

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of HCL Learning Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of HCL Learning Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), standalone 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 the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 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 on the Standalone financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone 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.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 standalone 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 in the standalone financial statements made by the Management and Board of Directors.
 - Conclude on the appropriateness of the Management and Board of Directors 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 standalone 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.
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- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 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 changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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".
- (B) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements- Refer Note 27 to the financial statements;
 - 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. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) 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, during the current year, the Company has not paid any remuneration to its directors during the year. The remuneration to any director is paid by HCL Infosystems Limited ("Holding Company"). The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.


For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024



Sandeep Batra
Partner
Membership No.: 099320
UDIN:21093320AAAABD9072

Place: New Delhi
Date :24-June-2021

Annexure A referred to in our Independent Auditors' Report to the members of HCL Learning Limited on the financial statements for the year ended 31 March 2021

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified by the management in a phased manner over a period of three years. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no physical verification was required as per the phased programme.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any immovable properties. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- (ii) The physical verification of inventory have been conducted at reasonable intervals by the management during the year. Based on above verification, no discrepancies noticed.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loan, or provided any guarantee or security or made any investment as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income-tax, Goods and Services tax, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of customs, Duty of excise and Value added tax.
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According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Goods and Services tax, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable

- (b) According to the information and explanations given to us, there are no dues of income tax, duty of excise, service tax and duty of customs and Goods and Services Tax which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2021. The particulars of service tax, sales tax and other material statutory dues as at 31 March 2021 which have not been deposited on account of dispute is mentioned in the annexure below:

Name of Act	Nature of Dues	Demand Raised (Rs. in Lacs)	Amount Deposited (Rs. in Lacs)	Assessment Year	Forum where dispute is pending
Central Sales Tax, 1956	Central Sales Tax (Delhi)	18.84	-	2014-15	Assistant VAT Officer , Delhi
U.P. Trade Tax Act, 1948	Sales Tax	9.86	4.73	2014-15	Commercial Tax Tribunal, Noida
U.P. Trade Tax Act, 1948	Sales Tax	7.43	5.38	2015-16	Commissioner Appeals, Commercial Taxes, Noida
U.P. Trade Tax Act, 1948*	Sales Tax	0.00	0.00	2015-16	Joint Commissioner, Commercial Taxes, Noida
Rajasthan Value Added Tax Act, 2003	Sales Tax	0.15	-	2014-15	Commercial Tax Officer, Jaipur, Rajasthan
Tamil Nadu Value Added Tax Act, 2006	Sales Tax	0.38	-	2014-15	Assistant Commissioner of Sales Tax Chennai
Central Sales Tax, 1956	Central Sales Tax (Maharashtra)	0.23	-	2013-14	Deputy Commissioner of Sales Tax – Mumbai

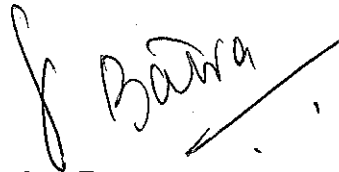
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Tamil Nadu Value Added Tax Act, 2006	Sales Tax	0.38	-	2014-15	Assistant Commissioner of Sales Tax Chennai
Central Sales Tax, 1956	Central Sales Tax (Maharashtra)	0.23	-	2013-14	Deputy Commissioner of Sales Tax - Mumbai

- (viii) According to the information and explanation given to us, the Company has not availed any loan or borrowings from any financial institution, banks or government and did not have any outstanding dues to the debenture holders during the year. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- (ix) According to the information and explanations given to us, the Company has not raised any money by way of term loan. Also, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid/ provided for managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- (xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company

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- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.:116231W/W-100024

A handwritten signature in black ink, appearing to read 'Sandeep Batra', with a long horizontal stroke extending to the right.

Sandeep Batra
Partner

Membership No.: 099320
UDIN:21093320AAAABD9072

Place: New Delhi
Date :24-June-2021

Annexure B to the Independent Auditors' report on the financial statements of HCL Learning Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of HCL Learning Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

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 and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to financial statements.

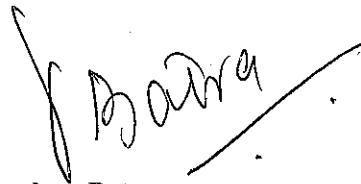
Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls 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 controls with reference to financial statements include 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 controls 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

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.:116231W/W-100024



Sandeep Batra
Partner
Membership No.: 099320
UDIN:21093320AAAABD9072

Place: New Delhi
Date :24-June-2021

HCL Learning Limited
Balance Sheet as at March 31, 2021

	Notes	As at 31.03.2021 ₹/Lacs		As at 31.03.2020 ₹/Lacs	
I. ASSETS					
(1) Non-current assets					
Property, plant and equipment	3(a)	-	-	-	-
Intangible assets	3(b)	-	-	-	-
Financial assets					
(i) Other financial assets	4	22.10		15.86	
Advance income tax (net)	5	137.16		362.85	
Other non-current assets	6	47.07	206.33	47.53	426.24
(2) Current assets					
Inventories	7	2.42		-	
Financial assets					
(i) Trade receivables	8	-		-	
(ii) Cash and cash equivalents	9	69.40		33.89	
(iii) Other bank balances other than (ii) above	10	-		5.84	
(iv) Other financial assets	11	0.17		57.60	
Other current assets	12	51.09	123.08	74.18	171.51
Total Assets			329.41		597.75
II. EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	13	7.53		7.53	
Other equity	14	(4,690.61)	(4,683.08)	(4,628.68)	(4,621.15)
(2) Liabilities					
Current liabilities					
Financial liabilities					
(i) Borrowings	15	4,882.80		4,770.15	
(ii) Trade payables	16				
(a) Total outstanding dues of micro enterprises and small enterprises		0.14		0.11	
(b) Total outstanding dues other than micro enterprises and small enterprises		104.99		319.13	
(iii) Other financial liabilities	17	3.74		77.28	
Other current liabilities	18	3.53		31.89	
Provisions	19	17.29	5,012.49	20.34	5,218.90
Total Equity and Liabilities			329.41		597.75

Significant Accounting Policies

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The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For BSR & Associates LLP
Chartered Accountants
Firm Registration Number-116231W/W-100024

Sandeep Batra
Partner
Membership Number - 093320

New Delhi, June 24, 2021

For and on behalf of the Board of Directors
HCL Learning Limited

Dilip Kumar Srivastava
Director
DIN - 06847137

Neelesh Agarwal
Director
DIN - 00149856

Noida, June 24, 2021

by

HCL Learning Limited
Statement of profit and loss for the period ended March 31, 2021

		Year ended 31.03.2021	Year ended 31.03.2020
	Notes	₹/Laacs	₹/Laacs
Income :			
Revenue from operations	20	-	536.75
Other income	21	238.84	390.28
Total Income		238.84	927.03
Expenses :			
Purchases of stock-in-trade		2.42	0.30
Changes in inventories of finished goods, stock-in -trade	22	(2.42)	0.11
Other direct expense	23	2.94	21.09
Employee benefits expense	24	4.50	59.71
Finance costs	25	180.44	1,362.50
Depreciation and amortization expense	3(a), 3(b)	-	1.63
Other expenses	26	112.89	173.64
Total Expenses		300.77	1,618.98
Loss before exceptional items and tax		(61.93)	(691.95)
Exceptional items	40	-	1,832.26
Profit/(loss) before tax		(61.93)	1,140.31
Income tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	29.21
Profit/(loss) for the year		(61.93)	1,111.10
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Gain/(loss) on remeasurement of defined benefit plan		-	0.80
Total comprehensive income/(loss) for the year		(61.93)	1,111.90
Earning per equity share:			
(1) Basic	35	(82.27)	1,476.07
(2) Diluted		(82.27)	1,476.07

Significant Accounting Policies

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm Registration Number-516231W/W-100024



