

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of NIIT Learning Systems Limited

**Report on the Audit of the Special Purpose Ind AS Financial Statements****Opinion**

We have audited the accompanying special purpose Ind AS financial statements of NIIT Learning Solutions (Canada) Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose Ind AS financial statements 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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the special purpose Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the special purpose Ind AS 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 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 audit opinion on the special purpose Ind AS financial statements.

**Responsibility of Management for the special purpose Ind AS financial statements**

The Company's Board of Directors is responsible with respect to the preparation of these special purpose Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and as more fully explained in the Note 2.1 to these special purpose Ind AS financial statements are for its internal use in relation to preparation of consolidated financial statements of the ultimate parent company name here if you giving names somewhere and no names other places. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

**Auditor's Responsibilities for the Audit of the special Purpose Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the special purpose Ind AS 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 special purpose Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the special purpose Ind AS 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose Ind AS financial statements, including the disclosures, and whether the special purpose Ind AS 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.



## **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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

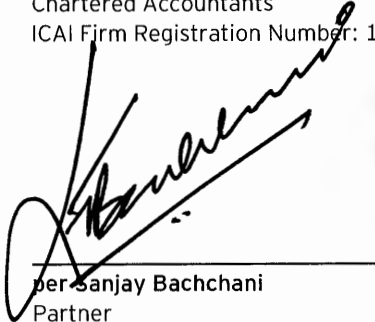
### **Other matter - restriction of use**

Our auditor's report is intended solely for the information and internal use by management of the Company in relation to preparation of consolidated financial statements of the ultimate parent company. It should not be used, referred to or distributed for any other purpose.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Sanjay Bachchani  
Partner

Membership Number: 400419

UDIN: 23400419BGTGQD8960



Place of Signature: Gurugram

Date: May 26, 2023

**NIIT Learning Solutions (Canada) Limited**  
**Special Purpose Balance Sheet as at March 31, 2023**

(All amounts are in CAD, unless stated otherwise)

		As at	
	Notes	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	3	14,498	24,982
Intangible assets	4	6,171,317	9,672,070
Right-of-use assets	5(ii)	-	28,957
<b>Financial Assets</b>			
Other financial assets	7 (ii)	9,772	8,151
<b>Total non-current assets</b>		<b>6,195,587</b>	<b>9,734,160</b>
<b>Current Assets</b>			
<b>Financial assets</b>			
Loans	7 (i)	13,527,000	-
Trade receivables	8	2,044,236	2,065,109
Cash and cash equivalents	9	6,828,141	12,874,883
Other financial assets	7 (ii)	5,366,606	7,200,617
Other current assets	10	77,507	70,943
Income tax assets (net)	11(ii)	42,161	-
<b>Total current assets</b>		<b>27,885,651</b>	<b>22,211,552</b>
<b>Total Assets</b>		<b>34,081,238</b>	<b>31,945,712</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	9,197,260	9,197,260
Other equity	13	18,742,363	9,393,545
<b>Total Equity</b>		<b>27,939,623</b>	<b>18,590,805</b>
<b>Liabilities</b>			
<b>Non-Current liabilities</b>			
Deferred tax liabilities (net)	11(i)	184,489	217,615
<b>Total non-current liabilities</b>		<b>184,489</b>	<b>217,615</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	-	797,978
Lease liabilities	5(ii)	-	32,591
Trade payables	15	3,344,545	5,859,880
Other financial liabilities	16	474,043	140,181
Other current liabilities	17	2,060,629	3,042,596
Provisions	18	77,909	65,178
Income tax liabilities (net)	11(ii)	-	3,198,888
<b>Total current liabilities</b>		<b>5,957,126</b>	<b>13,137,292</b>
<b>Total liabilities</b>		<b>6,141,615</b>	<b>13,354,907</b>
<b>Total Equity and Liabilities</b>		<b>34,081,238</b>	<b>31,945,712</b>

The accompanying notes form an integral part of these special purpose financial statements.

As per our report of even date.

**For S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 107049W/E300004

*[Signature]*  
**Sanjay Bachchani**  
 Partner  
 Membership No. 400419



**For and on behalf of the Board of Directors of**  
**NIIT Learning Solutions (Canada) Limited**

*[Signature]*  
**P R Subramanian**  
 Director

*[Signature]*  
**Sapnesh Lalla**  
 Director

*[Signature]*  
**Vijay K Thadani**  
 Director

Place: Gurugram  
 Date: May 26, 2023

Place: Gurugram  
 Date: May 26, 2023

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 Date: May 26, 2023

Place: Gurugram  
 Date: May 26, 2023



**NIIT Learning Solutions (Canada) Limited**  
**Special Purpose Statement of Profit and Loss for the year ended March 31, 2023**

(All amounts are in CAD, unless stated otherwise)

		Year ended	
	Notes	March 31, 2023	March 31, 2022
<b>INCOME</b>			
Revenue from operations	19	33,448,638	42,323,384
Other income	20	378,623	448,066
<b>Total income</b>		<b>33,827,261</b>	<b>42,771,450</b>
<b>EXPENSES</b>			
Professional & technical outsourcing expenses		8,353,524	9,323,076
Employee benefit expenses	21	4,834,212	4,007,668
Finance costs	22	18,429	70,060
Depreciation and amortisation expenses	6	4,499,415	4,403,529
Other expenses	23	3,353,980	3,348,760
<b>Total expenses</b>		<b>21,059,560</b>	<b>21,153,093</b>
<b>Profit before Tax</b>		<b>12,767,701</b>	<b>21,618,357</b>
<b>Tax expense:</b>			
-Current Tax	30	3,452,009	5,762,115
-Deferred Tax (credit)/charge	30	(33,126)	15,937
<b>Total tax expenses</b>		<b>3,418,883</b>	<b>5,778,052</b>
<b>Profit for the year</b>		<b>9,348,818</b>	<b>15,840,305</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>9,348,818</b>	<b>15,840,305</b>
<b>Earnings per equity share (Face value CAD 1 each)</b>			
	26		
-Basic		1.02	1.72
-Diluted		1.02	1.72

The accompanying notes form an integral part of these special purpose financial statements

As per our report of even date.

**For S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner

Membership No. 400419

Place: Gurugram

Date: May 26, 2023



**For and on behalf of the Board of Directors of**

**NIIT Learning Solutions (Canada) Limited**

**P R Subramanian**  
Director

Place: Gurugram

Date: May 26, 2023



**Saphesh Lalla**  
Director

Place: Gurugram

Date: May 26, 2023

**Vijay K Thadani**  
Director

Place: Gurugram

Date: May 26, 2023

*(Handwritten signatures of Saphesh Lalla and Vijay K Thadani)*

**NIIT Learning Solutions (Canada) Limited**  
**Special Purpose Statement of Cash Flow for the year ended March 31, 2023**

(All amounts are in CAD, unless stated otherwise)

