(3.36)
V Exceptional Items		-	-
VI Profit/ (loss) before tax (IV-V)		(5.31)	(3.36)
VII Tax expense:			
(a) Current tax	21	-	-
(b) Deferred tax charge/(Income)		0.46	(0.85)
Total tax expense		0.46	(0.85)
VIII Profit/(loss) for the year / Period(VI-VII)		(5.77)	(2.51)
IX Other Comprehensive Income			
(A) (i) Items that will not be reclassified profit or loss		-	-
(ii) Income tax on items that will not be reclassified profit or loss		-	-
(B) (i) Items that will be reclassified profit or loss		-	-
(ii) Income tax on items that will be reclassified profit or loss		-	-
Other comprehensive income for the year/ period, net of tax		-	-
X Total comprehensive income for the year, net of tax (X+IX)		(5.77)	(2.51)
XI Earnings per equity share: (Face value ₹ 10 per share)			
1) Basic (amount in `)	22	(0.58)	(0.25)
2) Diluted (amount in `)		(0.58)	(0.25)
Summary of Material Accounting Policies	3		


The accompanying notes are integral part of the financial statements.

As per our Report of even date attached

For S.R Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number 001478N/N500005


(Sandeep Dinodia)
 Partner
 Membership Number :- 083689



Place of Signature: New Delhi

Date: May 10, 2024

**For and on behalf of the board of directors of
 Hero Edu Systems Private Limited**



(Abhishek Munjal)

Director

DIN:05355274

Date: May 10, 2024



(Amit Gupta)

Director

DIN:02990732

Date: May 10, 2024

Hero Edu Systems Private Limited

Statement of changes in equity for the year ended March 31, 2024

(All amounts in ₹Lakhs, unless otherwise stated)

A. Equity Share Capital	Amount
Balance as at April 01, 2023	100
Equity share capital issued during the current year	-
Closing Balance as at March 31, 2024	100

B. Other Equity

As at March 31, 2023:	General Reserve	Retained earnings	Total equity
Balance as at April 01, 2022			
Net Income/ Loss for the period		(2.51)	(2.51)
Add: Other comprehensive income	-	-	-
Balance as at March 31, 2023	-	(2.51)	(2.51)
Net Income/ (Loss) for the year	-	(5.77)	(5.77)
Add: Other comprehensive income	-	-	-
Balance as at March 31, 2024	-	(8.28)	(8.28)

Summary of Material Accounting Policies: Note no. 3

The accompanying notes are integral part of the financial statements.

As per our Report of even date attached

For S.R Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number :- 083689



Place of Signature: New Delhi

Date: May 10, 2024

For and on behalf of the board of directors of
Hero Edu Systems Private Limited

(Abhishek Munjal)

Director

DIN:05355274

Date: May 10, 2024

(Amit Gupta)

Director

DIN:02990732

Date: May 10, 2024

Hero Edu Systems Private Limited
Statement of Cash Flows for the year ended March 31, 2024

(All amounts in ₹Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the period ended March 31, 2023
Cash Flows From Operating Activities		
Profit Before Tax	(5.31)	(3.36)
Adjustments for:		
Depreciation and amortization	1.19	-
Operating Profit Before Working Capital Changes	(4.12)	(3.36)
Movement In Working Capital:		
Increase/(Decrease) in Trade Payables & Other Current Liabilities	645.71	3.36
(Increase)/Decrease in Trade Receivables	(22.52)	-
(Increase)/Decrease in Other Assets	(204.78)	-
Increase/(Decrease) in Provision	38.67	-
Cash Generated From Operations	452.95	-
Direct Tax paid (Net of Refunds)	-	-
Net Cash Inflow From/(Used In) Operating Activities (A)	452.95	-
Cash Flows From Investing Activities		
Purchase of Property, Plant and Equipment, other intangible assets	(244.81)	-
Capital Advances	(46.33)	-
Intangible assets under development	(1,455.84)	-
Net Cash From/ (Used In) Investing Activities (B)	(1,746.98)	-
Cash Flows From Financing Activities		
Proceeds from issue of Equity Share Capital	-	100.00
Lease Payments	(15.54)	-
Proceeds from Borrowings	1,225.00	-
Net cash inflow from/(used in) Financing Activities (C)	1,209.46	100.00
Net Increase (Decrease) In Cash And Cash Equivalents (A+B+C)	(84.57)	100.00
Opening Balance of Cash and Cash Equivalents	100.00	-
Total Cash And Cash Equivalent	15.43	100.00
Components Of Cash And Cash Equivalents		
Cash on hand (Note No. 11)	-	-
With banks - on current accounts (Note No. 11)	15.43	100.00
Total Cash and Cash equivalent	15.43	100.00

Note:

The above statement of Cash Flows has been prepared under the 'Indirect method' as set out in Ind AS 7, Statement of Cash Flows.