Sandeep Batra
 Partner
 Membership Number - 093320

New Delhi, June 24, 2021

For and on behalf of the Board of Directors
 HCL Learning Limited

Dilip Kumar Srivastava
 Director
 DIN - 06847137

Neelesh Agarwal
 Director
 DIN - 00149856

Noida, June 24, 2021



HCL Learning Limited
Cash Flow Statement for the year year ended March 31, 2021

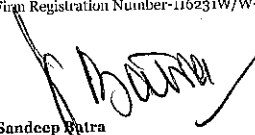
	Year ended 31.03.2021 ₹/Lacs	Year ended 31.03.2020 ₹/Lacs
1. Cash Flow from Operating Activities:		
Profit/(loss) before tax	(61.93)	1,140.31
Adjustments for:		
Depreciation and amortisation expense	-	1.63
Finance cost	180.44	1,362.50
Property, plant and equipment written-off	-	10.55
(Gain)/Loss on foreign exchange fluctuation	(0.19)	0.51
Provision for doubtful loans & advances and other current assets	14.76	1.15
Provisions for other current assets	65.87	-
Provisions/liabilities no longer required written back	(217.14)	(364.74)
Gain on disposal of subsidiary	-	(1,832.26)
	<u>43.45</u>	<u>890.66</u>
Operating profit before working capital changes	(18.48)	319.65
Adjustments for changes in working capital:		
- (Increase)/decrease in current loans and advances	(0.11)	(31.20)
- (Increase)/decrease in non-current loans and advances	0.46	(7.21)
- Decrease/(increase) in inventories	(2.42)	0.11
- (Decrease)/ Increase in current liabilities	(101.73)	211.71
- Decrease in non-current liabilities	-	(2.04)
Cash generated from operations	<u>(122.28)</u>	<u>171.37</u>
- Taxes (paid) / received (net)	204.87	(99.93)
Net cash generated from operating activities	(A) <u>82.59</u>	<u>391.09</u>
2. Cash flow from investing activities:		
Interest received	20.82	-
Proceeds from sale of fixed assets	0.29	-
Sale of investment in subsidiaries	-	29,458.26
Investment in bank margin money	(0.40)	(8.00)
Net cash generated from investing activities	(B) <u>20.71</u>	<u>29,450.26</u>
3. Cash Flow from Financing Activities:		
Proceeds from loans and borrowings	105.75	2,268.99
Repayment of loans and borrowings	(160.00)	(31,151.75)
Interest paid	(13.64)	(1,061.48)
Net cash used in financing activities	(C) <u>(67.79)</u>	<u>(29,944.24)</u>
Net (decrease)/increase in cash and cash equivalents	(A+B+C) <u>35.51</u>	<u>(102.89)</u>
Opening balance of cash and cash equivalents	33.89	136.78
Closing balance of cash and cash equivalents	69.40	33.89
Cash and cash equivalents comprise of	69.40	33.89
Cash, cheques and drafts (on hand)	-	2.45
Balances with banks on current accounts	69.40	31.44

The above cash flow from operating activities has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of cash flows.

Notes:
Figures in brackets indicate cash outflow

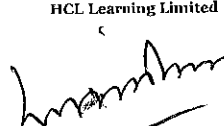
This is the cash flow statement as per our report of even date attached

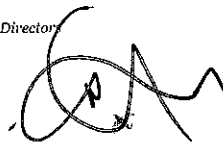
For BSR & Associates LLP
Chartered Accountants
Firm Registration Number-116231W/W-100024


Sandeep Khatra
Partner
Membership Number - 093320

New Delhi, June 24, 2021

For and on behalf of the Board of Directors
HCL Learning Limited


Dilip Kumar Srivastava
Director
DIN - 06847337


Neellesh Agarwal
Director
DIN - 00149856

Noida, June 24, 2021



HCL Learning Limited
Statement of changes in equity for the period ended March 31, 2021

a. Equity Share Capital	Number of Equity Shares	₹/Lacs
		Equity Share Capital
Balance as at 01.04.2019	75,274	7.53
Balance as at 31.03.2020	75,274	7.53
Balance as at 01.04.2020	75,274	7.53
Balance as at 31.03.2021	75,274	7.53

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance as at 01.04.2019	5,997.52	(11,738.10)	(5,740.58)
Loss for the year		1,111.10	1,111.10
Other comprehensive income for the year		0.80	0.80
Balance as at 31.03.2020	5,997.52	(10,626.20)	(4,628.68)
Balance as at 01.04.2020	5,997.52	(10,626.20)	(4,628.68)
Profit for the year	-	(61.93)	(61.93)
Other comprehensive income for the year	-	-	-
Balance as at 31.03.2021	5,997.52	(10,688.13)	(4,690.61)

Securities Premium :

The aggregate difference between the par value of shares and the subscription amount is recognised as share premium.

Retained Earnings:

Retained earnings represents the undistributed profits of the Company accumulated as on Balance Sheet date.

This is the Statement of Changes in Equity as per our report of even date attached

For BSR & Associates LLP
Chartered Accountants
Firm Registration Number-116231W/W-100024



Sandeep Batra
Partner
Membership Number - 093320

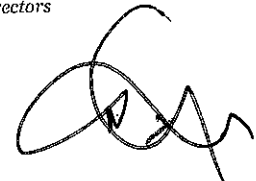
New Delhi, June 24, 2021

For and on behalf of the Board of Directors
HCL Learning Limited



Dilip Kumar Srivastava
Director
DIN - 06847137

Noida, June 24, 2021



Neelesh Agarwal
Director
DIN - 00149856

64

HCL Learning Limited
Notes to the Financial Statements

1. Corporate information

HCL Learning Limited ('the Company') is domiciled and incorporated in India. The registered office of the company is situated at 806, Siddharth, 96, Nehru Place, New Delhi - 110019.

The Company is primarily engaged in selling of digitised educational content & learning solutions.

The financial statements were approved by the Board of Directors and authorised for issue on 24.06.2021.

2. Significant accounting policies

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

2.1 Basis of preparation and measurement

(i) Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The statement of cash flows have been prepared under indirect method.

These financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company.

(ii) Basis of measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for the certain financials assets and liabilities which have been measured at fair value as explained in the accounting policies below.

2.2 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

2.3 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses disclosure of contingent liabilities and contingent assets at the date of the financial statements and the results of operations during the reporting period. The actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

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HCL Learning Limited
Notes to the Financial Statements

2.4 Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

a) Property, plant and equipment

Management engages external adviser or internal technical team to assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

b) Intangibles

Internal technical or user team assess the remaining useful lives of intangible assets. Management believes that assigned useful lives are reasonable.

c) Income taxes

Management's judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews, at each balance sheet date, the carrying amount of deferred tax assets and amount of unrecognised deferred tax assets, in view of availability of future taxable income to realise such recognised and unrecognised assets. The Company has significant business losses which are available to be set-off against the future taxable income, at each reporting date, the management evaluates whether it is reasonably certain to recognise deferred tax assets on such business losses, considering the future outlook of business. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

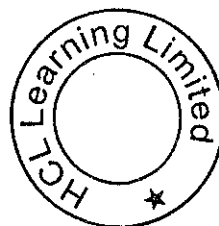
e) Allowance for uncollected accounts receivable and advances

Trade receivables are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

f) Revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / a service promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

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HCL Learning Limited
Notes to the Financial Statements

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. In case of multiple performance obligations the Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

2.5 Current versus non-current classification

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 the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in 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.

2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss on the date of disposal or retirement. Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. All other repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

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HCL Learning Limited
Notes to the Financial Statements

Depreciation on property, plant and equipment is provided on straight-line basis over the useful lives of assets as determined on the basis of technical estimates which are similar to the useful lives as prescribed under Schedule II to the Companies Act, 2013.