	<b>Year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Cash Flow from Operating Activities</b>		
<b>Profit before Tax</b>	<b>12,767,701</b>	<b>21,618,357</b>
<b>Adjustment to reconcile profit before tax to net cash</b>		
Depreciation and amortisation	4,499,415	4,403,529
Interest income	(325,868)	(357)
Finance cost	18,429	70,060
Allowance/(write back) for Doubtful Advances	-	(205)
Unrealised foreign exchange loss/(gain)	157,420	(1,807)
Loss on sale property, plant & equipment sold	11,064	-
	<b>17,128,161</b>	<b>26,089,577</b>
<b>Operating loss before working capital changes</b>		
<b>Working capital adjustments:</b>		
Decrease/ (Increase) in trade receivables	20,997	(1,207,676)
(Increase) in other current assets	(6,564)	(7,566)
Decrease in other financial assets	1,832,642	230,321
(Decrease)/ Increase in trade payables	(2,529,879)	1,957,982
Increase/ (Decrease) in Provisions	12,731	(6,586)
(Decrease)/ Increase current liabilities	(981,967)	479,238
Increase/ (Decrease) in other financial liabilities	334,320	(326,797)
<b>Cash flow from operations</b>	<b>15,810,440</b>	<b>27,208,493</b>
Taxes paid	(6,693,058)	(5,015,944)
<b>Net cash flows generated from Operating activities (A)</b>	<b>9,117,382</b>	<b>22,192,549</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of property, plant and equipment	(15,327)	(2,900)
Development of Internally generated Intangible assets	(954,958)	(46,918)
Interest Income	325,617	-
<b>Net cash flows used in Investing activities (B)</b>	<b>(644,668)</b>	<b>(49,818)</b>
<b>Cash Flow from Financing Activities</b>		
Term Loan given to affiliates during the year	(13,670,000)	-
Term Loan paid during the year	(800,000)	(1,600,000)
Payment of Lease Liabilities	(33,020)	(48,108)
Interest paid	(16,436)	(56,984)
Dividend paid to holding Company	-	(13,979,835)
<b>Net cash flows used in Financing Activities (C)</b>	<b>(14,519,456)</b>	<b>(15,684,927)</b>
<b>Net (decrease)/ increase in Cash &amp; Cash equivalents</b>	<b>(6,046,742)</b>	<b>6,457,804</b>
Cash and Cash equivalents at the beginning of the year (refer note 9)	12,874,883	6,417,079
<b>Cash and Cash equivalents at the year end (refer note 9)</b>	<b>6,828,141</b>	<b>12,874,883</b>

**Notes:**

- Figures in parenthesis indicate cash outflow.
- The cash flows statement has been prepared using the indirect method as set out in Ind-AS 7.

The accompanying notes are an integral part of these special purpose financial statements.

As per our report of even date

**For S. R. Batliboi & Associates LLP**  
 Firm Registration No.: 101049W/E300004  
 Chartered Accountants

**For and on behalf of the Board of Directors of**  
**NIIT Learning Solutions (Canada) Limited**

**Satish Bachchan**  
 Partner  
 Membership No. 200419

Place: Gurugram

Date: May 26, 2023

**P R Subramanian**  
 Director

Place: Gurugram

Date: May 26, 2023

**Sapnesh Lalla**  
 Director

Place: Gurugram

Date: May 26, 2023

**Vijay K Thadani**  
 Director

Place: Gurugram

Date: May 26, 2023



**NIIT Learning Solutions (Canada) Limited**  
**Special Purpose Statement of Changes in Equity for the year ended March 31, 2023**

(All amounts are in CAD, unless stated otherwise)

**a) Equity share capital**

**For the year ended March 31, 2023**

Particulars
As at April 1, 2021
Issue of share capital during the year
As at March 31, 2022
Issue of share capital during the year
As at March 31, 2023

No. of shares	Amount
9,197,260	9,197,260
-	-
9,197,260	9,197,260
-	-
9,197,260	9,197,260

**b) Other equity**

**Reserves & Surplus**

Particulars
Balance at April 1, 2021
Profit for the year
Dividend paid to Holding Company
Balance at March 31, 2022
Profit for the year
Balance at March 31, 2023

Retained Earnings
7,533,075
15,840,305
(13,979,835)
9,393,545
9,348,818
18,742,363

The accompanying notes are an integral part of special purpose financial statements.

As per our report of even date.

**For S. R. Batliboi & Associates LLP**

ICAI Firm Registration No.: 101049W/E300004

Chartered Accountants

**For and on behalf of the Board of Directors of**

**NIIT Learning Solutions (Canada) Limited**

**Sanjay Bachchani**

Partner

Membership No. 400419

Place: Gurugram

Date: May 26, 2023

**P R Subramanian**

Director

Place: Gurugram

Date: May 26, 2023

**Sapnesh Lalla**

Director

Place: Gurugram

Date: May 26, 2023

**Vijay K Thadani**

Director

Place: Gurugram

Date: May 26, 2023



**1 Corporate Information**

NIIT Learning Solutions (Canada) Ltd, Canada (the Company) incorporated under the laws of province of British Columbia, Canada on March 10, 2016 and a wholly owned subsidiary of NIIT Ireland Limited, a leading global talent management Company is in the learning business providing services to customers in Canada. The registered place of business of the Company is : 1200, Waterfront Center, 200, Burrard Street, Vancouver BC V6C3L6, Canada.

**2 Significant Accounting Policies**

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

**2.1 Basis of preparation**

**(i) Compliance with Ind AS**

These special purpose Ind AS financial statements has been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the companies Act, 2013 (the Act) read together with the Companies (Indian Accounting Standards) Rules as amended from time to time.

**(ii) Historical cost convention**

These special purpose Ind AS financial statements have been prepared on a historical cost basis.

These special purpose Ind AS financial statements have been prepared by the management solely for its internal use to assist its ultimate parent Company (NIIT Learning Systems Limited, India) in preparing their consolidated financial statements. These special purpose financial statements were approved for issue by the board of directors on May 26, 2023.

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 and non current classification of assets and liabilities.

**2.2 Foreign currency translation**

Foreign currency transactions and balances

**(i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**(iii) Exchange differences**

The resultant translation adjustment is charged to the Statement of Profit and Loss.

Foreign currency assets/ liabilities covered by forward contracts are stated at the forward contract rate and differences between the forward rate and the exchange rate at the inception of the forward contract are recognised to the Statement of Profit and Loss over the life of the respective contracts.

**2.3 Current - non-current classification**

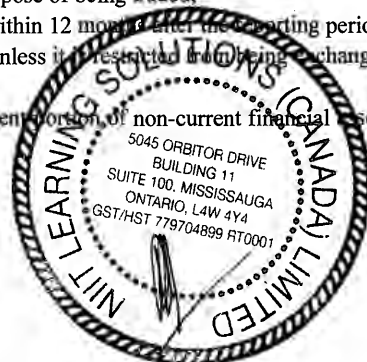
Assets and liabilities are classified into current and non-current as follows :

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets (including deferred tax assets) are classified as non-current.





# NIIT Learning Solutions (Canada) Limited

## Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities (including deferred tax liabilities) are classified as non-current.

### Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations 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 being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

### 2.4 Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

Note 2.10 - measurement of useful life and residual values of property, plant and equipment.

Note 32 - fair value measurement of financial instruments.

Note 2.7 & 11(i) - judgement required to determine probability of recognition of deferred tax assets.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

### 2.5 Revenue from Contracts with Customers

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts and taxes.

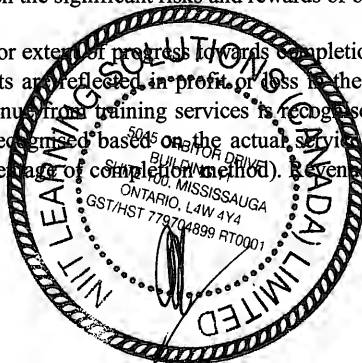
When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate deliverable is accounted separately. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices in accordance with the principles given in INDAS 115. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price. In cases of residual method, the standalone selling price is estimated by reference to the total transaction price less the sum of the observable standalone selling prices of other goods or services promised in the contract.

