

AUDITED FINANCIAL STATEMENTS OF

**FUSION KLASSROOM EDUTECH
PRIVATE LIMITED**

**FOR FINANCIAL YEAR ENDED
MARCH 31, 2023**

Auditors:
A V H P & COMPANY LLP



AVHP & COMPANY LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of FUSION KLASROOM EDUTECH PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of FUSION KLASROOM EDUTECH PRIVATE LIMITED ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss and notes to financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and the accounting Standards specified under section 133 of the Act; read with Rule 7 of The Companies (Accounts) Rule 2014 (as amended), of the balance sheet of the Company as at 31 March 2023, and its losses and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Annual 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 in the audit or otherwise appears to be



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

Responsibilities of Management 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 Balance Sheet, profit or loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management 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 Standards on Auditing 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 Standards on Auditing, 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 explaining our opinion on whether the company has adequate internal financial controls system 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.

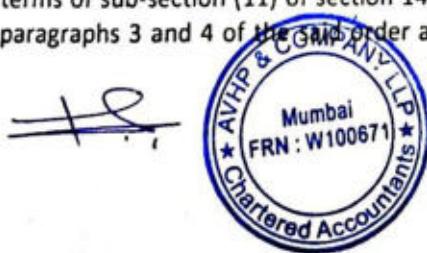
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matter

As stated in note 9 to the financial statement, the company has been capitalising the study content creation cost and depreciating the same with an estimated useful life of 10 years. 35 percent of the total payments made to teachers during the year is transferred to study content asset and capitalised. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1) In our opinion and according to the information and explanations given to us by the management and records examined by us, in our opinion, matters required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, a statement on the matters specified in paragraphs 3 and 4 of the said order are not applicable to the company as company being



small company as per section 2(85) of the Companies Act 2013 for the period under review.

2) As required by section 143 (3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act; read with Rule 7 of The Companies (Accounts) Rule 2014 (as amended);
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) With reference to reporting on the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls; in our opinion such reporting is not required as per the provisions of section 143(3) (i) of the Companies Act 2013;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that section 197 is not applicable on private company. Hence reporting as per section 197(16) is not required.
- h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.



A handwritten signature in black ink, appearing to read 'S. S. H. P.' or a similar variation.

iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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 Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under above two clauses contain any material mis-statement.

v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

From A V H P & Company LLP
Chartered Accountants
Firm Registration Number: W100671



Hitesh Motilal Purohit
Partner
Membership No.: 147968
UDIN: 23147968BGWIXT6813



Place: Mumbai
Date: 6th September 2023

FUSION KLAASSROOM EDUTECH PRIVATE LIMITED

(CIN: U74999MH2016PTC287390)

BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Note No.	(INR in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1.69	1.69
(b) Reserves and surplus	4	141.12	209.77
		142.80	211.45
2 Non-current liabilities			
(a) Long-term borrowings	5	135.29	38.90
(b) Deferred tax liabilities (net)		-	-
(c) Other Long-term liabilities		-	-
(d) Long-term provisions		-	-
		135.29	38.90
3 Current liabilities			
(a) Short term provisions	6	-	-
(b) Trade payables	7	5.03	0.10
(c) Other current liabilities	8	5.59	8.77
(d) Short-term borrowings		15.66	20.74
		26.28	29.62
TOTAL		304.37	279.97
II. ASSETS			
1 Non-current assets			
(a) Property Plant and Equipment and Intangible assets	9		
(i) Property, Plant and Equipment		17.75	11.18
(ii) Intangible assets		167.05	49.55
(iii) Capital Work In Progress		-	-
(iv) Intangible Assets Under Developments		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
		184.80	60.73
2 Current assets			
(a) Current Investments	10	108.80	107.16
(b) Inventories		-	-
(c) Trade receivables	11	-	2.66
(d) Cash and cash equivalents	12	6.41	108.14
(e) Short-term loans and advances		-	-
(f) Other current assets	13	4.37	1.28
TOTAL		119.57	219.23
		304.37	279.97

The accompanying notes form an integral part of the financial statements

In terms of our report of even date attached

For A V H P & COMPANY LLP

Chartered Accountants

Firm Registration No.: W100671

For and on behalf of the Board of Directors

Alka Javeri *Dhruv Javeri* *Dhumil Javeri*
Fusion Klassroom Edutech Pvt. Ltd. Fusion Klassroom Edutech Pvt. Ltd.