Assets residual values, depreciation method and useful lives are reviewed at each financial year end considering the physical condition of the assets or whenever there are indicators for review and adjusted residual life prospectively. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.7 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. The cost of intangible assets that are acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in statement of profit and loss on a straight line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

Softwares

Softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license.

Intangible Assets (other than goodwill) are amortised at straight line basis as follows:

Intellectual Property Rights	7 years
Software	1-5 years

2.8 Leases

As a lessee

As a lessee, the Company leases many assets including properties and office equipment. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under IND AS 116, the Company recognises right-of-use assets and lease liabilities for most of these leases – i.e. these leases are on-balance sheet.



HCL Learning Limited
Notes to the Financial Statements

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for leases of property the Company has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component

As a lessor

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Assets given under finance lease are recognised as receivables at an amount equal to the net investment in the lease. Inventories given on finance lease are recognised as deemed sale at fair value. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Sale and leaseback

Sale and lease back transaction is recognised if transfer of asset satisfies the requirements of IND AS 115 to be accounted for as a sale of the asset. The company shall measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the company. Accordingly, the company shall recognize only the amount of any gain or loss that relates to the rights transferred to the buyer.

2.9 Financial instruments

A. Financial instruments – initial recognition and measurement

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and liabilities at initial recognition. All financial assets and liabilities are initially recognised at fair value plus directly attributable transaction costs in case of financial assets and liabilities not at fair value through profit or loss. Financial assets and liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

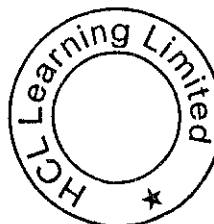
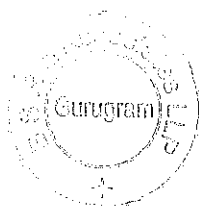
B. Financial assets

1. Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Debt instrument

a. Financial assets at fair value through profit or loss



HCL Learning Limited
Notes to the Financial Statements

Financial assets at fair value through profit or loss include financial assets held for trading and those designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial assets are designated upon initial recognition at fair value through profit or loss when the same are managed by the Company on the basis of their fair value and their performance is evaluated on fair value basis in accordance with a risk management or investment strategy of the Company. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with changes in fair value recognised in other income in the statement of profit and loss.

b. Financial assets measured at amortised cost

Loans and receivables are non-derivative financial assets that are held for collection of contractual cash flows, where the assets' cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income.

c. Fair value through other comprehensive income (FVOCI):

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

1. Subsequent measurement

The Company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in statement of profit and loss as other income when the Company's right to receive payments is established.

2. Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

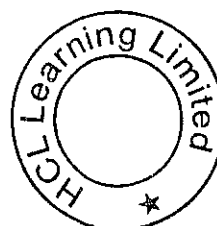
Investment in subsidiary

Investment in subsidiary is carried at cost in financial statement.

C. Financial liabilities

1. Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:



HCL Learning Limited
Notes to the Financial Statements

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate method. The effective interest rate method's amortisation is included in finance costs in the statement of profit and loss.

2. Derecognition

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

D. Offsetting financial instruments

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

E. Derivative financial instruments - current versus non-current classification

Derivative instruments will be held for a period beyond twelve months after the reporting date, are classified as noncurrent (or separated into current and non-current portions) consistent with the classification of the underlying item. These are classified as current, when the remaining holding period is up to twelve months after the reporting date.

F. Fair value measurement

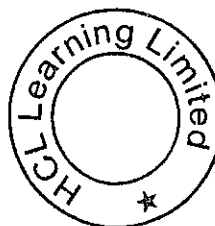
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1- Quoted (Unadjusted) marked prices in the 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.

2.10 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.



HCL Learning Limited
Notes to the Financial Statements

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore in case of a history of recent losses, the Company recognised a deferred tax assets only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax assets can be realised. Deferred tax assets-unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the assets is realised or the liability is settled based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or no different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

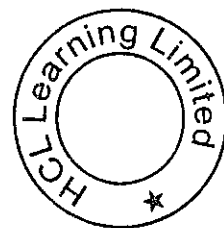
2.11 Inventories

Stock-in-trade is stated at the lower of cost and net realisable value.

Cost of stock-in-trade comprises cost of purchases. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is determined on the basis of weighted average. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Goods in-transit is valued inclusive of custom duty, where applicable.

2.12 Cash and cash equivalents



HCL Learning Limited
Notes to the Financial Statements

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.13 Impairment of assets

a. Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Non-financial assets

(i) Intangible assets, property, plant and equipment and goodwill

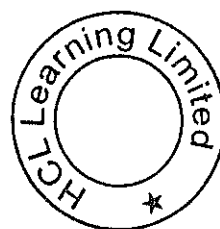
Intangible assets and property, plant and equipment are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested for impairment annually. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

Impairment test for goodwill is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs expected to benefit from acquisition related synergies and represent the lowest level within the entity at which the goodwill is monitored for internal management purposes, within an operating segment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. An impairment loss in respect of goodwill is not reversed.

c. Investment in subsidiary

Investment in subsidiary is reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.



HCL Learning Limited Notes to the Financial Statements

Impairment test is performed at entity level. An impairment loss is recognised whenever the carrying amount of Investment exceeds its recoverable amount.

The recoverable amount is the greater of its fair value less costs to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset.

Fair value less costs to sell is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants less the costs of disposal. Impairment losses, if any are recognised in the statement of profit and loss.

Other impairment losses are only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other gains/(losses).

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

2.15 Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.



HCL Learning Limited
Notes to the Financial Statements

b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed where an inflow of economic benefits is probable.

2.16 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of are measured using the currency of the primary economic environment in which the Company operates (₹ the functional currency'). The Company's operations are primarily in India. The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.17 Revenue recognition

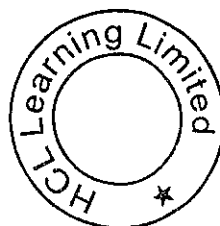
The Company derives revenues primarily from training services and educational content and related hardware offerings for private schools, colleges and other educational institutes and vocational training

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue from services

Timing of recognition

Service income includes income from training services and educational content and related hardware offerings for private schools, colleges and other educational institutes and vocational training. Revenues



HCL Learning Limited

Notes to the Financial Statements

relating to time and materials contracts are recognized as the related services are rendered. Revenue in case of fixed price contracts is recognised on percentage of completion basis. Revenue from a period based service contracts is recognised on a pro rata basis over the period in which such services are rendered.

Measurement of revenue

Revenue is based on the price specified in the sales contract, net of the estimated volume discounts. For separately identified component from multiple element arrangement, pertaining to the sale of services, the revenues are measured based on fair value allocated to such component within the overall arrangement.

Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in statement of profit and loss in the period in which the circumstances that give rise to the revision become known by management.

Sale of products

Timing of recognition

Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Measurement of revenue

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Interest income

Interest income from loans and receivables is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

2.18 Employee benefits

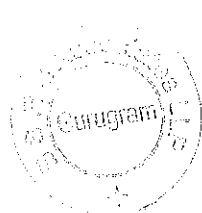
Defined benefit plans

Gratuity

The liability recognised in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the



HCL Learning Limited
Notes to the Financial Statements

statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Provident fund

In respect of certain employees, provident fund contributions are made to a multi-employer Trust administered by the holding Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the holding Company is additionally provided for. Actuarial losses/gains are recognised in the statement of profit and loss in the year in which they arise.

Defined contribution plans

Contributions to the employees' state insurance fund, administered by the prescribed government authorities, are made in accordance with the Employees' State Insurance Act, 1948 and are recognised as an expense on an accrual basis.

Company's contribution towards Superannuation Fund is accounted for on accrual basis.

The Company makes defined contributions to a Superannuation Trust established for the purpose. The Company has no further obligation beyond the monthly contributions.

Other benefits

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the statement of profit and loss in the year in which they arise.