### Income from services

Services are provided under time and material contracts and fixed price contracts. Revenue from providing services is recognised over a period of time in the accounting period in which services are rendered. The revenue from time and material contracts is recognised at the amount to which the Company has right to invoice.

In respect of fixed price contracts, revenue is recognised based on the technical evaluation of utilization of services as per the proportionate completion method when no significant uncertainty exists regarding the amount of consideration that will be determined from rendering the service. The customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payment exceeds the services rendered, a contract liability is recognised. Revenue from training is recognised over the period of delivery. The foreseeable losses on completion of contract, if any, are provided for. Revenue in respect of sale of courseware is recognised when the significant risks and rewards of ownership in it are transferred to the buyer as per the terms of the contracts.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management. Revenue from training services is recognised over the period of the course programs as the case may be. For fixed-price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Revenue from time and material contracts is recognised as the related services are performed.



On certain contracts, where the Company acts as agent, only commission and fees receivable for services rendered are recognised as revenue.

Any third party costs incurred on behalf of the principal that are rechargeable under the contractual arrangement are not included in revenue.

## **2.6 Other Income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable rate of interest. Interest income from debt instruments is recognised using the effective 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.

## **2.7 Income Tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

### **Current income taxes**

The current income tax expense includes income taxes payable by the Company, its branches and its subsidiaries in India and overseas. The current tax payable by the Company and its subsidiaries in India is Indian income tax payable on worldwide income after taking credit for tax relief available.

The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

### **Deferred income taxes**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

## **2.8 Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **(a) Company as a lessee**

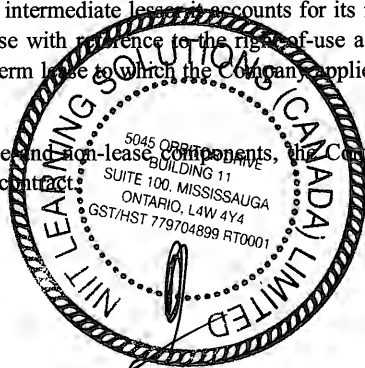
The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

### **b) Company as a lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.



## NIIT Learning Solutions (Canada) Limited

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

### 2.9 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### 2.10 Property, plant and equipment and Depreciation

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS, regarded thereafter as historical cost

Property, plant & equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs (if capitalization criteria are met) and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on property, plant & equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset. The Company has used the following rates to provide depreciation on its property, plant & equipment:

Description of Assets	Useful life
Plant and Equipment including:	
- Computers, Printers and related Accessories	3 years
- Computer Servers and Networks	5 years
- Air Conditioners	10 years
Office Equipment	5 years
Furniture & Fixtures	7 years
Leasehold Improvements	3-5 years or lease period, whichever is lower

### 2.11 Investments and other financial assets

#### i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

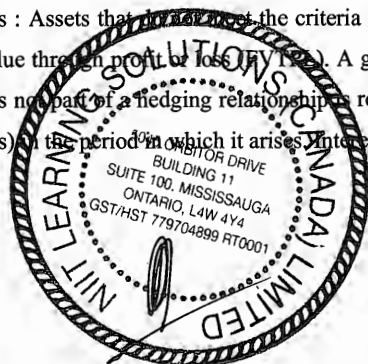
Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised Cost : Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through profit or loss : Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss (FVTPL). A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.



# NIIT Learning Solutions (Canada) Limited

## Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

### iii) Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises lifetime expected credit losses (ECL) for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

## 2.12 Employee Benefits

### Pension fund

The Company makes defined contribution to a government administered pension fund towards its pension plan on behalf of its employees. The Company has no further obligations beyond its monthly contributions and the contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

### Compensated Absences

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. Accumulated compensated absences, not exceeding 5 days per calendar year, are carried forward to the next calendar year and can be availed or encashed on separation. The obligation towards the same is measured on the basis of actuarial valuation at the year end.

## 2.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

## 2.14 Provisions and Contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Disclosure of third party claims are made on merits where management foresees possibilities of any outflow of resources.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the special purpose financial statements.

## 2.15 Earnings Per Share

The earnings considered in ascertaining the Company's Earnings per share ('EPS') comprises the Net Profit after Tax. The number of shares used in computing the Basic EPS is the weighted average number of shares outstanding during the period. The Diluted EPS is calculated on the same basis as Basic EPS, after adjusting for the effects of potential Dilutive Equity Shares unless impact is anti-dilutive.

## 2.16 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.



## NIIT Learning Solutions (Canada) Limited

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

### 2.17 Fair Value measurement

The Company measures financial instruments, such as investment in mutual funds, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

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

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

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

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

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

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, management regularly reviews significant unobservable inputs applied in the valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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### 3 Property, Plant and equipment

Particulars	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Office Equipments	Total
<b>Gross Carrying Amount</b>					
As at April 1, 2021	164,051	32,243	45,597	2,487	244,379
Additions	2,901	-	-	-	2,901
Disposals	-	-	-	-	-
As at March 31, 2022 (A)	166,952	32,243	45,597	2,487	247,280
<b>Accumulated Depreciation</b>					
As at April 1, 2021	139,768	32,243	26,136	2,034	200,181
Depreciation charged during the year	15,366	-	6,380	370	22,116
Disposals	-	-	-	-	-
As at March 31, 2022 (B)	155,134	32,243	32,516	2,404	222,297
Net Carrying Amount (A-B)	11,818	-	13,081	83	24,982

<b>Gross Carrying Amount</b>					
As at April 1, 2022	166,953	32,243	45,597	2,487	247,280
Additions	15,326	-	-	-	15,326
Disposals	124,613	32,243	45,597	2,487	204,940
As at March 31, 2023 (C)	57,666	-	-	-	57,666
<b>Accumulated Depreciation</b>					
As at April 1, 2022	155,134	32,243	32,516	2,404	222,297
Depreciation charged during the year	10,695	-	3,969	83	14,747
Disposals	122,661	32,243	36,485	2,487	193,876
As at March 31, 2023 (D)	43,168	-	-	-	43,168
Net Carrying Amount (C-D)	14,498	-	-	-	14,498

\* Pledged as collateral in respect of loan from ICICI Bank (refer note 14).