Hitesh Motilal Purohit

Partner

Membership No.: 147968

Place: Mumbai

Date: 6th September 2023

UDIN: 23147968BGWIXT6813

Alka Javeri

Director

DIN: 07638198

Place: Mumbai

Date: 6th September 2023

Alka Javeri *Dhruv Javeri* *Dhumil Javeri*
Director Director Director

DIN: 07638355

Place: Mumbai

Date: 6th September 2023

DIN: 07638197

Alka Javeri *Dhruv Javeri* *Dhumil Javeri*
Director Director Director



FUSION KLASROOM EDUTECH PRIVATE LIMITED

(CIN: U74999MH2016PTC287390)

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Note No.	(INR In Lakhs)	
		Year ended March 31, 2023	Year ended March 31, 2022
I. INCOME	14		
(a) Revenue from operations		481.71	169.17
(b) Other Income		6.50	2.11
TOTAL INCOME (a+b)		488.21	171.28
II. EXPENSES	16		
(a) Cost of materials consumed		-	96.82
(b) Operating Expenses		313.77	-
(c) Changes in inventories of finished goods,		-	-
(d) Changes in work-in-progress and stock-in-trade		-	-
(e) Employee benefits expenses		61.34	45.14
(f) Depreciation and amortisation expenses		17.56	7.46
(f) Finance costs		11.15	14.29
(g) Other expenses		153.04	113.79
TOTAL EXPENSES (a+b+c+d+e+f+g)		556.86	277.50
Profit before exceptional and extraordinary items and tax (I-II)		-68.65	-106.23
IV. Exceptional & Extraordinary items		-	-
V. Profit before tax (III-IV)		-68.65	-106.23
VI. Tax Expenses:		-	-
(a) Current tax expense		-	-
(b) Deferred tax		-	-
VII. Profit/Loss for the period		-68.65	-106.23
VIII. Earnings Per Share (Face value Rs. 10 each)		-407.41	-630.43
(a) Basic (in Rs.)		-399.46	-630.43
(b) Diluted (in Rs.)			

The accompanying notes form an integral part of these financial statements

In terms of our report of even date attached

For A V H P & COMPANY LLP

Chartered Accountants

Firm Registration No.: W100671



HITESH MOTILAL PUROHIT

Partner

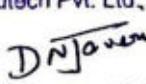
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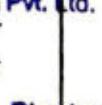
Place: Mumbai

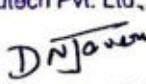
Date: 6th September 2023

UDIN: 23147968BGWIXT6813

For and on behalf of the Board of Directors

   **Alka Javeri** **Dhruv Javeri** **Dhumil Javeri**
Mrs. Fusion Klassroom Edutech Pvt. Ltd.

 Director

   **Alka Javeri** **Dhruv Javeri** **Dhumil Javeri**
Mrs. Fusion Klassroom Edutech Pvt. Ltd.



Alka Javeri
Director
DIN: 07638198

Dhruv Javeri
Director
DIN: 07638355

Dhumil Javeri
Director
DIN: 07638197

Place: Mumbai

Date: 6th September 2023

FUSION KLASROOM EDUTECH PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2023

NOTE 3 - SHARE CAPITAL

(INR in Lakhs)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
20,000 (P.Y. 20,000) Equity Shares of Rs.10/- each				3.00
10,000 (P.Y. 10,000) Compulsorily Convertible Preference Shares of Rs. 10/- each	30,000	3.00	30,000	3.00
(b) Issued				
Subscribed and fully paid up				
13,521 (P.Y. 13,521) Equity Shares of Rs.10/- each fully paid up	13,521	1.35	13,521	1.35
3,329 (P.Y. 3,329) Compulsorily Convertible Preference Shares of Rs.10/- each fully paid up	3,329	0.33	3,329	0.33
Total	16,850	1.69	16,850	1.69

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

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Rs.	Number of shares	Rs.
Balance as at the beginning of the year	30,000	3.00	30,000	3.00
Add : Shares issued	-	-	-	-
Less : Shares redeemed	-	-	-	-
Less : Shares cancelled	-	-	-	-
Balance as at the end of the year	30,000	3.00	30,000	3.00