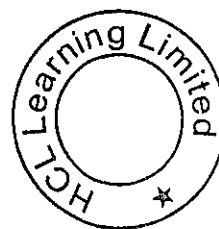
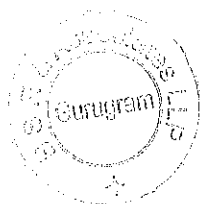
Long term employee benefits

Employee benefits, which are expected to be availed or encashed beyond 12 months from the end of the year, are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

2.19 Earnings per share

- (i) Basic earnings per share

Basic earnings per share is computed by dividing:



HCL Learning Limited
Notes to the Financial Statements

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

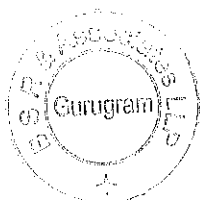
(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.20 Exceptional items

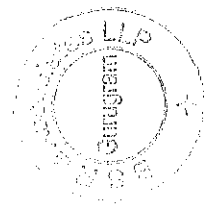
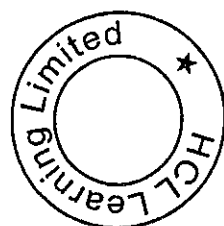
Items which are material either because of their size or their nature, and which are non-recurring, are highlighted through separate disclosure. The separate reporting of exceptional items helps provide a better picture of the Company's underlying performance.



3(a) Property, Plant and Equipment

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 01.04.2020	Additions	Disposal	As at 31.03.2021	As at 01.04.2020	Additions	Disposal	As at 31.03.2021	As at 31.03.2021
Plant and machinery	1.46	-	-	1.46	1.46	-	-	1.46	-
Furniture and fixtures	0.04	-	-	0.04	0.04	-	-	0.04	-
Office equipments	0.01	-	-	0.01	0.01	-	-	0.01	-
Computers	15.25	-	1.29	13.96	15.25	-	1.29	13.96	-
Total	16.76	-	1.29	15.47	16.76	-	1.29	15.47	-
Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 01.04.2019	Additions	Disposal	As at 31.03.2020	As at 01.04.2019	Additions	Disposal	As at 31.03.2020	As at 31.03.2020
Plant and machinery	2.23	-	0.77	1.46	2.23	-	0.77	1.46	-
Furniture and fixtures	31.48	-	31.44	0.04	20.27	1.60	21.83	0.04	-
Office equipments	14.65	-	14.64	0.01	13.72	-	13.71	0.01	-
Computers	22.31	-	7.06	15.25	22.27	0.03	7.05	15.25	-
Total	70.67	-	53.91	16.76	58.49	1.63	43.36	16.76	-

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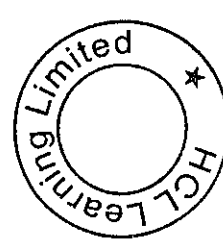


3(b) Intangible Assets

₹ /Lacs

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount As at 31.03.2021
	As at 01.04.2020		As at 31.03.2021		As at 01.04.2020		As at 31.03.2021		
	Additions	Disposal	Additions	Disposal	Additions	Disposal	Additions	Disposal	
Software	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount As at 31.03.2020
	As at 01.04.2019		As at 31.03.2020		As at 01.04.2019		As at 31.03.2020		
	Additions	Disposal	Additions	Disposal	Additions	Disposal	Additions	Disposal	
Software	1.73	-	1.73	-	1.73	-	1.73	-	-
Total	1.73	-	1.73	-	1.73	-	1.73	-	-

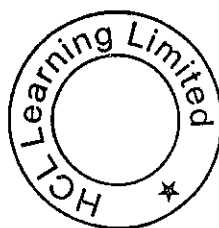
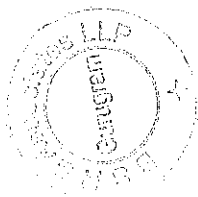
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HCL Learning Limited
Notes to the financial statements

	As at 31.03.2021 ₹/Lacs	As at 31.03.2020 ₹/Lacs
4 Other non-current financial assets		
Considered Good		
Security Deposits	13.70	13.70
Balance with bank- margin money	8.40	2.16
TOTAL	<u>22.10</u>	<u>15.86</u>
5 Advance income tax asset (net of provisions)		
Advance income tax [Provision for income tax of ₹ 31.59 Lacs (2020 - ₹ 31.59 Lacs)]	137.16	362.85
TOTAL	<u>137.16</u>	<u>362.85</u>
6 Other Non-Current Assets		
Unsecured, considered good		
Deposits with tax authorities	47.07	47.53
Considered Doubtful		
Capital Advances	0.50	0.50
Less: Provision for Doubtful Loans and Advances	<u>0.50</u>	<u>0.50</u>
TOTAL	<u>47.07</u>	<u>47.53</u>
7 Inventories		
Stock-in-trade	2.42	-
TOTAL	<u>2.42</u>	<u>-</u>
8 Trade receivables (refer note 28)		
Unsecured:		
- Considered good	-	-
- Credit impaired	<u>630.05</u>	<u>651.31</u>
	630.05	651.31
Less: Allowances for doubtful debts	<u>630.05</u>	<u>651.31</u>
TOTAL	<u>-</u>	<u>-</u>

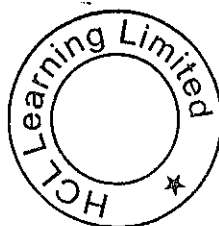
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HCL Learning Limited
Notes to the financial statements

	As at 31.03.2021 ₹/Lacs	As at 31.03.2020 ₹/Lacs
9 Cash and cash equivalents		
Balances with banks - In current account	69.40	31.44
Cheques on hand	-	2.45
TOTAL	69.40	33.89
10 Other bank balances		
Balances with Banks - On Margin Account	-	5.84
TOTAL	-	5.84
11 Other financial asset		
Considered Good		
Security deposits	-	9.90
Others (includes employee advances, insurance claim recoverable, expense recoverable)	-	2.24
Other receivable from related parties (Refer note 28)	0.17	45.46
Considered Doubtful		
Lease rental recoverable, Security Deposits, Insurance claim recoverable, employee advances	292.58	280.32
Less: Allowance for doubtful Lease rental recoverable, Security Deposits, Insurance claim recoverable, employee advances	292.58	280.32
TOTAL	0.17	57.60
12 Other current assets		
Unsecured		
Considered good		
Balances with customs, port trust, excise and sales tax authorities	2.65	60.90
Advances to creditors	2.69	12.74
Prepaid expenses	0.04	0.54
Others	45.71	-
TOTAL	51.09	74.18

14/5



HCL Learning Limited
Notes to the financial statements

	As at 31.03.2021 ₹/Lacs	As at 31.03.2020 ₹/Lacs
13 Share capital		
Authorised		
1,00,000 Equity Shares (2020 - 1,00,000) of ₹ 10/- each	10.00	10.00
TOTAL	<u>10.00</u>	<u>10.00</u>
Issued, Subscribed and Paid up		
75,274 Equity Shares (2020 - 75,274) of ₹ 10/- each (Fully Paid up)	7.53	7.53
TOTAL	<u>7.53</u>	<u>7.53</u>

Notes:

(i) Rights attached to Equity Shares:

The Company has only one class of equity share having a face value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in ensuing General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the 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 Shareholders.