Summary of Material Accounting Policies: Note no. 3

The accompanying notes form an integral part of these financial statements

As per our Report of even date attached

For S.R Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number :- 083689

Place of Signature: New Delhi

Date: May 10, 2024



For and on behalf of the board of directors of
Hero Edu Systems Private Limited

(Abhishek Munjal)

Director

DIN:05355274

Date: May 10, 2024

(Amit Gupta)

Director

DIN:02990732

Date: May 10, 2024

Hero Edu Systems Private Limited

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

Note 1: Corporate Information

Hero EDU Systems Private Limited, 'the company' was incorporated on December 27, 2022 as a Private Limited Company under the Companies Act, 2013, vide Current Registration Number U34100UP2022PTC175717. The Registered Office of the Company is at 10Th KM Stone, Gt Road, Post Dujana, Distt Dadri, Noida Gautam Buddha Nagar UP - 203207, India.

The main objective of the Company's business is to carry on the business of procure, assemble and integrate full or part, electric and allied components (including but not limited to motor, battery, controller, sensors, display, charger, throttle, software applications) into readymade and/or custom built Electronic Drive systems for e-Bikes and other similar e-Vehicles, design, prototyping, testing and validation of e-components and integrated e-systems for e-bikes and similar vehicles, after market service, repair and spares selling for e-systems.

The financial statement are approved by the Board of Directors in their Board Meeting held on 10th May, 2024.

Note 2: Statement of Compliance

The Financial Statements are prepared on an accrual basis under historical cost Convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable.

The accounting policies are applied consistently to all the periods presented in the financial statements.

Basis of Preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value, financial liabilities at amortized cost, employee stock option plans measured at fair value and employee's defined benefit plans measured as per actuarial valuation at the end of each reporting period, as explained in the relevant accounting policies mentioned. The financial statements are presented in ₹ Rupees, which is the functional currency of the Company and all values are rounded to the nearest lakh except otherwise stated.

Going Concern

The board of directors have considered the financial position of the Company at March 31, 2024, the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

Note 3: Material Accounting Policies

a) Accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

Use of Estimates and Judgements

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

i) Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Where tax positions are uncertain, accruals are recorded within income tax liabilities for management's best estimate of the ultimate liability that is expected to arise based on the specific circumstances and the Company's historical experience. Factors that may have an impact on current and deferred taxes include changes in tax laws, regulations or rates, changing interpretations of existing tax laws or regulations, future levels of research and development spending and changes in pre-tax earnings.

ii) Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.



Hero Edu Systems Private Limited

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

b) Property, Plant and Equipment (PPE)

Property, plant and equipment is stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. Cost includes import duties and any non-refundable taxes on such purchase, after deducting rebates and trade discounts and is inclusive of freight, duties, taxes and other incidental expenses. All cost are capitalized which are directly attributable to bringing assets to the condition and location essential for it to operate in a manner as intended by the management. In respect of assets due for capitalization, where final bills/claims are to be received/passed, the capitalisation is based on the engineering estimates. Final adjustments, for costs and depreciation are made retrospectively in the year of ascertainment of actual cost and finalisation of claim.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work in progress includes the cost of property plant and equipment that are not yet ready for their intended use and the cost of assets not put to use before the Balance Sheet date.

Depreciation : Depreciation on PPE are provided to the extent of depreciable amount on straight line basis (SLM). Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. The residual values, useful lives are reviewed at each financial year end and adjusted appropriately.

Depreciation is provided on a pro-rata basis on the straight-line basis on the estimated useful life prescribed under Schedule II to Companies Act , 2013 with the following exception :

- Leasehold land & Leasehold improvement has been amortised over the lease term.
- Freehold Land is not depreciated.

c) Intangible Assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. All expenditures, qualifying as Intangible Assets are amortized over estimated. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Subsequent Expenditure: Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in Statement of Profit and Loss as incurred.

d) Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their

Goods	Cost includes purchase cost, duties, taxes and all other costs incurred in bringing the inventory to their present location. Cost is determined on Weighted Average Cost Method.
Work in Progress	Cost include appropriate proportion of overheads wherever applicable. Goods in transit are valued at cost excluding import duties wherever applicable
Scrap	Scrap is valued at Net realisable value.

e) Foreign Currency Transaction and translations :

The functional currency and presentation currency of the company is Indian Rupee. Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

Initial recognition

Transactions denominated in foreign currencies are accounted at the exchange rates prevailing on the date of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are restated at the rates prevailing at the date when the fair value was determined.

Measurement of foreign currency monetary items at the Balance Sheet date

Monetary items denominated in foreign currencies at the year-end are restated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at historical cost.

Treatment of exchange differences

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded

f) Employee's Benefits

Short Term Employee Benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in Statement of Profit and Loss in the period in which the employee renders the related service.



Hero Edu Systems Private Limited

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

Post-employment benefits :

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and thereafter, will have no legal or constructive obligation to pay further amounts. Provident Fund are defined contribution scheme and contributions paid / payable are recognised as an expense in the statement of profit and loss during the year in which the employee renders the related service.

Defined Benefit Plan

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit or when the entity recognises any related restructuring costs.