(b) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	As on March 31, 2023		As on March 31, 2022	
	No. of Shares	%	No. of Shares	%
Mrs. Alka Javeri	5,200	30.86	5,200	30.86
Mrs. Deepiti Choudhary	1,192	7.07	1,192	7.07
Mr. Dhruv Javeri	2,400	14.24	2,400	14.24
Mr. Dhumil Javeri	2,400	14.24	2,400	14.24
M/s Mohan Mechem Projects Private Limited	1,024	6.08	1,024	6.08
TOTAL	12,216	72.50	12,216	72.50

(c) Shares held by the promoters at the end of the year

Name of Promoters	As at March 31, 2023		
	No. of Shares	% of Total Shares	% Change during the year
Mrs. Alka Javeri	5,200	30.86	-
Mr. Dhruv Javeri	2,400	14.24	-
Mr. Dhumil Javeri	2,400	14.24	-
TOTAL	10,000	59.35	-



FUSION KLASROOM EDUTECH PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2023

NOTE 4 - RESERVES AND SURPLUS

Particulars	As at 31 March, 2023	As at 31 March, 2022 (INR in Lakhs)
(i) Securities Premium		
Opening Balance	574.85	161.15
Additions during the year	-	413.70
Closing balance of Securities Premium	574.85	574.85
(ii) Retained Earnings		
Opening balance	-365.09	-258.86
Add: Profit/(Loss) for the year	-68.65	-106.23
Closing balance of Retained Earnings	-433.73	-365.09
TOTAL (i+ii)	141.12	209.77

NOTE 5 - LONG TERM BORROWINGS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured -		
Loan from banks - term loans	0.78	9.04
Loan from non banking finance companies - term loans	15.59	29.86
Loan from non banking finance companies - overdraft	5.00	-
Fully Convertible debentures	113.93	-
TOTAL	135.29	38.90

NOTE 6 - TRADE PAYABLES

Particulars	As at 31 March, 2023	As at 31 March, 2022
(i) Undisputed dues - micro and small enterprises	-	0.10
(ii) Undisputed dues - others	5.03	-
(iii) Disputed dues - MSME	-	-
(iv) Disputed dues - others	-	-
TOTAL	5.03	0.10

NOTE 6 A) Trade Payables Ageing Schedule

a) As at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment				
	less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i) Undisputed dues - micro and small enterprises	-	-	-	-	-
(ii) Undisputed dues - others	4.92	0.09	0.02	-	5.03
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
TOTAL	4.92	0.09	0.02	0.00	5.03

b) As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i) Undisputed dues - micro and small enterprises	-	-	-	-	-
(ii) Undisputed dues - others	0.09	0.02	-	-	0.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
TOTAL	0.09	0.02	0.00	-	0.10



FUSION KLASROOM EDUTECH PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2023

NOTE 7 - OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2023	As at 31 March, 2022 (INR in Lakhs)
GST payable	1.18	5.39
TDS payable	0.27	0.26
Audit fees payable	1.25	0.85
Salary payable	2.88	2.28
TOTAL	5.59	8.77

NOTE 8 - SHORT TERM BORROWINGS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Current maturities of long term debt	13.31	16.98
Loan from directors	2.35	3.76
TOTAL	15.66	20.74

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (refer note 9.1)

Particulars	As at 31 March, 2023	As at 31 March, 2022
a) Property, plant and equipment	28.97	18.93
Gross block	11.23	7.75
Less: Depreciation	17.75	11.18
Net block of tangible assets		
b) Intangible assets	190.97	59.39
Gross block	23.92	9.84
Less: Depreciation	167.05	49.55
Net block of Intangible assets	184.80	60.73
TOTAL		

NOTE 10 - CURRENT INVESTMENTS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Deposit with banks	108.80	107.16
TOTAL	108.80	107.16

NOTE 11 - TRADE RECEIVABLES (refer note 11(a) below)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Undisputed - considered good	-	2.66
Undisputed - considered doubtful	-	-
Disputed - considered good	-	-
Disputed - considered doubtful	-	2.66
TOTAL		

NOTE 11 (a) Trade Receivables Ageing Schedule

a) As at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed - considered good	-	-	-	-	-
Undisputed - considered doubtful	-	-	-	-	-
Disputed - considered good	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-
TOTAL					

b) As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed - considered good	2.66	-	-	-	2.66
Undisputed - considered doubtful	-	-	-	-	-
Disputed - considered good	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-
TOTAL	2.66	-	-	-	2.66