Shareholders holding more than 5% of the aggregate shares in the Company	Number of Shares	% of shares	Number of Shares	% of shares
HCL Infosystems Limited, the holding company	75,268	99.99	75,268	99.99

14 Other Equity

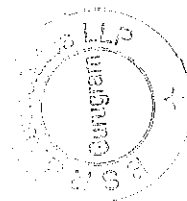
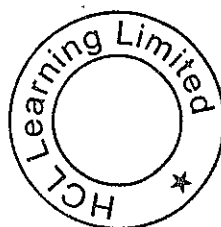
A. Reserve and surplus

(a) Securities premium reserve

Opening balance	5,997.52	5,997.52
Closing balance	<u>5,997.52</u>	<u>5,997.52</u>

(b) Retained earnings

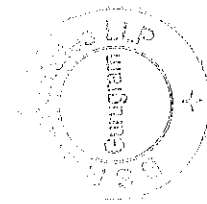
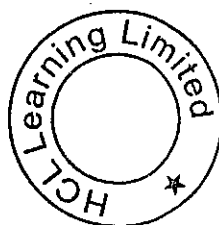
Opening balance	(10,626.20)	(11,738.10)
Net profit/(loss) for the year	(61.93)	1,111.10
Other Comprehensive Income for the year	-	0.80
Closing balance	<u>(10,688.13)</u>	<u>(10,626.20)</u>
TOTAL	<u>(4,690.61)</u>	<u>(4,628.68)</u>



HCL Learning Limited
Notes to the financial statements

	As at 31.03.2021 ₹/Lacs	As at 31.03.2020 ₹/Lacs
15 Current borrowings		
Unsecured:		
Loans repayable on demand		
- From related party (refer note 28)	4,882.80	4,770.15
TOTAL	<u>4,882.80</u>	<u>4,770.15</u>
Note:		
Unsecured Loans from HCL Infosystems Limited, the Holding Company, amounting to ₹ 4,882.80 Lacs (2020 - ₹ 4,770.15 Lacs) is repayable on demand and carries an interest @ 3.56% to 4.00% per annum.		
16 Trade payables (refer note 28)		
Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 40)	0.14	0.11
(b) Total outstanding dues other than micro enterprises and small enterprises	104.99	319.13
TOTAL	<u>105.13</u>	<u>319.24</u>

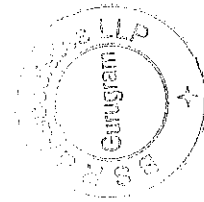
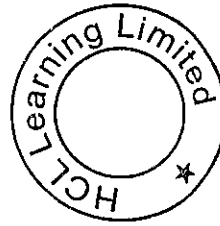
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HCL Learning Limited
Notes to the financial statements

	As at 31.03.2021 ₹/Lacs	As at 31.03.2020 ₹/Lacs
17 Other financial liabilities		
Deposits	-	62.51
Employee benefits payable	3.74	14.45
Capital creditors	-	0.32
TOTAL	3.74	77.28
18 Other current liabilities		
Deferred revenue	-	6.03
Advances received from customers	-	20.01
Statutory dues payable	3.53	5.85
TOTAL	3.53	31.89
19 Current provisions		
Provision for gratuity and other employee benefits	-	2.99
Provision for Litigation (refer note 27 (b))	17.29	17.35
TOTAL	17.29	20.34

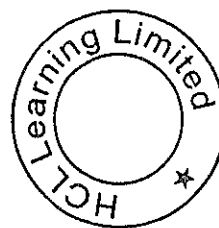
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HCL Learning Limited

Notes to the financial statements

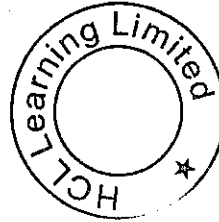
	Year ended Year ended 31.03.2021	Year ended Year ended 31.03.2020
	₹/Lacs	₹/Lacs
20 Revenue from operations		
Sale of Products	-	508.91
Sale of Services	-	27.84
TOTAL	-	536.75
21 Other income		
Interest income from financial asset at amortised cost		
- On lease rental	-	7.10
- On Fixed Deposits	0.40	0.33
- On Income Tax refund	20.82	-
Net profit/(loss) on sale of property, plant and equipment	0.29	-
Net profit on foreign exchange fluctuation	0.19	-
Provisions/liabilities no longer required written back	217.14	364.74
Miscellaneous income	-	18.11
TOTAL	238.84	390.28
22 Changes in inventories of finished goods and stock-in-trade		
Closing balance		
- Stock-in-trade	2.42	-
Opening balance		
- Stock-in-trade	-	0.11
Changes in inventories of stock-in-trade	(2.42)	0.11
23 Other direct expense		
Purchase of services	2.94	21.09
TOTAL	2.94	21.09
24 Employee benefits expense		
Salaries, wages, bonus and gratuity (refer note 37)	4.14	58.12
Contribution to provident and other funds	0.14	1.54
Staff welfare expenses	0.22	0.05
TOTAL	4.50	59.71
25 Finance costs		
Interest expense on financial liabilities at amortized cost	180.44	1,362.50
TOTAL	180.44	1,362.50



HCL Learning Limited

Notes to the financial statements

	Year ended Year ended 31.03.2021 ₹/Lacs	Year ended Year ended 31.03.2020 ₹/Lacs
26 Other expenses		
Rent (refer note 34)	0.57	1.53
Rates and taxes	55.46	18.71
Printing and stationery	-	0.07
Communication	0.04	0.41
Travelling and conveyance	0.13	2.15
Packing, freight and forwarding	-	0.01
Legal, professional and consultancy charges (refer note 32)	31.57	81.82
Retainership expenses	1.79	27.70
Insurance	-	0.39
Hire charges	-	0.02
Bank charges	0.65	0.66
Allowance for doubtful loans & advances and other current assets	14.76	1.15
Property, plant and equipment written-off	-	10.55
Net loss/(gain) on foreign exchange fluctuation (other than considered as finance cost)	-	0.51
Miscellaneous	7.89	0.16
	<u>112.86</u>	<u>145.84</u>
Common cost allocated from holding company and fellow subsidiary	0.03	27.80
TOTAL	<u>112.89</u>	<u>173.64</u>



27 a) Contingent Liabilities :

Claims against the Company not acknowledged as debts:

	₹/Lacs	
	As at	As at
	31.03.2021	31.03.2020
Sales Tax*	19.59	7.65
Excise, Service Tax and Customs	-	0.96
Industrial Disputes, Civil Suits and Consumer Disputes	112.81	116.51

* Includes sum of ₹ 13.20 Lacs (31.03.2020 - ₹ 10.10 lacs) deposited by the Company against the above.

The above amounts represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the out come of the different legal processes which have been initiated by the Company or the claimants as the case may be and therefore cannot be predicted accurately. It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

b) Other Litigations :

The Company has certain sales tax and other related litigation amounting to ₹ 17.29 lacs (2020 - ₹ 17.35 lacs) against which provision have been made. No provision (2020 - ₹ 0.06 lacs) was provided during the year. Provision amounting to ₹ 0.06 lacs (2020 - Nil) was utilised during the year.

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28 Disclosure of related parties and related party transactions:

a) Company having substantial interest:

HCL Corporation Private Limited

b) Holding Company

HCL Infosystems Limited

c) List of parties where control exists/existed and with whom transactions have taken place during the year and/or where balances exist:

Subsidiary:

HCL Insys Pte. Limited, Singapore, ceased to be Subsidiary with effect from November 15, 2019

Fellow Subsidiaries:

HCL Infotech Limited

d) Enterprises over which, individual having indirect significant influence over the company, has significant influence and with whom transactions have taken place during the year and/or where balances exist:

HCL Comnet Systems and Services Limited

HCL Training & Staffing Services Pvt Ltd.

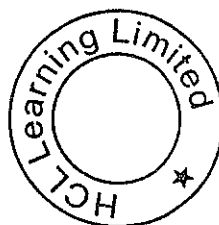
HCL Talent Care Pvt. Limited

Key Management Personnel:

Ms. Komal Bathla- Company Secretary* (Ms. Komal Bathla resigned from the position of Company Secretary of the Company w.e.f. 9th February, 2021)

* Remuneration has been paid by HCL Infosystems Limited

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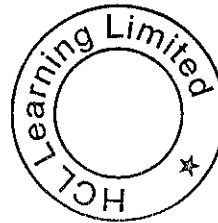
Summary of Related Party disclosures

Note: All transactions with related parties have been entered into in the normal course of business.