Short term and other long term employee benefits :

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees are recognised during the period when the employee renders the services. These benefits include salaries, wages, performance incentives and compensated absences.

The liability in respect of accumulated compensated absences is provided for on the basis of actuarial valuation carried out at the year-end using the Projected Unit Credit Method. Actuarial gains and losses are recognised in the Statement of Profit and Loss of the year in which they occur.

g) Borrowing Costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest cost.

h) Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events 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 the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of;

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;
- ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Provision, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

i) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

1) Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.



Hero Edu Systems Private Limited

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

2) Classification and Subsequent measurement

(a) Financial Assets

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

- Financial Asset carried at amortised cost
- Financial Asset at fair value through other comprehensive income (FVTOCI)
- Financial Asset at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

•Financial Asset carried at amortised cost

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 Asset 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 Asset at fair value through profit and loss (FVTPL)

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

• Equity investment in Associates

Investments representing equity interest in associates are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Company had elected for one time Ind AS 101 exemption and adopted the fair value of ₹ 10 of its investment in equity shares of its associates as its deemed cost as at the date of transition.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

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

(b) Financial Liabilities

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

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at Amortized cost

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to the borrowings.

De-recognition

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

(c) Offsetting of Financial Instruments

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

j) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

k) Fair Value Measurement

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

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



Hero Edu Systems Private Limited

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

1) Taxes on Income

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.

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

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses (if any). 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.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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.

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



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 4 : Property, plant and equipment

Particulars	Furniture and Fixures	Office Equipments	Total
Gross carrying amount			
As at April 01, 2022	-	-	-
Add: Additions made during the period	-	-	-
Less: (Disposals)/adjustments during the period	-	-	-
As at March 31, 2023	-	-	-
Add: Additions made during the year	2.75	4.19	6.93
Less: (Disposals)/adjustments during the year	-	-	-
As at March 31, 2024	2.75	4.19	6.93
Accumulated depreciation/amortization			
As at April 01, 2022			
Add: Depreciation charge for the period	-	-	-
Less: (Disposals)/adjustments during the period	-	-	-
As at March 31, 2023	-	-	-
Add: Depreciation charge for the year	0.08	0.10	0.17
Less: (Disposals)/adjustments during the year	-	-	-
As at March 31, 2024	0.08	0.10	0.17
Net carrying amount			
As at March 31, 2024	2.67	4.09	6.76
As at March 31, 2023	-	-	-



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Hero Edu Systems Private Limited

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

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 4A : Capital work in progress

	As March 31, 2024	At March 31, 2023
Balance at the beginning of the year	-	-
Add: Addition made during the year	231.63	-
Less: (Disposals)/adjustments during the year	-	-
Balance at the end of the year	231.63	-

a) Breakup of capital work in progress is as follows:

	As March 31, 2024	At March 31, 2023
Leasehold Improvement (Building)	58.30	-
Plant and machinery	170.27	-
Preoperative Expenses	3.06	-
	231.63	-

Note: Total Borrowing costs included in CWIP ₹ 5.96 (March 31,2023 Nil)

b) Pre-Operative Expenses Pending Allocation included in Capital Work-in-Progress:

	As March 31, 2024	At March 31, 2023
Borrowing Costs	0.08	-
Common Expenses	2.98	-
Total	3.06	-

b) Ageing schedule of CWIP as at March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	231.63	-	-	-	231.63
Projects temporarily suspended	-	-	-	-	-

Ageing schedule of CWIP as at March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

c) There are no capital-work-in-progress as at March 31, 2024 and as at March 31, 2023 whose completion is overdue or has exceeded its cost as compared to its original plan.



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Hero Edu Systems Private Limited

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

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 6 : Other intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
As at April 01, 2022	-	-
Add: Additions during the year	-	-
Less: (Disposals) / adjustments during the year	-	-
As at March 31, 2023	-	-
Add: Additions during the year	15.87	15.87
Less: Disposals / adjustments during the year	-	-
As at March 31, 2024	15.87	15.87
Accumulated amortisation		
As at April 01, 2022	-	-
Add: Amortisation charge for the year	-	-
Less: (Disposals) / adjustments during the year	-	-
As at March 31, 2023	-	-
Add: Amortisation charge for the year	1.02	1.02
Less: On disposals / adjustments during the year	-	-
As at March 31, 2024	1.02	1.02
Net carrying amount		
As at March 31, 2024	14.85	14.85
As at March 31, 2023	-	-

Note 6A : Other intangible assets under Development

	As March 31, 2024	At March 31, 2023
Balance at the beginning of the year/ period	-	-
Add: Addition made during the year/ period	1,472.92	-
Less: (Disposals)/adjustments during the year/ period	-	-
Balance at the end of the year	1,472.92	-
a) Breakup of Intangible assets under development is as follo		
	As March 31, 2024	At March 31, 2023
Pre-operative expenses pending allocation	1,472.92	-
	1,472.92	-

b) Pre-Operative Expenses Pending Allocation to Intangible assets under developmen:

	As March 31, 2024	At March 31, 2023
Raw Material Purchase	132.00	-
Consumption of Stores, Spare Parts and consumables	13.42	-
Employee Benefit Expenses	445.00	-
Manpower expenses	647.79	-
Legal & Professional expenses	26.67	-
Rent Expenses	20.62	-
Travelling & Conveyance	85.57	-
Depreciation	14.31	-
Insurance	6.45	-
Exchange Fluctuation	5.22	-
Other Common Expenses	67.83	-
Borrowing Costs	38.67	-
Pre-Operative expenses pending allocation	1,503.54	-
Less: Sale of trial run production	(30.63)	-
Total Pre-Operative Expenses Pending Allocation	1,472.92	-



Hero Edu Systems Private Limited

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

(All amounts in ₹ Lakhs, unless otherwise stated)

c) Ageing schedule of Intangible assets under development as at March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,472.92	-	-	-	1,472.92
Projects temporarily suspended	-	-	-	-	-

Ageing schedule of Intangible assets under development as at March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 5 : Leases

Lease contracts entered by the Company pertains for buildings taken on lease. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

Right-of-use assets: movements in gross carrying value of assets

	Buildings
As at March 31, 2023	-
Add: Additions during the year	59.40
Less: Disposals / adjustments during the year	-
As at March 31, 2024	59.40

Accumulated depreciation :

As at March 31, 2023	-
Add: Depreciation charge for the year	14.31
Less: Disposals/adjustments during the year	-
As at March 31, 2024	14.31

Net Block :

As at March 31, 2023	-
As at March 31, 2024	45.09

Leases: Movements in carrying value of recognised liabilities

	As March 31, 2024	At March 31, 2024
Balance at the beginning of year		-
Adjustment due to remeasurement		-
Addition in lease liabilities		59.40
Interest expense on lease liabilities		3.41
Repayment of lease liabilities		15.54
Balance at the end of the year		47.27
Non-current lease liabilities		27.77
Current lease liabilities		19.51
Total lease liabilities		47.27



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Hero Edu Systems Private Limited

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

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7 : Other financial assets

(Unsecured, considered good unless otherwise stated)

Security Deposit

	As March 31, 2024	At March 31, 2023
Security Deposit	3.63	-
	3.63	-

Note 8 : Other assets

(Unsecured, considered good, unless otherwise stated)

Balance with government authorities
Prepaid expenses
Capital Advances
Advance to employees

	Non - Current		Current	
	As March 31, 2024	At March 31, 2023	As March 31, 2024	At March 31, 2023
Balance with government authorities	-	-	179.29	-
Prepaid expenses	-	-	4.22	-
Capital Advances	46.33	-	-	-
Advance to employees	-	-	17.64	-
	46.33	-	201.15	-



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 9: Deferred tax assets (net)

	As March 31, 2024	At March 31, 2023
Gross deferred tax assets	11.90	0.85
Less:- Deferred tax liabilities	11.51	-
	<u>0.39</u>	<u>0.85</u>

	As At April 01, 2023	Adjusted against current tax	Recognised in Statement of Profit and Loss	Recognised in Statement of Other Comprehensive Income	As March 31, 2024	At March 31, 2023
Deferred tax assets relates to the following:						
Carry forward Loss	0.32	-	(0.32)	-	-	-
Preliminary Expenses	0.53	-	(0.53)	-	-	-
Lease Liability	-	-	11.90	-	-	11.90
	<u>0.85</u>	<u>-</u>	<u>11.05</u>	<u>-</u>	<u>-</u>	<u>11.90</u>
Deferred tax liability:						
Right of Use Assets	-	-	11.51	-	-	11.51
	<u>-</u>	<u>-</u>	<u>11.51</u>	<u>-</u>	<u>-</u>	<u>11.51</u>
Total deferred tax assets/(liabilities) (net)	<u>0.85</u>	<u>-</u>	<u>(0.46)</u>	<u>-</u>	<u>-</u>	<u>0.39</u>

	As At April 01, 2022	Adjusted against current tax	Recognised in Statement of Profit and Loss	Recognised in Statement of Other Comprehensive Income	As March 31, 2023	At March 31, 2022
Deferred tax assets relates to the following:						
Carry forward Loss	-	-	0.32	-	-	0.32
Preliminary Expenses	-	-	0.53	-	-	0.53
	<u>-</u>	<u>-</u>	<u>0.85</u>	<u>-</u>	<u>-</u>	<u>0.85</u>
Deferred tax liability:						
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred tax assets/(liabilities) (net)	<u>-</u>	<u>-</u>	<u>0.85</u>	<u>-</u>	<u>-</u>	<u>0.85</u>



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 10 : Trade receivables

Trade receivables considered good - secured
Trade receivables considered good - unsecured
Trade receivables - credit impaired
Less: Allowance for Expected Credit Loss