### 4 Intangible Assets\*

Particulars	Content Internally Generated	Total Intangibles Assets
<b>Gross Carrying Amount</b>		
As at April 1, 2021	17,801,452	17,801,452
Additions	656,996	656,996
Disposals	-	-
As at March 31, 2022 (A)	18,458,448	18,458,448
<b>Accumulated Amortisation</b>		
As at April 1, 2021	4,448,429	4,448,429
Amortisation charged for the year	4,337,949	4,337,949
Disposals	-	-
As at March 31, 2022 (B)	8,786,378	8,786,378
Net Carrying Amount (A-B)	9,672,070	9,672,070

<b>Gross Carrying Amount</b>		
As at April 1, 2022	18,458,448	18,458,448
Additions	954,958	954,958
Disposals	-	-
As at March 31, 2023 (C)	19,413,406	19,413,406
<b>Accumulated Amortisation</b>		
As at April 1, 2022	8,786,378	8,786,378
Amortisation charged for the year	4,455,711	4,455,711
Disposals	-	-
As at March 31, 2023 (D)	13,242,089	13,242,089
Net Carrying Amount (C-D)	6,171,317	6,171,317

#### 4.1 Intangible Assets under Development

During the year the Company, internally developed course modules in the name of - Realtor Success Platform Services (RSP). This product would offer to fill an industry gap around continued education of Realtors post RECO completion and provide a platform to the brokerages to manage all their training and compliance needs. The costs incurred during the year towards the development are as follows:

Description	As at	
	March 31, 2023	March 31, 2022
Opening Intangible assets under development	-	610,078
Add:-Expenditure during the Year	954,958	
Employee Benefits Expense	-	4,696
Professional and technical outsourcing expenses	953,029	40,585
Other Expenses	1,929	1,637
Intangible assets capitalised during the year	954,958	656,996
Net Carrying Amount (A-B)	-	-

\* Pledged as collateral in respect of loan from ICICI Bank (refer note 14).



**5 Leases**

5(i) Aggregate amounts during the year for short term leases in respect of equipments, vehicles and premises for office and employees accommodation amounting to CAD 33,933 (Previous year CAD 51,306) (refer note 23).

5(ii) The following are the carrying amount of right-of-use assets recognised and movement during the year and previous year :-

Particulars	Total
As at April 1, 2021	72,421
Additions	-
Deletion	-
Depreciation	(43,464)
As at March 31, 2022	28,957
As at April 1, 2022	28,957
Additions	-
Deletion	-
Depreciation	(28,957)
As at March 31, 2023	-

The following are the carrying amount of Lease liabilities and movement during the year and previous year :-

Particulars	Total
As at April 1, 2021	78,281
Additions	-
Deletion	-
Accretion of interest (refer note 22)	2,418
Payments of lease liability	(48,108)
As at March 31, 2022	32,591
As at April 1, 2022	32,591
Additions	-
Deletion	-
Accretion of interest (refer note 22)	429
Payments of lease liability	(33,020)
As at March 31, 2023	-

The following is the break-up of current and non-current lease liabilities as of March 31, 2023 and March 31, 2022 :

Particulars	As at	
	March 31, 2023	March 31, 2022
Current Lease liabilities	-	32,591
<b>Total</b>	<b>-</b>	<b>32,591</b>

The following are the amounts recognised in the statement of profit or loss:

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Depreciation expense on right-of-use assets	28,957	43,464
Interest expense on lease liabilities	429	2,418
<b>Total</b>	<b>29,386</b>	<b>45,882</b>

The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2023 and March 31, 2022 :

Particulars	March 31, 2023	March 31, 2022
Less than one year	-	32,591
<b>Total</b>	<b>-</b>	<b>32,591</b>

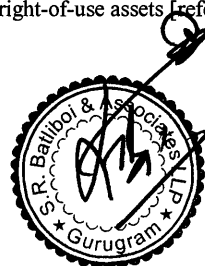
**6 Depreciation And Amortization Expense**

Depreciation on tangible assets (refer note 3)

Amortization on intangible assets (refer note 4)

Depreciation on right-of-use assets [refer note 5(ii)]

	Year ended	
	March 31, 2023	March 31, 2022
	14,747	22,116
	4,455,711	4,337,949
	28,957	43,464
<b>Total</b>	<b>4,499,415</b>	<b>4,403,529</b>



**NIIT Learning Solutions (Canada) Limited**
**Notes to the Special Purpose Financial Statements for the year ended March 31, 2023**

(All amounts are in CAD, unless stated otherwise)

**7 Financial Assets**
**7 (i) Loans to related parties\***

As at			
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Non Current		Current	
Unsecured, considered good (refer note 33)	-	13,527,000	-
	-	13,527,000	-

\*The loan of CAD 13,670,000 was facilitated to NIIT (USA), Inc. to meet its cashflow requirement at the interest rate of 5.82% per annum. The borrower shall pay the entire outstanding loan together with the accrued interest on or before November 01, 2023.

**7 (ii) Other Financial Assets**

As at			
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Non Current		Current	
i) Security Deposits			
Unsecured, considered good	9,772	8,151	-
ii) Contract assets			
-Unbilled Revenue (refer note 29) **	-	4,981,942	7,168,083
iii) Other Receivables*	-	384,664	32,534
<b>Total</b>	<b>9,772</b>	<b>5,366,606</b>	<b>7,200,617</b>

\*Includes receivables relating to strategic sourcing CAD 377,242 (previous year CAD 16,522).

**\*\*Ageing of unbilled revenue from transaction date as at March 31, 2023#**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Unbilled revenue - Considered Good	4,981,942	-	-	-	-	4,981,942
<b>Total</b>	<b>4,981,942</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,981,942</b>

**\*\*Ageing of unbilled revenue from transaction date as at March 31, 2022#**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Unbilled revenue - Considered Good	7,168,083	-	-	-	-	7,168,083
<b>Total</b>	<b>7,168,083</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,168,083</b>

# There are no disputed unbilled revenue.

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# NIIT Learning Solutions (Canada) Limited

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

## 8 Trade Receivables

### Unsecured, considered good

Trade Receivables  
Receivables from Related Parties (refer note 33)

As at	
March 31, 2023	March 31, 2022
Current	
296,690	1,251,813
1,747,546	813,296
<b>2,044,236</b>	<b>2,065,109</b>

Trade receivables are non-interest bearing and are generally on terms upto 45 days.

### Trade receivables Ageing Schedule of trade receivables as at March 31, 2023#

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered Good	2,015,663	28,098	475				2,044,236
<b>Total</b>	<b>2,015,663</b>	<b>28,098</b>	<b>475</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,044,236</b>

### Trade receivables Ageing Schedule of trade receivables as at March 31, 2022#

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered Good	1,694,579	370,531					2,065,109
<b>Total</b>	<b>1,694,579</b>	<b>370,531</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,065,109</b>

# There are no disputed trade receivables.

## 9 Cash and Cash equivalents

Balance with banks  
-Current Accounts

As at	
March 31, 2023	March 31, 2022
Current	
6,828,141	12,874,883
<b>6,828,141</b>	<b>12,874,883</b>

## 10 Other Assets

Advances recoverable in cash or in kind  
Unsecured, considered good\*

As at	
March 31, 2023	March 31, 2022
Current	
77,507	70,943
<b>77,507</b>	<b>70,943</b>

\*It consists primarily employee recoverables and prepaid expenses.



# NIIT Learning Solutions (Canada) Limited

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

## 11 Tax Assets (net)

### 11(i) Deferred tax assets/ (liabilities)

The balance comprises temporary differences attributable to:

Difference between carrying value of right-of-use assets and lease liabilities as per Ind AS 116 in the financial statements and as per the Income Tax

**Total deferred tax asset**

Less: Tax impact of difference between carrying amount of property, plant & equipment in the financial statements and as per the income tax calculation.