FUSION KLASROOM EDUTECH PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2023

NOTE 12 - CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2023	As at 31 March, 2022 (INR in Lakhs)
Cash in Hand	6.41	108.14
Balances with banks	6.41	108.14
TOTAL		

NOTE 13 - OTHER CURRENT ASSETS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Statutory and other receivables-	4.02	1.28
TDS Receivable	0.35	0.00
Other current assets	4.37	1.28
TOTAL		

NOTE 14 - REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Receipts from tuition fees including study kits	370.91	143.38
Courseware sales	110.79	25.79
TOTAL	481.71	169.17

NOTE 15 - OTHER INCOME

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income from bank deposits	6.45	2.10
Interest income from income tax refunds	0.05	0.00
TOTAL	6.50	2.11

NOTE 16 - OPERATING EXPENSES

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Teacher's payouts	195.31	79.37
Tuition fees expenses paid to vendors	31.64	11.92
Courseware expenses	48.71	5.53
Study Kit expenses	38.11	-
TOTAL	313.77	96.82

NOTE 17 - EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salary paid to directors	22.50	19.80
Salary paid to others	35.97	23.82
Stipends paid	2.33	0.76
Staff welfare expenses	0.04	0.35
Professional tax paid	0.38	0.17
Recruitment expenses	0.12	0.24
TOTAL	61.34	45.14

NOTE 18 - FINANCE COSTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest paid on loans taken	9.63	13.89
Interest paid on taxes	0.89	0.19
Loan processing fees paid	0.62	0.21
TOTAL	11.15	14.29



FUSION KLASROOM EDUTECH PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2023

NOTE 19 - OTHER EXPENSES

Particulars	Year ended March 31, 2023	Year ended March 31, 2022 (INR in Lakhs)
Advertising and publicity expenses	85.97	55.33
Payment to auditors (refer note 20)	1.25	1.07
Bank charges	0.15	0.56
Electricity expenses	1.18	0.72
Internet expenses	0.45	0.17
Legal and professional charges paid	19.84	38.66
Payment gateway charges	1.98	1.38
Office expenses	0.50	0.25
Printing and stationery expenses	11.72	1.30
Stamp duty charges	0.37	7.55
Office rent expenses	11.43	0.41
Repairs and maintenance	0.55	0.18
Food and beverages expenses	0.31	0.00
Sales incentives paid	0.67	3.35
Software maintenance recurring expenses	4.51	2.13
Travelling expenses	12.16	
TOTAL	153.04	113.79

NOTE 20 - Breakup of payment to auditors

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statutory audit fees	0.95	0.60
Tax Audit Fees	0.30	0.25
Taxation matter and other Fees	-	0.22
TOTAL		1.25

NOTE 21 - RELATED PARTY TRANSACTIONS

Name	Relationship
1) Mrs. Alka Javeri	Director – Key Managerial Person
2) Mr. Dhumil Javeri	Director – Key Managerial Person
3) Mr. Dhruv Javeri	Director – Key Managerial Person
4) Mr. Nikhil Javeri	Spouse of Key Managerial Person
5) Aadeshwar Academy	Entity owned by Key Managerial Person

Transactions (in aggregate) with related parties	Year ended March 31, 2023	Year ended March 31, 2022
1] Director Remuneration	7.50	6.60
a) Alka Javeri	7.50	6.60
b) Dhumil Javeri	7.50	6.60
c) Dhruv Javeri		
2] Remuneration	6.10	5.40
a) Nikhil Javeri		
3] Rent Paid	11.43	7.55
a) Alka Javeri		
4] Tuition Fees Paid	-	0.17
a) Aadeshwar Academy		

Balances with related parties	As on 31st March 2023	As on 31st March 2022
Loan from directors as on the last day of the year		
a) Alka Javeri	1.13	1.53
b) Dhumil Javeri	0.00	0.45
c) Dhruv Javeri	1.22	1.78

Notes: During the financial year, the company entered into related party transactions which were on arm's length basis and in the ordinary course of business.