	As March 31, 2024	At March 31, 2023
	-	-
	22.52	-
	-	-
	-	-
	22.52	-

a) Trade receivables ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -- considered good	0.21	22.31	-	-	-	-	22.52
(ii) Undisputed Trade Receivables -- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -- credit impaired	-	-	-	-	-	-	-
(iv) Dispute Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables -- credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss	-	-	-	-	-	-	-
Net Trade receivables	0.21	22.31	-	-	-	-	22.52

b) Trade receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -- considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables -- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -- credit impaired	-	-	-	-	-	-	-
(iv) Dispute Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables -- credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss	-	-	-	-	-	-	-
Net Trade receivables	-	-	-	-	-	-	-

Note 11 : Cash and cash equivalents

Balances with banks:
- Current accounts
Cash on hand

	As March 31, 2024	At March 31, 2023
	15.43	100.00
	-	-
	15.43	100.00

For the purpose of the statement of cash flow, the cash and cash equivalent are same given above.



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 12 : Equity Share Capital

	As March 31, 2024	At March 31, 2023
Authorised		
1,000,000 (March 31,2023: 1000,000) Nos. Equity Shares of ₹ 10 each	100.00	100.00
	100.00	100.00
Issued, subscribed and fully paid up		
1,000,000 (March 31,2023: 1000,000) Nos. Equity Shares of ₹ 10 each	100.00	100.00
	100.00	100.00

a) Reconciliation of Issued and Subscribed Share Capital:

	No. of shares*
Balance as at April 01, 2023	1,000,000
Shares issued during the year	-
Balance as at March 31, 2024	1,000,000

* Number of Shares are given in absolute numbers.

b) Terms/ rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and will rank pari passu with each other in all respect. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company has not paid any dividend during the year.

c) Details of Shareholders Holding More than 5% Shares in the Company

Name of Party	As at March 31, 2024		As at March 31, 2023	
	No. of shares*	Holding %	No. of shares*	Holding %
Hero Motors Limited ** (Holding Company)	1,000,000	100%	1,000,000	100%

** Six equity shares are held by individuals as nominee of Hero Motors Limited.

d) Details of Promoter's Shareholding:

Promoter's Name	As at March 31, 2024		
	No. of Shares*	%of total shares	% Change during the year
Hero Motors Limited ** (Holding Company)	1,000,000.00	100.00%	0.00%

Promoter's Name	As at March 31, 2023		
	No. of Shares*	%of total shares	% Change during the year
Hero Motors Limited ** (Holding Company)	1,000,000	100%	0.00%

** Including six equity shares are held by individuals as nominee of Hero Motors Limited.

* Number of Shares are given in absolute numbers.



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 13 : Other Equity

	As March 31, 2024	At March 31, 2023
Retained Earnings	(8.28)	(2.51)
	(8.28)	(2.51)

Notes:

(i) For movement during the period in other equity, refer "Statement of changes in equity".

(ii) Nature & purpose of other equity are as under:

a) Retained Earnings:

Retained earnings are the profits that the company has earned till date, less any transfer to general reserve, dividend or other distributions paid to share holders. All the profits made by the company are transferred to retained earnings from statement of profit & loss.



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 14 : Non current Borrowings	Non - Current Portion				Current Portion			
	As March 31, 2024	At March 31, 2024	As March 31, 2023	At March 31, 2023	As March 31, 2024	At March 31, 2024	As March 31, 2023	At March 31, 2023
Unsecured Loan								
Term Loan from holding company		1,020.83	-	-	204.17	-	-	-
Less: Amount disclosed under other financial liabilities as 'Short term borrowings' (refer note 16)		-	-	-	(204.17)	-	-	-
		1,020.83	-	-	-	-	-	-

a) The Company has taken an unsecured loan from holding company. Loan carries yearly interest at 9% rate. Loan is repayable alongwith interest in four years , in quarterly installments. Loan repayment period is including one year moratorium period.

b) Maturity profile of loan from holding company:

Maturity Profile	2024-25	Beyond 2024-25
Term Loan repayable in quarterly instalments	204.17	1,020.83

Note 15 : Provisions	Non - Current				Current			
	As March 31, 2024	At March 31, 2024	As March 31, 2023	At March 31, 2023	As March 31, 2024	At March 31, 2024	As March 31, 2023	At March 31, 2023
Provision for Employee Benefits								
Gratuity (refer Note 23)		27.54	-	-	1.93	-	-	-
Compensated Absences		7.77	-	-	1.43	-	-	-
		35.31	-	-	3.36	-	-	-

Note 16: Current Borrowings

Unsecured Loan	Current			
	As March 31, 2024	At March 31, 2024	As March 31, 2023	At March 31, 2023
Current maturities of long-term borrowings (Refer note 14)		204.17	-	-
		204.17	-	-



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 17 : Trade payable

- Outstanding dues to micro and small enterprises
- Total outstanding dues to other than micro and small enterprises

	As March 31, 2024	At March 31, 2023
	13.08	-
	508.43	3.31
	521.51	3.31

a) Trade payables ageing :