**Deferred tax liabilities (net)**

As at	
March 31, 2023	March 31, 2022
-	963
-	963
(184,489)	(218,578)
(184,489)	(217,615)

### Movement in deferred tax liabilities

As at April 1, 2021

(charged)/credited:

- to profit or loss

As at March 31, 2022

(charged)/credited:

- to profit or loss

As at March 31, 2023

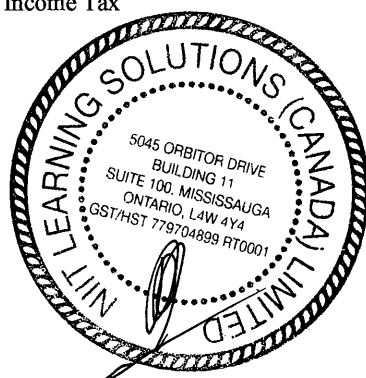
Property, plant & equipment	Lease assets	Total
(203,352)	1,674	(201,678)
(15,226)	(711)	(15,937)
(218,578)	963	(217,615)
34,089	(963)	33,126
(184,489)	-	(184,489)

### 11(ii) Income tax assets / (liabilities) (net)

Advance Income Tax

Less : Provision for Income Tax

As at	
March 31, 2023	March 31, 2022
Current	
3,497,092	2,521,091
(3,454,931)	(5,719,979)
42,161	(3,198,888)



**NIIT Learning Solutions (Canada) Limited**

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

**12 Equity share capital**
**a) Authorised share capital (Equity share of CAD 1 each)**

Particulars	Equity shares	
	No. of shares	Amount
As at April 01, 2021	9,197,260	9,197,260
Addition during the year	-	-
As at March 31, 2022	9,197,260	9,197,260
Addition during the year	-	-
As at March 31, 2023	9,197,260	9,197,260

**b) Issued share capital (Equity share of CAD 1 each issued, subscribed and fully paid up)**

Particulars	Equity shares	
	No. of shares	Amount
As at April 01, 2021	9,197,260	9,197,260
Issued during the year	-	-
As at March 31, 2022	9,197,260	9,197,260
Issued during the year	-	-
As at March 31, 2023	9,197,260	9,197,260

**c) Detail of class of shares held by the Holding Company**

Shares in respect of each class in the Company held by	Name of the Company	Class of shares Equity/ Preference	As at			
			March 31, 2023		March 31, 2022	
			No. of shares	Amount	No. of shares	Amount
Holding Company	NIIT (Ireland) Limited	Equity	9,197,260	9,197,260	9,197,260	9,197,260

**d) Details of shareholders holding more than 5% shares in the Company**

Particulars	As at			
	March 31, 2023		March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
NIIT (Ireland) Limited	9,197,260	100%	9,197,260	100%

**(e) Details of shares held by promoters**
**As at March 31, 2023**

Particulars	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of CAD 1 each fully paid	NIIT (Ireland) Limited	9,197,260	-	9,197,260	100%	0%
<b>Total</b>		<b>9,197,260</b>	<b>-</b>	<b>9,197,260</b>	<b>100%</b>	<b>0%</b>

**As at March 31, 2022**

Particulars	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of CAD 1 each fully paid	NIIT (Ireland) Limited	9,197,260	-	9,197,260	100%	0%
<b>Total</b>		<b>9,197,260</b>	<b>-</b>	<b>9,197,260</b>	<b>100%</b>	<b>0%</b>

**f) Terms/rights attached to equity shares**

The Company has one class of equity shares having a par value of CAD 1 per share. Each shareholder is entitled to one vote per share of the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their holding.

**13 Reserves and Surplus**
**Retained Earnings**
**Opening Balance**

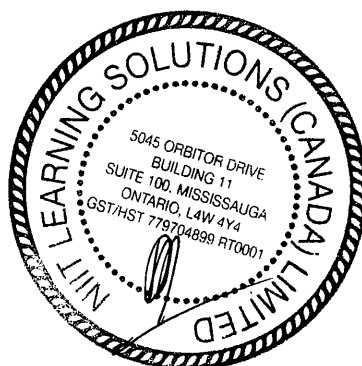
Add : Profit for the year

**Less: Appropriations**

Dividend (refer note 27)

**Closing Balance**

As at	
March 31, 2023	March 31, 2022
9,393,545	7,533,075
9,348,818	15,840,305
-	(13,979,835)
<b>18,742,363</b>	<b>9,393,545</b>



# NIIT Learning Solutions (Canada) Limited

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

## 14 Borrowings

Secured Borrowings at Amortised cost  
Term Loan from Bank

As at			
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Non Current		Current	
-	-	-	797,978
-	-	-	797,978

### Terms of repayment

Term Loan for Four Million Canadian Dollars (CAD 4,000,000) [Outstanding as at March 31, 2022 is Eight lakh Canadian Dollars (CAD 800,000)] is fully repaid as per the maturity date i.e September 30, 2022. The said loan was secured by way of whole of the Company's tangible and intangible fixed assets.

### Interest

The revolving and Term Loan facility availed from ICICI Bank shall bear interest at a rate per annum equal at sum of (a) CDOR (0.48% in effect on the interest reset date) plus (b) the Margin.

## 15 Trade Payables

Trade Payables  
Trade payables to related parties (refer note 33)

As at	
March 31, 2023	March 31, 2022
Current	
1,527,418	3,457,159
1,817,127	2,402,721
3,344,545	5,859,880

Trade payables are non-interest bearing and are normally settled on 45 days term.

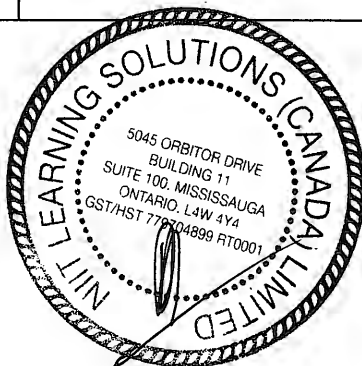
### Ageing of trade payables as at March 31, 2023#

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payables	584,072	1,841,750	-	-	-	2,425,822
<b>Total</b>	<b>584,072</b>	<b>1,841,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,425,822</b>
Add: Unbilled dues						918,723
<b>Total Trade Payables</b>						<b>3,344,545</b>

### Ageing of trade payables as at March 31, 2022#

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payables	2,437,209	17,349	-	-	-	2,454,558
<b>Total</b>	<b>2,437,209</b>	<b>17,349</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,454,558</b>
Add: Unbilled dues						3,405,322
<b>Total Trade Payables</b>						<b>5,859,880</b>

# There are no disputed trade payables.



## NIIT Learning Solutions (Canada) Limited

### Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

#### 16 Other Financial Liabilities

Interest accrued but not due on borrowings  
Payable to employees  
Other Payables\*

\*Payables relates to strategic sourcing.

As at	
March 31, 2023	March 31, 2022
Current	
-	458
80,735	105,893
393,308	33,830
<b>474,043</b>	<b>140,181</b>

#### 17 Other Liabilities

##### Contract liabilities (refer note 29)

-Deferred Revenue  
-Advances from Customers  
Statutory Dues\*

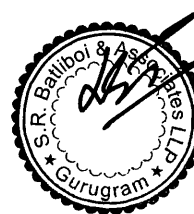
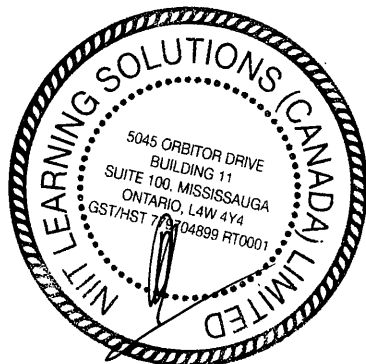
\*Statutory Dues primarily consists GST/HST.