(₹/Lacs)

A. Transactions	Holding Company		Fellow Subsidiaries		Others		Total	
	Mar-21	Mar-20	Mar-21	Mar-20	Mar-21	Mar-20	Mar-21	Mar-20
Loans and Advances Refunded/Adjusted (Net)	-	27,671.91	-	-	-	-	-	27,671.91
- HCL Infosystems Limited	-	27,671.91	-	-	-	-	-	27,671.91
Loans and Advances Taken (Net)	112.65	-	-	-	-	-	112.65	-
- HCL Infosystems Limited	112.65	-	-	-	-	-	112.65	-
Interest on Inter Company Deposits (ICD) Taken	180.44	1,319.17	-	-	-	-	180.44	1,319.17
- HCL Infosystems Limited	180.44	1,319.17	-	-	-	-	180.44	1,319.17
Reimbursements towards expenditure								
a) Paid	0.25	44.35	-	-	-	-	0.25	44.35
- HCL Infosystems Limited	0.25	44.35	-	-	-	-	0.25	44.35
B. Amount due to / from related parties[^]								
Trade Receivables	6.36	6.36	0.06	0.06	4.03	2.56	10.44	8.98
Other Recoverables	-	45.46	0.17	-	-	-	0.17	45.46
Borrowings	4,882.80	4,770.15	-	-	-	-	4,882.80	4,770.15
Trade Payables	-	24.05	-	-	-	-	-	24.05

[^] Amount due to / from related parties are unsecured and are repayable/to be received in cash.



Financial Instruments and Risk Management
29 Fair Value Measurements

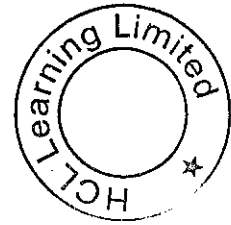
The carrying value of financial instruments by categories is as under :

₹/Lacs

Particulars	Notes	At cost	Fair Value through OCI	Fair value through Profit or Loss	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets							
Non-current assets							
(ii) Other financial assets	4	-	-	-	22.10	22.10	22.10
		-	-	-	(15.86)	(15.86)	(15.86)
		-	-	-	22.10	22.10	22.10
		-	-	-	(15.86)	(15.86)	(15.86)
Current assets							
(i) Trade receivables	8	-	-	-	-	-	-
		-	-	-	-	-	-
(ii) Cash and cash equivalents	9	-	-	-	69.40	69.40	69.40
		-	-	-	(33.89)	(33.89)	(33.89)
(iv) Bank balances other than (iii) above	10	-	-	-	-	-	-
		-	-	-	(5.84)	(5.84)	(5.84)
(iii) Other financial assets	11	-	-	-	0.17	0.17	0.17
		-	-	-	(57.60)	(57.60)	(57.60)
		-	-	-	69.57	69.57	69.57
		-	-	-	(97.33)	(97.33)	(97.33)
Financial Liabilities							
Current liabilities							
(i) Short Term Borrowings	15	-	-	-	4,882.80	4,882.80	4,882.80
		-	-	-	(4,770.15)	(4,770.15)	(4,770.15)
(ii) Trade payables	16	-	-	-	105.13	105.13	105.13
		-	-	-	(319.24)	(319.24)	(319.24)
(iii) Other financial liabilities	17	-	-	-	3.74	3.74	3.74
		-	-	-	(77.28)	(77.28)	(77.28)
		-	-	-	4,991.67	4,991.67	4,991.67
		-	-	-	(5,166.67)	(5,166.67)	(5,166.67)

Note: Previous year figures are in bracket.

Signature



30 Financial Risk Management

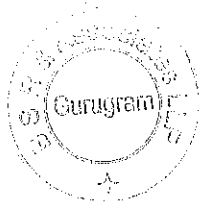
The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure Arising from	Measurement	Management
Credit Risk	Trade receivables, Lease Rent Recoverable Cash and cash equivalents Bank Balances Other financial assets	Ageing Analysis and Credit rating	Diversification of bank deposits, investments, credit limits and letters of credit
Liquidity risk	Borrowings, trade payable and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines, borrowing facilities and liquid investments
Market risk - foreign exchange	Future commercial transactions Recognized financial assets not denominated in Indian rupee (INR)	Position of net foreign exchange risk, based on relative assets and liabilities	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Replacement of high cost debt with low cost debt

The Company's risk management is carried out by the treasury and credit control department of the holding company under policies approved by the senior management and board of directors.



Credit Risk

Credit risk arise from possibility that customer may default on its obligation resulting into financial loss. The maximum exposure to the credit risk is primarily from trade receivable.

Credit risk on Bank balances is not significant as it majorly includes Balances with Bank with high credit ratings assigned by international and domestic credit rating agencies.

The credit risk is managed by the Company through credit approvals, establishing the financial reliability of the customers taking into account the financial condition, analysis of historical bad debts and ageing of accounts receivables. Individual limits are set accordingly by the credit control department of the Holding Company.

Following table provides age wise breakup of receivables ₹/Lacs

	As at 31.03.2021	As at 31.03.2020
Not Due	-	-
0-90 days past due	-	-
91-180 days past due	-	-
180-365 days past due	-	-
1-2 years past due	-	-
More than 2 years past due	630.05	651.31
	630.05	651.31

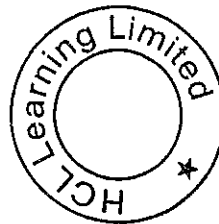
Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a trade receivable for write off when a debtor fails to make contractual payments greater than 3 years past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The summary of life time allowance made on customer balances during the year and balance at the year end is given below:

	As at 31.03.2021	As at 31.03.2020
Balance at the beginning	651.31	891.90
Provided during the year	-	-
Reversed during the year	(21.26)	(143.00)
Amounts written off	-	(97.59)
Balance at the end	630.05	651.31

Weighted Average loss rate is 100% (2020 - 100%)

Signature



Liquidity risk:

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The treasury department of the holding company is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31.03.2021

	Carrying Value	On demand	Less than 1 year	1 to 2 Years	2 to 5 Years	More than 5 Years	₹/Lacs
Non-derivatives							
Borrowings							
-From Related Party	4,882.80 (4,770.15)	4,882.80 (4,770.15)	-	-	-	-	-
Trade payables	105.13 (319.24)	-	105.13 (319.24)	-	-	-	-
Other financial liabilities							
-Deposits	- (62.51)	-	- (62.51)	-	-	-	-
-Capital Creditors	- (0.32)	-	- (0.32)	-	-	-	-
-Employee benefits payable	3.74 (14.45)	-	3.74 (14.45)	-	-	-	-
Total non-derivative liabilities	4,991.67 (5,166.67)	4,882.80 (4,770.15)	108.87 (396.52)	-	-	-	-

Note: Previous year figures are in bracket.



Market risk

(i) Interest rate risk

The Company's main interest rate risk arise from borrowings with variable interest rates, which expose the Company to cash flow interest rate risk. As on 31.03.2021 the Company has ₹ 4,882.80 Lacs (2020- ₹ 4,770.15 Lacs) of borrowings with variable interest rates. In order to optimize the Company's position with regards to interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing of fixed rate and floating rate financial instruments in its total portfolio.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	As at 31.03.2021	As at 31.03.2020
Variable rate borrowings	4,882.80	4,770.15
Fixed rate borrowings	-	-
Total borrowings	4,882.80	4,770.15

As at the end of the reporting period, the Company had the following variable rate borrowings:

	As at 31.03.2021			As at 31.03.2020		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank loans and others	3.78%	4,882.80	100.00%	5.74%	4,770.15	100.00%
Net exposure to cash flow interest rate risk		4,882.80			4,770.15	

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax		Impact on other components of equity	
	Year ended 31.03.2021	Year ended 31.03.2020	As at 31.03.2021	As at 31.03.2020
	Interest rates - increase by 10 basis points	(3.37)	(3.28)	(3.37)
Interest rates - decrease by 10 basis points	3.37	3.28	3.37	3.28

Signature



Foreign currency risk

The Company's primary operations are in India and therefore, is not exposed to significant foreign currency risk. The Company evaluates the exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies which are approved by the senior management and the Audit Committee, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows

	₹/Lacs
	USD
Financial Liabilities	
Trade Payables	4.48 (8.50)
Net exposure to foreign currency risk (liabilities)	4.48 (8.50)

Note: Previous year figures are in bracket.