Trade payables ageing as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
(i) Due to Micro and Small Enterprises	9.85	-	3.23	-	-	-	13.08
(ii) Due to other than Micro and Small Enterprises	384.03	92.18	30.10	2.12	-	-	508.43
Disputed							
(iii) Disputed dues — Micro & Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues — Other than Micro & small enterprises	-	-	-	-	-	-	-

Trade payables ageing as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
(i) Due to Micro and Small Enterprises	-	-	-	-	-	-	-
(ii) Due to other than Micro and Small Enterprises	-	0.95	2.36	-	-	-	3.31
Disputed							
(iii) Disputed dues — Micro & Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues — Other than Micro & small enterprises	-	-	-	-	-	-	-

b) Trade payables are non-interest bearing and are normally settled within 90-day terms except for SME's (if any) which are settled within 45 days.

c) For Trade payables to related parties refer to Note no 28.

d) The above doesn't include any amount which is required to be transferred to Investor Education and Protection Fund.

e) As per Schedule III of the Companies Act, 2013 and as certified by the management, the amount due to Micro, & small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;

- Principal
- Interest

	As March 31, 2024	at March 31, 2023
	13.04	-
	0.05	-
	13.08	-

(ii) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;

-

(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;

-

(iv) the amount of interest accrued and remaining unpaid at the end of accounting year; and

0.05

(v) the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006

-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date except disclosed above.

Note 18 : Other Financial Liabilities

- Creditors for capital goods
- Interest Accrued but not due

	Non - Current		Current	
	As March 31, 2024	At March 31, 2023	As March 31, 2024	At March 31, 2023
	-	-	9.63	-
	-	-	36.53	-
	-	-	46.15	-

	Non - Current		Current	
	As March 31, 2024	At March 31, 2023	As March 31, 2024	At March 31, 2023
	-	-	9.63	-
	-	-	36.53	-
	-	-	46.15	-

Note 19 : Other Current Liabilities

- Statutory dues

	As March 31, 2024	at March 31, 2023
	91.02	0.05
	91.02	0.05



Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 20 : Other Expenses

	For the year ended March 31, 2024	For the period ended March 31, 2023
Pre-Incorporation expenses	-	2.62
Payment to auditors (Refer note 'a' below)	1.50	0.50
Administrative Expenses	2.62	0.24
Total	4.12	3.36

a) Details of payment made to auditors is as follows:

	For the year ended March 31, 2024	For the period ended March 31, 2023
As statutory auditor:		
- For Audit	1.50	0.50
- For Other Services	-	-
	1.50	0.50



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 21 Income Tax Expense	For the year ended March 31, 2024	For the period ended March 31, 2023
Income tax expense		
Current tax		
a) Current tax on profits for the year	-	-
b) Deferred tax	0.46	(0.85)
Total current tax expense	0.46	(0.85)
(b) Reconciliation of tax expense and the accounting profit		
	For the year ended March 31, 2024	For the period ended March 31, 2023
Profit/(Loss) before tax	(5.31)	(3.36)
Income tax expense @ 25.168% (A)	(1.34)	(0.85)
Tax Effect of Expenses/ income not deductible/ to add for tax purposes	(1.80)	-
Total Adjustments (B)	(1.80)	-
Income tax expense (A)-(B)	0.46	(0.85)
Income tax expense reported in the Statement of Profit and Loss	0.46	(0.85)
(c) Income tax recognised directly in equity	-	-
(d) Income tax recognised in other comprehensive income	-	-

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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 22 : Earnings per share (EPS)

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earning per share is computed using the weighted average number of equity shares outstanding during the year whereas Diluted Earning per share is computed using the weighted average number of common and dilutive equivalent shares.

	For the year ended March 31, 2024	For the period ended March 31, 2023
Profit attributable to the equity holders	(5.77)	(2.51)
Weighted average number of equity shares for Basic EPS (A)	1,000,000	1,000,000
Basic earnings per share(in ₹) (face value ₹ 10 per share)	(0.577)	(0.25)
Weighted average number of potential equity shares (B)	-	-
Weighted average number of equity shares (including dilutive shares) outstanding for dilutive EPS (A+B)	1,000,000	1,000,000
Diluted earnings per share(in ₹) (face value ₹ 10 per share)	(0.58)	(0.25)



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 23 : Gratuity and other post-employment benefit plans

1) Defined contribution plans

The Company makes contribution towards employees provident fund and employee's state insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised the following amount in the Statement of profit and loss account under company's contribution to defined contribution plan.

Particulars	For the year ended March 31, 2024
Employer's contribution to provident fund and other fund	24.42
Employer's contribution to employee state insurance	0.32
Total	24.74

The contribution payable to these schemes by the Company are at the rates specified in the rules of the schemes.

2) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. This method is used in following cases:-

i) Gratuity scheme

The Company has defined benefit gratuity plan which is unfunded. Gratuity is calculated as 15 days salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on completing 5 years of service by the employee. The Company makes provision of such gratuity asset/ Liability in the books of accounts on the basis of actuarial valuation as per projected unit credit method; net with annual contribution made by Company to insurer to provide gratuity benefits by taking scheme of insurance.

a) The following tables summarize the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the defined benefit plan. These have been provided on accrual basis, based on year end actuarial valuation.

Particulars	For the year ended March 31, 2024
	Gratuity (Unfunded)
Change in benefit obligation	
1 Opening defined benefit obligation	-
2 Interest cost	-
3 Current service cost	24.97
4 Acquisition of employees	4.51
5 Actuarial (gain) / loss on obligation	-
Present value of obligation as at the end of the year	29.47

b) The following tables summarise the net benefit expense recognised in the statement of profit or loss :

Particulars	For the year ended March 31, 2024
	Gratuity (Unfunded)
Service cost	24.97
Net cost	24.97

c) Principal actuarial assumptions at the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024
	Gratuity (Unfunded)
Economic assumptions	
1 Discount rate	7.09%
2 Salary escalation rate	8.00%
3 Expected Rate of Return on Assets	N.A.
4 Withdrawal Rate	10.00%
Demographic assumptions	
1 Retirement Age (years)	58 Years
2 Mortality Table	Indian Assured Lives Mortality (2012-14) ultimate



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.

Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

d) A Quantitative Sensitivity Analysis for Significant Assumption as is as Shown Below:

Gratuity (Unfunded)

Particulars	For the year ended March 31, 2024
A. Discount rate	
Effect on Defined Benefit Obligation due to 100 basis points increase in Discount Rate	(1.93)
Effect on Defined Benefit Obligation due to 100 basis points decrease in Discount Rate	2.21

B. Salary escalation rate

Effect on Defined Benefit Obligation due to 100 basis points increase in Salary Escalation Rate	2.26
Effect on Defined Benefit Obligation due to 100 basis points decrease in Salary Escalation Rate	(2.02)

C. Maturity profile of defined benefit obligation is as follows:

Gratuity (Unfunded)

Particulars	For the year ended March 31, 2024
Within the next 12 months (next annual reporting period)	2.00
Between 2 and 5 years	18.16
Between 6 and 10 years	8.99

Note: For the period ended March 31,2023, Company was not liable to gratuity, and no gratuity was payable. Hence previous year figures are not disclosed in the note.

3. Other long term employee benefits

The Company operates compensated absences plan wherein every employee is entitled to the benefit equivalent to 17 earned leave and 8 sick leave salary for every completed year of service with maximum accumulation of 34 days to workmen and 60 days for staff salary for staff employees. The sum is payable during the service, early retirement, withdrawal of scheme, resignation or upon death of employee. Such liability is recognised on the basis of actuarial valuation following Project Unit Credit Method. It is an unfunded plan. The Company has incurred an expense on long term compensated absences amounting to Rs. 9.75 Lakh (March 31,2023 Rs Nil).



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 24: Capital management

The Company's objective for managing capital is to ensure:

- ability to continue as a going concern, so that the Company can continue to provide returns to shareholders and benefits for other stakeholders, and
- maintain optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital structure using Gearing Ratio, which is calculated as under:

	As March 31, 2024	At March 31, 2023
Borrowings	1225.00	-
Lease Liability	47.27	-
Less: Cash and bank balance	(15.43)	(100.00)
Adjusted net debt (A)	1,256.84	NA
Equity share capital	100.00	100.00
Other equity	(8.28)	(2.51)
Total capital (B)	91.72	NA
Net debt and capital (C= A+B)	1,348.57	-
Gearing ratio	0.93	NA

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

For the year ended March 31, 2023, Company had no debt, hence capital gearing ratio was not applicable.



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 25 : Fair values disclosure

a) Financial Instruments by category

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments. Here the disclosure is made for non-current financial assets and non-current financial liabilities, carrying value of current financial assets and current financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, current borrowing, other current financial liabilities etc. which represent the best estimate of fair value

The management assessed that fair value of these short term financial assets and liabilities significantly approximate their carrying amount largely due to short term maturities of these instruments and are measured at amortised cost.

b) Fair value hierarchy

This section explains the judgments 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 standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

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

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

As at March 31, 2024:

Particulars	Carrying amount			Fair value			
	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost							
Trade receivables	22.52	-	22.52	-	-	-	-
Security deposits	3.63	-	3.63	-	-	-	-
Cash and cash equivalents	15.43	-	15.43	-	-	-	-
Total	41.59	-	41.59	-	-	-	-
Financial liabilities measured at amortised cost							
Borrowings	-	1,225.00	1,225.00	-	-	1,225.00	1,225.00
Lease liabilities	-	47.27	47.27	-	-	47.27	47.27
Trade payables	-	521.51	521.51	-	-	-	-
Other Financial Liabilities	-	46.15	46.15	-	-	-	-
Total	-	1,839.94	1,839.94	-	-	-	1,272.27

As at March 31, 2023:

Particulars	Carrying amount			Fair value			
	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost							
Trade receivables	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-
Cash and cash equivalents	100.00	-	100.00	-	-	-	-
Total	100.00	-	100.00	-	-	-	-
Financial liabilities measured at amortised cost							
Borrowings	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
Trade payables	-	3.31	3.31	-	-	-	-
Total	-	3.31	3.31	-	-	-	-

c) Discount Rate Used in Determining Fair Value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The Company has an established control framework with respect to the measurement of fair values. The finance and accounts team that has overall responsibility for overseeing all significant fair value measurements. The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's board of directors.



Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

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

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

d) Fair value of financial assets and liabilities measured at amortised cost

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

For other financial liabilities/ assets that are measured at fair value, the carrying amounts are equal to the fair values except otherwise stated.



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 26: Related party disclosure

a) List of related parties

Name of related party	Nature of Relationship
Hero Motors Limited	Holding Company
HYM Drive Systems Private Limited	Subsidiary of Holding Company
Hero Motors Thai Limited	
Hewland Engineering Limited	

b) List of transactions with related parties

is clearing effect taken here or adjust with trade payable

Name of Related Party	Relationship	Nature of Transaction *	For the year ended March 31, 2024	For the period ended March 31, 2023
Hero Motors Limited	Holding Company	Share capital issued	-	100.00
		Purchase of goods	6.60	-
		Procurement of Services	311.67	-
		Loan received	1,225.00	-
		Interest Expense on loan	40.59	-
		Rent payment	15.12	-
		Employees' gratuity liability takeover	4.51	-
		Reimbursement of expenses	62.48	2.36
HYM Drive Systems Private Limited	Subsidiary of Holding Company	Purchase of goods	81.04	-
		Reimbursement Of Expenses	0.28	-

* reported transactions are inclusive of GST.

c) Year end balances of related parties

Name of Related Party	Nature of Balance	For the year ended March 31, 2024	For the period ended March 31, 2023
Hero Motors Limited	Trade payables	362.74	2.36
	Loan Outstanding	1,225.00	-
	Interest Payable	36.53	-
HYM Drive Systems Private Limited	Trade payables	12.85	-

d) Terms and conditions of transactions with related parties

All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions.



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Hero Edu Systems Private Limited
Notes to financial statements for the year ended March 31, 2024
 (All amounts in ₹Lakhs, unless otherwise stated)

Note 27: Ratio Analysis

Description	Numerator	Denominator	March 31, 2024	March 31, 2023	% Change	Reasons for variance
Current ratio	Current Assets	Current Liabilities	0.27	29.76	-99%	Due to increase in trade payables and receivables in FY 23-24
Debt-Equity Ratio	Total Debt	Shareholder's Equity	13.87	NA	100%	Due to fresh borrowing Rs 1225 lakhs raised in FY 23-24
Debt Service Coverage ratio	Earnings available for debt service *	Debt Service **	NA	NA	-	-
Return on Equity ratio	Net Profits after taxes -- Preference Dividend	Average Shareholder's Equity	-609.37%	-254.19%	140%	Due to loss in FY 23-24 compared with FY 22-23
Inventory Turnover ratio	Revenue	Average Inventory	NA	NA	NA	-
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable:	NA	NA	NA	-
Trade Payable Turnover Ratio	Purchases of goods and services	Average Trade Payables	NA	NA	NA	-
Net Capital Turnover Ratio	Revenue	Working capital***	NA	NA	NA	-
Net Profit ratio	Net Profit after tax.	Revenue	NA	NA	NA	-
Return on Capital Employed	Earnings before interest and taxes	Capital Employed ****	NA	NA	NA	-
Return on investment (ROI)	Income generated from investment carried at FVTPL and amortised cost	Income carried at investment carried at FVTPL and amortised	-68.20%	-340.27%	-80%	Due to loss in FY 23-24 compared with FY 22-23

* Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

** Interest, Lease Payments and Principal Repayments

*** Current assets – Current liabilities

**** Tangible Net Worth + Total Debt + Deferred Tax Liability

Note: Reasons have been explained for variance in which % of change is more than 25% as compared to previous year..



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Hero Edu Systems Private Limited

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

(All amounts in ₹Lakhs, unless otherwise stated)

Note 28:

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 or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entity identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 29: Disclosure of transactions with struck off companies

The company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial years.

Note 30:

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto currency or virtual currency
- (b) Benami property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies.
- (d) Relating to borrowed funds:
 - i) Wilful defaulter
 - ii) Utilisation of borrowed funds & share premium
 - iii) Discrepancy in utilisation of borrowings

Note 31:

The company is incorporated on December 27, 2022. Hence, corresponding figures of pervious period are not comparatble with current year figures.

For and on behalf of the board of directors of
Hero Edu Systems Private Limited



(Abhishek Munjal)

Director

DIN:05355274

Date: May 10, 2024



(Amit Gupta)

Director

DIN:02990732

Date: May 10, 2024