As at	
March 31, 2023	March 31, 2022
Current	
24,171	207,579
1,723,106	2,333,154
313,352	501,863
<b>2,060,629</b>	<b>3,042,596</b>

#### 18 Provisions

Provision for Compensated Absences

As at	
March 31, 2023	March 31, 2022
Current	
77,909	65,178
<b>77,909</b>	<b>65,178</b>



# NIIT Learning Solutions (Canada) Limited

## Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

### 19 Revenue from Operations

Sale of service (refer note 29)

Year ended	
March 31, 2023	March 31, 2022
33,448,638	42,323,384
<b>33,448,638</b>	<b>42,323,384</b>

### 20 Other income

Gain on foreign currency translation and transaction (net)  
Interest income  
-Interest income on bank and other deposits  
-Interest income on loan to related party (refer note 33)  
Other non-operating income  
Unwinding of interest on security deposit  
Reversal of allowance for doubtful advances

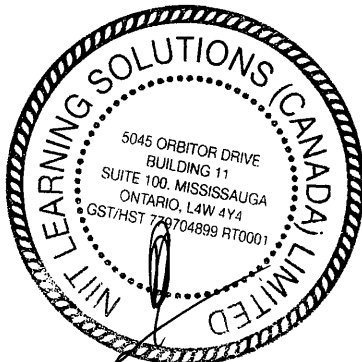
Year ended	
March 31, 2023	March 31, 2022
-	33,192
29,627	27,751
325,617	-
23,128	386,561
251	357
-	205
<b>378,623</b>	<b>448,066</b>

### 21 Employee Benefits Expenses\*

Salaries, wages and bonus  
Contribution to pension plan and employment insurance fund  
Staff welfare

Year ended	
March 31, 2023	March 31, 2022
4,569,944	3,798,024
259,455	193,471
4,813	16,173
<b>4,834,212</b>	<b>4,007,668</b>

\*Net of CAD Nil (Previous year CAD 4,696) capitalized in Intangible asset under development (refer note 4.1).



# NIIT Learning Solutions (Canada) Limited

## Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

### 22 Finance Costs

Interest on borrowings  
Interest on lease liabilities [refer note 5(ii)]  
Other borrowing costs

Year ended	
March 31, 2023	March 31, 2022
6,397	38,053
429	2,418
11,603	29,589
<b>18,429</b>	<b>70,060</b>

### 23 Other Expenses\*

Royalties (refer note 33)  
Rent [refer note 5(i)]  
Rates and taxes  
Communication costs  
Legal and professional (refer note 24)  
Mangement cost recovery by ultimate holding company (refer note 33)  
Travelling and conveyance  
Insurance  
Repairs and maintenance  
-Plant and Machinery  
-Others  
Loss on sale of property, plant & equipment  
Loss on foreign currency translation and transaction (net)  
Bank charges  
Marketing and advertising expenses  
Sundry expenses  
**Total**

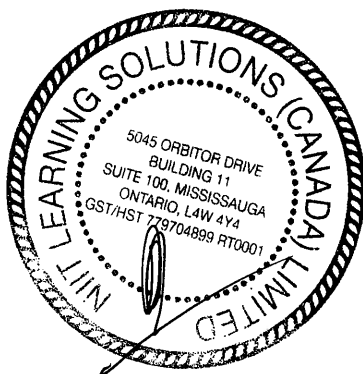
Year ended	
March 31, 2023	March 31, 2022
1,191,758	1,569,388
33,933	51,306
46,076	26,843
26,939	22,621
101,526	104,715
933,637	1,052,617
60,595	10,939
60,274	45,179
2,893	131
-	1,366
11,064	-
286,220	-
70,422	70,418
514,073	381,975
14,570	11,262
<b>3,353,980</b>	<b>3,348,760</b>

\*Net of CAD 1,929 (Previous year CAD 1,637) capitalized in Intangible asset under development (refer note 4.1)

### 24 Payment To Auditors (excluding taxes)

Audit Fee

Year ended	
March 31, 2023	March 31, 2022
6,545	5,729
<b>6,545</b>	<b>5,729</b>



# NIIT Learning Solutions (Canada) Limited

## Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

### 25 Contingent Liabilities

Issuance of Performance Bank Guarantee of CAD 3,000,000 [Previous year CAD 3,000,000] by NIIT USA Inc. on behalf of NIIT Learning Solutions (Canada) Limited. The subject bank guarantee has been issued in terms of Registration Education Services Agreement dated March 30, 2017 between NIIT Learning Solutions (Canada) Limited, Real Estate Council of Ontario, Registrar appointed under the Real Estate and Business Brokers Act, 2002 and Humber College Institute of Technology & Advanced Learning.

### 26 Earnings Per Share

Particular	Year ended	
	March 31, 2023	March 31, 2022
Profit attributable to equity shareholders (CAD) - (A)	9,348,818	15,840,305
Weighted average number of equity shares outstanding during the year (Nos.) - (B)	9,197,260	9,197,260
Nominal value of equity shares (CAD)	1	1
Basic and diluted earnings per share (CAD) - (A/B)	1.02	1.72

As there are no dilutive securities at the year end, the basic and diluted loss per share are same.

### 27 Dividend distribution & proposed

Declared and paid during the year:	Year ended	
	March 31, 2023	March 31, 2022
<b>Cash dividends on equity shares declared and paid :</b>		
First Interim dividend for the year (2021-22) CAD 0.70 per share	-	6,438,082
Second Interim dividend for the year (2021-22) CAD 0.82 per share	-	7,541,753
<b>Total</b>	<b>-</b>	<b>13,979,835</b>

### 28 Segmental Reporting

The Company is engaged in providing Education & Training Services for the corporate sector in a single geography. Based on "Management Approach", as defined in Ind AS 108 – Operating Segment, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on the analysis of performance of the Company as a whole. Its operations are, therefore, considered to constitute a single segment in the context of Ind AS 108 – Operating Segment.

### 29 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

#### a. Disaggregated revenue information

##### Type of Services

Sale of Services (refer note 19)

##### Total

##### Timing of Revenue Recognition

Services transferred over time

##### Total

#### b. Contract Balances

Trade Receivables (refer note 8)

Contract Assets (refer note 7)

Contract Liabilities (refer note 17)

	Year ended	
	March 31, 2023	March 31, 2022
Sale of Services (refer note 19)	33,448,638	42,323,384
<b>Total</b>	<b>33,448,638</b>	<b>42,323,384</b>
Services transferred over time	33,448,638	42,323,384
<b>Total</b>	<b>33,448,638</b>	<b>42,323,384</b>
Trade Receivables (refer note 8)	2,044,236	2,065,109
Contract Assets (refer note 7)	4,981,942	7,168,083
Contract Liabilities (refer note 17)	(1,747,277)	(2,540,733)
	<b>5,278,901</b>	<b>6,692,459</b>

There is no difference between revenue recognised in Statement of Profit and Loss and contracted price.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

Trade receivables are non-interest bearing and are generally on terms of 0- 45 days.

A receivables is right to consideration that is unconditional upon passage of time.

Contract assets includes unbilled revenue.

Contract liabilities includes deferred revenue and advance from customers.

#### c. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on March 31, 2023, there is no remaining performance obligation as the same is satisfied upon delivery of goods/services.