The Company's foreign currency exposure as at the reporting date is not significant, hence, sensitivity analysis has not been reported.

31 Capital Management

Risk Management

The Company's objective when managing capital are to safeguard their ability to continue as going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Capital structure as of 31.03.2021 and 31.03.2020 were as follows:

	As at 31.03.2021	As at 31.03.2020
Total Debt	4,882.80	4,770.15
Equity	(4,683.08)	(4,621.15)
Capital and net debt	199.72	149.00
Gearing ratio	2444.82%	3201.44%

The Holding Company i.e. HCL Infosystems Limited, has subscribed the 99.99% of the share capital of the Company and also the Company has taken unsecured loan from Holding Company itself.

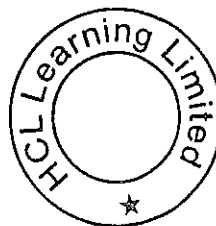
Hence the Company is not subject to any externally imposed capital requirements for the year ended 31.03.2021 and 31.03.2020

32 Remuneration to Auditor*:

	Year ended 31.03.2021	Year ended 31.03.2020
Statutory audit	3.00	8.50
Tax audit fees/certifications	4.67	2.50
Out of pocket expenses	-	1.10
TOTAL	7.67	12.10

*Excluding GST as applicable.

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33 Taxation:

(a) Provision for taxation has been computed by applying the Income Tax Act, 1961 and other relevant tax regulations in the jurisdiction where the Company conducts the business to the profit for the year. 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 tax assets and deferred tax liabilities relates to the same taxable entity and the same taxation authority.

(b) Deferred Tax:

Major components of Deferred tax arising on account of timing difference along with their movement as at 31.03.2021 are:

	As at 31.03.2020	Movement during the year	As at 31.03.2021
₹/Lacs			
Deferred Tax Assets			
Minimum Alternative Tax	-	-	-
Total	-	-	-
Deferred Tax Assets	-	-	-

* During the year, deferred tax assets amounting to Nil (2020: 29.21 lacs) has been written off due to lack of reasonable certainty of future taxable profits against which such deferred tax assets can be utilized.

(c) Income Tax Expense:

This note provides an analysis of the company's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

	Year ended 31.03.2021	Year ended 31.03.2020
₹/Lacs		
(i) Income tax expense		
Current tax	-	-
Total current tax expense	-	-
Deferred tax	-	-
Decrease in MAT credit	-	29.21
(Decrease) in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	29.21
Income tax expense	-	29.21

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

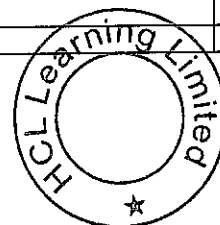
	Year ended 31.03.2021	Year ended 31.03.2020
₹/Lacs		
Profit/(loss) before income tax expense	(61.93)	1,141.11
Tax at the Indian tax rate of 31.20% (2020- 31.20%)	(19.32)	356.03
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		(260.73)
Decrease/ (increase) in MAT credit		29.21
Adjustment on account of brought forward losses	19.32	(95.29)
Income tax expense	-	29.21

	As at 31.03.2021	As at 31.03.2020
₹/Lacs		
Tax Losses		
Unused tax losses for which no deferred tax assets has been recognized	9,207.06	9,136.09
Potential tax benefit @ 31.20% (2020- 31.20%)	2,872.60	2,850.46

The unused tax losses is not likely to generate taxable income in foreseeable future. The losses can be carried forward as per details below:

Expiry Date	As at 31.03.2021	As at 31.03.2020
₹/Lacs		
31.3.2023	157.14	157.14
31.3.2024	1,191.33	1,191.33
31.3.2025	1,155.31	1,155.31
31.3.2026	268.69	268.69
31.3.2027	2,241.55	2,844.00
31.3.2029	181.51	-
No limit	4,011.51	3,519.62
Total	9,207.06	9,136.09

16/10/21



34 Leases:

a) Finance Leases:

As Lessor:

(i) The Company has given on finance lease certain assets/inventories which comprise of computers and office equipments, etc. These leases have a primary period, which is fixed and non-cancelable. There are no exceptional/restrictive covenants in the lease agreements.

(ii) The gross investment in the assets given on finance leases as at 31.03.2021 and its present value as at that date are as follows:

	₹/Lacs		
	Total minimum lease receivable	Interest included in minimum lease receivable	Present value of minimum lease receivable
Not later than one year			
As at 31.03.2021	393.03	112.71	280.32
As at 31.03.2020	(393.03)	(112.71)	(280.32)
Later than one year and not later than five years			
As at 31.03.2021	-	-	-
As at 31.03.2020	-	-	-
Total			
As at 31.03.2021	393.03	112.71	280.32
As at 31.03.2020	(393.03)	(112.71)	(280.32)

Note: Previous period's figures are given in brackets. Financial leases was fully provided in previous year.

b) Cancelable Operating Leases

As Lessee:

(i) The Company has taken various residential/commercial premises under cancelable operating leases. These leases are for a period of eleven months to three years and are normally renewable on expiry.

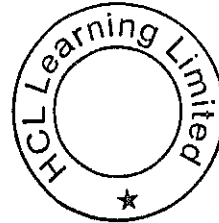
(ii) The rental expense in respect of operating leases is ₹ 0.57 Lacs (2020 - ₹ 1.53 Lacs) which is disclosed as rent expense under 'other expenses'.

As Lessor:

The gross block, accumulated depreciation and depreciation expense in respect of plant & machinery given on operating lease are as below:

	₹/Lacs	
	As at 31.03.2021	As at 31.03.2020
Gross Block	3.34	3.34
Accumulated Depreciation	3.34	3.34
Net Block	-	-
Depreciation Expense	-	-

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35 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The loss considered in ascertaining the Company's EPS represent loss for the year after tax. Diluted EPS is computed and disclosed using the weighted average number of equity and dilutive equivalent shares outstanding during the year except when results would be anti-dilutive.

Particulars	Year ended	Year ended
	31.03.2021	31.03.2020
Profit/(loss) after tax (₹/lacs)	(61.93)	1111.10
Weighted average number of shares considered as outstanding in computation of Basic EPS	75,274	75,274
Weighted average number of shares outstanding in computation of Diluted EPS	75,274	75,274
Basic EPS (of ₹10/- each)	(82.27)	1,476.07
Diluted EPS (of ₹10/- each)	(82.27)	1,476.07

There are no dilutive equity shares as at year end.

36 Segment Reporting

The Company's business falls within a single primary business and geographical segment, i.e. learning business which includes training services and educational content and related hardware offerings for private schools, colleges and other education institutes and vocational training. Accordingly, pursuant to Indian Accounting Standard 108, on Operating Segments, segment information is not required to be disclosed.



37 The Company has calculated the various benefits provided to employees as under:

(a) **Defined Contribution**

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	₹/Lacs	
	Year ended 31.03.2021	Year ended 31.03.2020
(i) Employers contribution to Employee State Insurance*	0.00	0.08
(ii) Employers contribution to Employee's Pension Scheme 1995*	0.08	0.81

* Included in Contribution to Provident and Other Funds under Employee benefits expense (Refer Note 24).