Note 9.1 - PROPERTY, PLANT & EQUIPMENT INCLUDING INTANGIBLE ASSETS

PARTICULARS		GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Opening as on 1st April 2022	Additions during the year	Sales/Adj. during the year	Closing as on 31st March 2023	Opening Depreciation as on 1st April 2022	Depreciation for the year	On Sale/Adj during the year	Closing depreciation as on 31st March 2023
A) PROPERTY, PLANT & EQUIPMENT									
1	COMPUTER & DATA PROCESSING UNITS	4.73	4.46	0.00	9.19	4.22	2.01	6.23	2.96
2	OFFICE & EQUIPMENTS	3.27	0.83	0.00	4.09	1.43	0.26	1.70	2.40
3	FURNITURE & FIXTURES	10.93	4.76	0.00	15.69	2.10	1.20	3.30	12.39
	TOTAL PROPERTY, PLANT & EQUIPMENT	18.93	10.05	0.00	28.97	7.75	3.48	0.00	11.23
B) INTANGIBLE ASSETS									
1	INTANGIBLE ASSETS (Refer note* below)	59.39	131.58	0.00	190.97	9.84	14.08	0.00	23.92
	TOTAL INTANGIBLE ASSETS	59.39	131.58	0.00	190.97	9.84	14.08	0.00	23.92
	TOTAL (A+B)	78.32	141.62	0.00	219.95	17.59	17.56	0.00	35.15
									60.73

Note*: 35% of teacher payouts on monthly basis are capitalised towards generation of "Recorded Content" and classified as Intangible Assets.



FUSION KLASROOM EDUTECH PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2023

NOTE 22 - KEY FINANCIAL RATIOS

Financial Ratios	As at 31st March 2023	As at 31st March 2022	% Variance	Explanation for variance above 25%
Current ratio	4.55	8.48	-46%	refer note (a) below
Debt equity ratio	92.90	40.66	128%	refer note (b) below
Debt service coverage ratio	-1.07	-3.29	-67%	refer note (c) below
Return on Equity	-40.74	-66.98	-39%	refer note (d) below
Trade receivable turnover ratio	0.00	0.00	-	Variance below 25%
Trade payable turnover ratio	0.00	0.00	-	Variance below 25%
Net capital turnover ratio	5.16	0.87	493%	refer note (e) below
Net profit ratio	-14.25	-62.79	-77%	refer note (f) below
Return on capital employed	-0.32	-1.52	-79%	refer note (g) below
Return on investment	5.93	1.96	202%	refer note (h) below

Explanations for variances above 25% in above ratios:

(a) The current ratio has a slight dip in current financial year since the comparative bank balance as on the last date of previous year was on the higher side due to fresh capital infusion in the last month of the previous year and the said amount was lying in the bank.

(b) Debt Equity ratio as on the balance sheet date of the current financial year is on the higher side due to receipts in form of convertible debentures shown as long term debt in the balance sheet. The said CCD shall be converted to CCPS in future.

(c) Debt service coverage ratio has improved due to higher EBIDTA (earnings before depreciation, interest and tax) as compared to preceding financial year.

(d) Return on equity has improved in current financial year due to PAT being better as compared to preceding year.

(e) Turnover during the current financial year has increased by almost 185% as compared to preceding year. Therefore the net capital turnover ratio has improved.

(f) Reduction in loss after tax figure by almost 35% in current year as compared to preceding financial year has resulted in better Net Profit ratio.

(g) Better EBIT in current financial year has resulted in improved return on capital ratio as compared to preceding year.

(h) Interest income for the year of Rs. 6.45 Lacs was on higher side due to deposits with banks on higher side as parked liquidity as compared to Rs. 2.10 Lacs interest income in preceding year.

The accompanying notes form an integral part of these financial statements

In terms of our report of date attached
For A V H P & COMPANY LLP Mumbai
Chartered Accountants FRN : W100671
Firm Registration No.: W100671

For and on behalf of the Board of Directors

Mrs. Fusion Klassroom Edutech Pvt. Ltd.

Mrs. Fusion Klassroom Edutech Pvt. Ltd.