# NIIT Learning Solutions (Canada) Limited

## Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

30 Income Tax Expense	Year ended	
	March 31, 2023	March 31, 2022
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits of the year	3,454,931	5,719,979
Foreign tax credit written off	-	642
Tax adjustment for earlier years	(2,922)	41,494
<b>Total current tax expense (A)</b>	<b>3,452,009</b>	<b>5,762,115</b>
<b>Deferred tax</b>		
Deferred tax (credit)/charge	(33,126)	15,937
<b>Total deferred tax expense (B)</b>	<b>(33,126)</b>	<b>15,937</b>
<b>Income tax expense (A+B)</b>	<b>3,418,883</b>	<b>5,778,052</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by Canada tax rate:</b>		
<b>Profit before tax</b>	<b>12,767,701</b>	<b>21,618,357</b>
Income tax at the Canada tax rate @ 26.5% (Previous year: 26.5%)	3,383,441	5,728,865
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Unrecognized Timing Difference	18,948	-
Permanent Difference on non deductible expenses	18,948	-
Foreign tax credit written off	-	642
Tax Adjustment for Earlier years	(2,922)	41,494
Impact of Change in Tax rate	-	3,878
Others	469	3,173
<b>Total</b>	<b>3,418,883</b>	<b>5,778,052</b>



**31 Financial risk management**

The Company's principal financial liabilities comprise of promissory note, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(i) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments measured at FVTPL and derivative financial instruments.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There are no significant borrowings on the financial statements. Hence, there is no significant concentration of interest rate risk.

**Foreign currency risk**

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (CAD). The Company evaluates its exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to hedge forecasted cash flows denominated in foreign currency and mitigate such exposure.

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

<b>Financial Assets</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Receivables</b>		
EUR	9,636	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>9,636</b>	<b>-</b>
<b>Financial Liabilities</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Payables</b>		
USD	1,106,668	145,136
GBP	37,738	1,467
EUR	7,379	
Others	29	29
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>1,151,813</b>	<b>146,632</b>

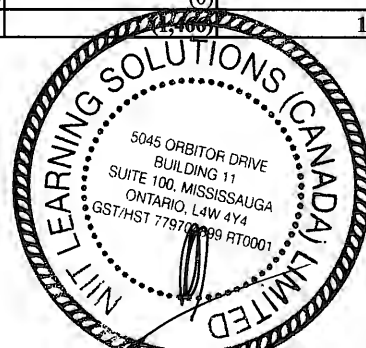
**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

<b>Particulars</b>	<b>Impact on Profit and Loss for the year ended March 31, 2023</b>		<b>Impact on Profit and Loss for the year ended March 31, 2022</b>	
	<b>Gain / (Loss) on appreciation</b>	<b>Gain / (Loss) on Depreciation</b>	<b>Gain / (Loss) on appreciation</b>	<b>Gain / (Loss) on Depreciation</b>
1% appreciation / depreciation in CAD against following foreign currencies *:				
USD	(11,067)	11,067	(1,451)	1,451
GBP	(377)	377	(15)	15
EUR	23	(23)	-	-
Others	(0)	0	(0)	0
	<b>(11,422)</b>	<b>11,422</b>	<b>(1,466)</b>	<b>1,466</b>

\* Holding all other variables constant

GBP: Great Britain Pound sterling, USD: United States Dollar



**NIIT Learning Solutions (Canada) Limited****Notes to the Special Purpose Financial Statements for the year ended March 31, 2023**

(All amounts in CAD, unless specified otherwise)

**ii) Credit risk**

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to CAD 2,044,236 and CAD 2,065,109 as of March 31, 2023 and March 31, 2022, respectively and unbilled revenue amounting to CAD 4,981,942 and CAD 7,168,083 as of March 31, 2023 and March 31, 2022, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned through affiliates and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate.

There was no provision for expected credit loss created by the Company for the period ended March 31, 2023

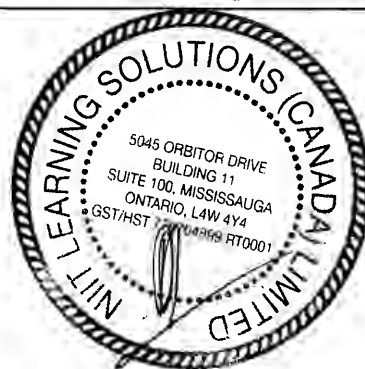
**iii) Liquidity risk**

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

**Maturities of financial liabilities**

The table below provides details regarding the contractual maturities of significant financial liabilities:

	Less than 1 year	1-2 Years	2-5 Years	Total
<b>March 31, 2023</b>				
Trade payables	3,344,545	-	-	3,344,545
Other financial liabilities	474,043	-	-	474,043
	<b>3,818,588</b>	<b>-</b>	<b>-</b>	<b>3,818,588</b>
<b>March 31, 2022</b>				
Borrowings	797,978	-	-	797,978
Trade payables	5,859,880	-	-	5,859,880
Lease liabilities	32,591	-	-	32,591
Other financial liabilities	140,181	-	-	140,181
	<b>6,830,630</b>	<b>-</b>	<b>-</b>	<b>6,830,630</b>



# NIIT Learning Solutions (Canada) Limited

## Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts in CAD, unless specified otherwise)

### 32 Fair value measurements

#### (i) Fair value hierarchy

To provide indication about the reliability of the inputs in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price.

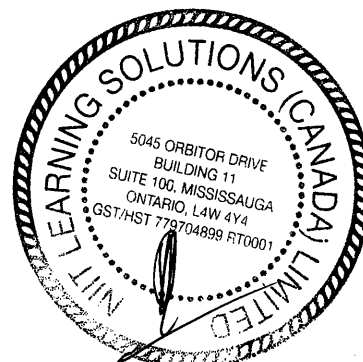
Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant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

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

#### (ii) Fair value of financial assets and liabilities measured at amortised cost:

	As at	
	March 31, 2023	March 31, 2022
	Carrying value	
<b>Financial assets</b>		
Trade receivables	2,044,236	2,065,109
Cash and Cash Equivalents	6,828,141	12,874,883
Other Financial Assets	5,376,378	7,208,768
<b>Total financial assets</b>	<b>14,248,755</b>	<b>22,148,760</b>
<b>Financial liabilities</b>		
Borrowings	-	797,978
Trade payables	3,344,545	5,859,880
Other financial Liabilities	474,043	140,181
Lease Liabilities	-	32,591
<b>Total financial liabilities</b>	<b>3,818,588</b>	<b>6,830,630</b>

As of March 31, 2023 and March 31, 2022, the fair value of cash and bank balances, trade receivables, other financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the nature of these instruments.



## NIIT Learning Solutions (Canada) Limited

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

### 33 Related Party Transactions :

#### A. Related party relationship where control exists:

**Holding Company - NIIT Ireland Limited**

**Ultimate Holding Company - NIIT Learning Systems Limited, India (Formerly Mindchampion Learning Systems Limited, name changed w.e.f January 18, 2022) (w.e.f. April 01, 2022)**

#### B. Fellow Subsidiaries \*

1. NIIT USA Inc, USA
2. NIIT Limited, UK
3. NIIT Malaysia Sdn. Bhd, Malaysia
4. NIIT West Africa Limited
5. Stackroute Learning Inc. (subsidiary of entity at serial no. 1)
6. ST. Charles Consulting Group LLC (w.e.f. November 04, 2022) (subsidiary of entity at serial no. 1)
7. NIIT Mexico, S. DE R.L. DE C.V. (w.e.f. February 23, 2023) (subsidiary of entity at serial no. 1)
8. NIIT Brazil LTDA (w.e.f. March 23, 2023) (subsidiary of entity at serial no. 1)
9. Eagle international Institute Inc. USA (merged with NIIT (USA) Inc, USA w.e.f. July 01, 2021)
10. Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 9 till June 30, 2021, became subsidiary of NIIT (USA) Inc, USA w.e.f. July 01, 2021)

\* Became subsidiaries of NIIT Learning Systems Limited, pursuant to the Composite Scheme of Arrangement between NIIT Limited and NIIT Learning Systems Limited as approved by Hon'ble Company Law Tribunal vide its Order dated May 19, 2023 and effective on May 24, 2023, with an appointed date April 1, 2022.