(b) **Defined Benefit**

- (i) Gratuity
(ii) Provident Fund#

As a part of the ongoing rationalization of the business, the learning business is being scaled down. As a result, no active manpower was left as at March 31, 2021. Therefore no actuarial valuation was carried out in the respect of the aforesaid defined benefit plan based in accordance with Ind AS 19. However, information for the comparative period is mentioned below:

	Gratuity	
	March 31, 2021	March 31, 2020
Discount rate (per annum)	-	5.66%
Rate of increase in compensation levels	-	5.00%
Rate of return on plan assets	-	-
Expected statutory interest rate	-	-
Expected short fall in interest earnings	-	-
Expected average remaining working lives of employees (years)	-	0.11

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-

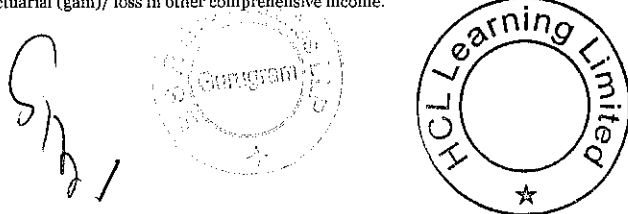
- A) Salary Increases- Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

	₹/Lacs	
	Gratuity	
	31.03.2021	31.03.2020
Reconciliation of opening and closing balances of the present value of the defined benefit obligation:		
Present value of obligation at the beginning of the year	1.41	2.46
Acquisition Adjustment	-	-
Current service cost	-	0.18
Interest cost	-	0.18
Total amount recognised in profit or loss	-	0.36
Actuarial (gain)/loss from change in demographic assumptions	-	(0.04)
Actuarial (gain)/loss from change in financial assumptions	-	0.00
Experience (gain)/loss	-	(0.76)
Total amount recognised in other comprehensive income	-	(0.80)
Benefits (paid) /adjusted	(1.41)	(0.61)
Present value of obligation at the end of the year	-	1.41

Cost recognised for the year :

	₹/Lacs	
	Gratuity	
	31.03.2021	31.03.2020
Current service cost	-	0.18
Past service cost	-	-
Interest cost	-	0.18
Actuarial (gain)/loss	-	(0.80)
Net cost recognised for the year*	-	(0.44)

* Included in Salaries, Wages, Bonus and Gratuity for Gratuity and Contribution to Provident and Other Funds for Provident Fund under Employee benefits expense (Refer Note 24) and actuarial (gain)/ loss in other comprehensive income.



Reconciliation of the present value of the defined benefit obligation and the fair value of the plan assets:

	Gratuity		₹/Lacs
	31.03.2021	31.03.2020	
Present value of the obligation as at the end of the year	-	1.41	
Fair value of plan assets at the end of the year	-	-	
Assets/(Liabilities) recognised in the Balance Sheet	-	1.41	
Experience adjustment in plan liabilities	-	(0.76)	
Experience adjustment in plan assets	-	-	

In respect of certain eligible employees, the Company is a participant in a provident fund plan which is administered through a multi employer trust. The participants have an obligation to make good any deficiency in the interest to be paid by the Trust to its members and the income earned by it. Accordingly the plan is as a defined benefit plan. The trust has obtained an actuarial valuation of the Provident fund liability as at the Balance Sheet date and as per valuation report, there is no shortfall as on March 31, 2021. The valuation report contained details for the disclosure requirement of the Ind AS 19 "Employee Benefits" for the trust as a whole, however breakup into respective entities is not available and accordingly the disclosures for provident fund liability as required by Ind AS -19 "Employee Benefits" has not been made in these financial statements. The Company's contribution to provident fund for the year is ₹ 0.07 Lacs (2020 - ₹ 0.64 Lacs) which has been included under Contribution to Provident and Other Funds (Refer Note 24).

38 As per provisions of Section 135 of the Companies Act, 2013, the Company has to provide at least 2% of average net profits of the preceeding three financial years towards Corporate Social Responsibility ("CSR"). The Company was not required to spend/contribute to CSR Activity during the year as per Section 135 of the Companies Act, 2013 as average net profit for the last three financial year is negative.

39 The Board of Directors of Holding Company i.e. HCL Infosystems Limited, in its meeting held on August 06, 2020, approved the merger of HCL Learning Limited and Digilife Distribution and Marketing Services Limited (DDMS), wholly owned subsidiaries of the Holding Company, with HCL Infosystems Limited. The proposed merger is for the purpose of simplifying the group structure. As part of the ongoing rationalization of the business , the learning business and the distribution business are being scaled down. As a result, separate entities for these businesses, i.e. HCL Learning Limited for learning business and DDMS for distribution business, are no longer required. An application was filed before the Hon'ble National Company Law Tribunal ("NCLT") at New Delhi Bench on 21 September 2020 for obtaining the sanction of NCLT on the proposed merger.

Since, the aforesaid Scheme is subject to approval from concerned regulatory authorities which is considered to be substantive, the accounting effect of the above Scheme has not been considered in these financial statements.

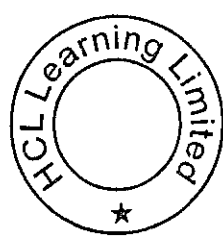
40 HCL Learning Limited (the Company) had entered into a agreement with PCCW Solutions Limited to transfer its investment in HCL Insys Pte Ltd after the transfer of the trading business and the subsidiary Nurture Technologies FZE to HCL Investments Pte Ltd (subsidiary of HCL Infotech Limited), for a total consideration of ₹ 30,335 lakhs. The transaction was completed on November 15, 2019.

Due to the above development in previous financial year, the Company had realised a profit of ₹ 1832.26 lacs which was disclosed as exceptional item in Statment of profit and loss account.

41 Disclosure of Micro and small Enterprises based on information available with the Company:

	₹/Lacs	
	As at 31.03.2021	As at 31.03.2020
a. (i) Principal amount remaining unpaid to any supplier as at the end of the year.	0.14	0.11
(ii) Interest due on the above amount.	0.08	0.03
b. (i) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (Act).	-	-
(ii) Amount of principal payments made to the suppliers beyond the appointed day during the year.	9.38	5.05
c. Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Act.	-	-
d. Amount of interest accrued and remaining unpaid at the end of the year.	0.18	0.13
e. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-


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HCL Learning Limited
Notes to the Financial Statements

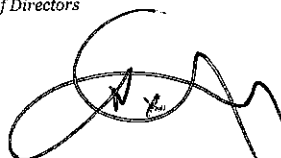
- 42 As at March 31, 2021, the Company has accumulated losses and its net worth has been fully eroded and the Company's current liabilities exceeded its current assets by ₹ 4,889.41 lacs (2020 - ₹ 5,047.39 lacs). The Company's management is pursuing strategies which include merger of company's operation with the Holding Company and will have access to necessary financial support for its operations. The Board of Directors of HCL Infosystems Limited, which in turn has obtained financial support from a significant promoter shareholder, has issued a support letter to the Company. Considering the above support, the Company's management and Board of Directors are of the view that the Company will be able to realise its assets and discharge its contractual obligations and liabilities as they fall due in the near future in the normal course of business. Accordingly, the financial statements have been prepared on a going concern basis.
- 43 Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic in the preparation of these financial results. In evaluating the impact of COVID-19 on the Company's ability to continue as a going concern, the management has assessed the impact on its business and the carrying value of its major assets comprising of property, plant and equipment, trade receivables and other receivable balances. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial results as and when these material changes to economic conditions arise.

For BSR & Associates LLP
Chartered Accountants
Firm Registration Number-116231W/W-100024


Sandeep Batra
Partner
Membership Number - 093320

For and on behalf of the Board of Directors
HCL Learning Limited


Dilip Kumar Srivastava
Director
DIN - 06847137


Neelesh Agarwal
Director
DIN - 00149856

New Delhi, June 24, 2021

Noida, June 24, 2021