D. J. Javeri *D. J. Javeri*
Director Director

HITESH MOTILAL PUROHIT
Partner
M. No.: 147968

Alka Javeri
Alka Javeri
Director
DIN: 07638198

Dhruv Javeri
Dhruv Javeri
Director
DIN: 07638355

Dhumil Javeri
Dhumil Javeri
Director
DIN: 07638197

Place: Mumbai
Date: 6th September 2023
UDIN: 23147968BGWIXT6813

Place: Mumbai
Date: 6th September 2023

FUSION KLASROOM EDUTECH PRIVATE LIMITED
Corporate Information and Significant Accounting Policies
For the year ended March 31, 2023

NOTE 1: CORPORATE INFORMATION AND BASIS OF PREPARATION:

Corporate Information:

Fusion Klassroom Edutech Private Limited ("the Company") is a private limited company incorporated in India having its registered office at Mumbai, Maharashtra, India. The company is engaged in the business of providing Commercial Coaching through its network of affiliates within India and is a recognized startup by the Department of Industrial Policy and Promotion under the Ministry of Commerce & Industry of Government of India.

Basis of Preparation:

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. These financial statements comply in all material aspects with the Accounting Standards (AS) notified under applicable rules, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the and Companies Act, 2013 (as applicable).

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES:

Use of Estimates:

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Property, Plant and Equipment & Depreciation:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, net of trade discounts and rebates, directly attributable costs of bringing the asset to its working condition for its intended use and capitalised borrowing costs. When significant parts of the plant and



equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is capitalised only if it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the statement of profit and loss when the asset is derecognised.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

Intangible Assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The amortisation expense on intangible assets with finite lives is recognised in statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Study Content has been capitalized during the year as an intangible asset.

Depreciation has been provided on the written down value method as per the rates prescribed in the Schedule II of the Companies Act 2013.

Earnings Per Share:

Basic earnings per share are computed by dividing the net profit/(loss) for the year attributable to the shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the shareholders is divided by the weighted average number of shares which could have been issued on the conversion of all dilutive potential shares.



Calculation of EPS

Particulars	FY 22-23		FY 21-22	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Net Profit/(Loss) attributable to shareholders	(68,64,789)	(68,64,789)	(1,06,22,769)	(1,06,22,769)
Weighted average number of shares	16,850	$16,850 + 335 = 17185$	16,850	16,850
Basic EPS (a/b)	(407.41)	(399.46)	(630.43)	(630.43)

*335 is the number of shares issued for existing CCD holders

Taxes on Income:

Current tax is determined as the amount of tax payable as per the provisions of The Income Tax Act, 1961 and relevant rules, notifications and circulars.

However there being no taxable profit during the year, no tax liability has been provided in the financial statements.

Revenue Recognition:

The major source of Revenue during the financial year has been Fees charged from Students been admitted through affiliated channel partners. Income is recognized as and when the fees is due from the admitted students and when there is no uncertainty about the receipt of the same.

Going Concern Basis:

Company has accumulated loss of Rs. 433.73 Lacs as on 31st March 2023 (Previous Year - Rs. 365.09 Lacs) out of which loss of Rs. 68.65 Lacs has been incurred during the current year (Previous year - Rs. 106.23 Lacs). However, being the initial years of the company operating as a start-up, the financial statements of the Company have been prepared on a going concern basis for the reason that the company is expected to start making profits in near future.

Borrowing Costs:

Borrowing (Finance) Costs consist of Interest and Other costs that an entity incurs in connection with the borrowing of funds and are expensed in the period in which they occur. Major Interest costs during the year incurred are towards unsecured borrowings from Banks and Non-Banking Financial Institutions.

Current versus non-current classification

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

An asset is treated as current when:

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



All other assets are classified as non-current.

A liability is treated as current when:

It is expected to be realized or intended to be sold or consumed in normal operating cycle,

It is held primarily for the purpose of trading,

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

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

All other liabilities are classified as non-current

Operating cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Provisions:

Provisions are recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification/disclosure.

In terms of our report of even date attached

For A V H P & COMPANY LLP

Chartered Accountants

Firm Registration No.: W100671

For and on behalf of the Board of Directors

Mrs. Fusion

Edutech Pvt. Ltd.

Mrs. Fusion Klassroom Edutech Pvt. Ltd.

Mrs. Fusion Klassroom Edutech Pvt. Ltd.

Hitesh Motilal Purohit

Partner

Membership No.

147968

Mumbai

FRN: W100671

Place: Mumbai

Date: 6th September 2023

UDIN: 23147968BGWIK16813

Alka Javeri

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DIN: 07638198

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Place: Mumbai

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