#### C. Key Management Personnel

1. Mr. Vijay K Thadani (Director)
2. Mr. Sapnesh Kumar Lalla (Director)
3. Mr. Abhas Kumar (Director)
4. Mr. P R Subramanian (Director)
5. Mr. Satesh Kumar Lalla (Director)
6. Mr. Devenderjit Chadha (Director)

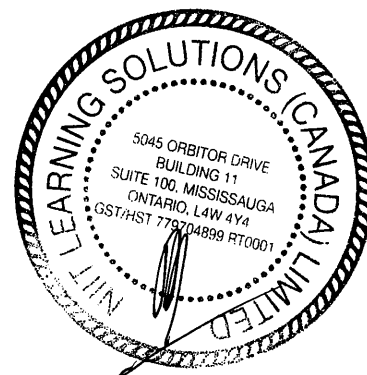
#### D. Entities in which Key Management Personnel of the Ultimate Holding Company and NIIT Limited are same (refer note 36)

1. NIIT Limited, India (Ultimate Holding Company till March 31, 2022)
2. NIIT Institute of Finance Banking and Insurance Training Limited
3. NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)
4. NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
5. NIIT GC Limited, Mauritius
6. PT NIIT Indonesia, Indonesia (under liquidation)
7. NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 5)
8. Chengmai NIIT Information Technology Company Limited, China (Closed w.e.f. August 18, 2022, subsidiary of entity at serial no. 7)
9. Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 7)
10. NingXia NIIT Education Technology Company Limited, China (Closed w.e.f. December 6, 2022, subsidiary of entity at serial no. 7)
11. Guizhou NIIT Information Technology Consulting Co., Limited, China (under process of closing, subsidiary of entity at serial no. 7)
12. NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 7)
13. RPS Consulting Private Limited (w.e.f. October 01, 2021)

#### D. Terms and conditions

Transactions with related parties during the year were based on terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are repayable in cash.



**NIIT Learning Solutions (Canada) Limited**
**Notes to the Special Purpose Financial Statements for the year ended March 31, 2023**

(All amounts in CAD, unless specified otherwise)

**33 E. Detail of significant transactions with related parties carried out in ordinary course of business.**

Nature of Transactions*	Ultimate Holding Company **	Holding Company	Fellow Subsidiaries	Parties in which Key Management Personnel of the Company are interested	Total
Purchase of services - professional technical & outsourcing services	2,133,646 (2,972,898)	3,645 (13,916)	3,287,339 (3,372,568)	62,712 -	5,487,342 (6,359,382)
Management Cost Recovery	933,637 (1,052,617)	- -	- -	- -	933,637 (1,052,617)
Sales of services	81,265 (35,917)	415,117 (356,958)	3,137,296 (1,793,609)	- -	3,633,678 (2,186,484)
Other Income	2,765 -	2,602 -	17,760 (385,828)	- -	23,128 (385,828)
Other Borrowing Costs	9,932 -	- -	- -	- -	9,932 -
Loan to Affiliates	- -	- -	13,670,000 -	- -	13,670,000 -
Interest Income	- -	- -	325,617 -	- -	325,617 -
Dividend paid	- -	- (13,979,835)	- -	- -	- (13,979,835)
Recovery of expenses from -Other Expenses	- (1,497)	- -	5,750 (16,209)	- -	5,750 (17,706)
Recovery of expenses by - Employee cost	12,687 -	- -	- -	- -	12,687 -
Recovery of expenses by - Royalties	1,191,758 (1,569,388)	- -	- -	- -	1,191,758 (1,569,388)
Recovery of expenses by - Other Expenses	11,955 (39,837)	- (8,750)	507,404 (191,390)	- -	519,359 (239,977)

Figures in parenthesis represent Previous Year's figure.

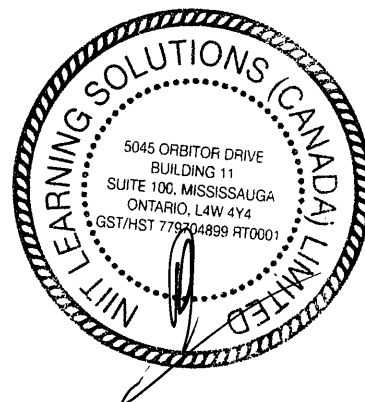
\* Excluding taxes

**F. Details of outstanding balances with related parties**

Particulars	Ultimate Holding Company **	Holding Company	Fellow Subsidiaries	Parties in which Key Management Personnel of the Company are interested	Total
<b>Loan given</b>					
March 31, 2023	-	-	13,527,000	-	13,527,000
March 31, 2022	-	-	-	-	-
<b>Trade and other receivables</b>					
March 31, 2023	36,137	66,980	1,644,428	-	1,747,546
March 31, 2022	31,966	93,071	688,259	-	813,296
<b>Trade and other payables</b>					
March 31, 2023	888,649	2,830	887,123	62,712	1,841,315
March 31, 2022	1,180,563	9,252	1,212,906	-	2,402,721

\*\*Ultimate Holding Company - NIIT Limited, India (Till March 31, 2022)

- NIIT Learning Systems Limited, India (Formerly Mindchampion Learning Systems Limited) (w.e.f. April 01, 2022)



## NIIT Learning Solutions (Canada) Limited

### Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

#### 34 Capital Management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. To maximise the shareholder value the management also monitors the return on equity.

There is no default on the repayment of borrowings (including interest thereon) during the year ended March 31, 2023.

#### Debt equity ratio:

##### Particulars

Borrowings (refer note 14)

Lease Liabilities (refer note 5)

**Total Debt (A)**

Equity share capital (refer note 12)

Other equity (refer note 13)

**Total Equity (B)**

**Profit after tax (C)**

Opening Shareholders equity

Closing Shareholders equity

**Average Shareholder's Equity (D)**

**Debt equity ratio (A/B)**

**Return on equity Ratio (%) (C/D)**

As at	
March 31, 2023	March 31, 2022
-	797,978
-	32,591
-	<b>830,569</b>
9,197,260	9,197,260
18,742,363	9,393,545
<b>27,939,623</b>	<b>18,590,805</b>
<b>9,348,818</b>	<b>15,840,305</b>
18,590,805	16,730,335
27,939,623	18,590,805
<b>23,265,214</b>	<b>17,660,570</b>
-	0.04
40.2%	89.7%

#### 35 Additional Regulatory Information

- There is no immovable property included in Property Plant and Equipment and Right of use assets, held by the Company.
- The Company has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year ended March 31, 2023.
- The Company has not traded or invested in cryptocurrency transactions during the financial year and there is no balance as at year end.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority, as per the available information.

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**NIIT Learning Solutions (Canada) Limited**

Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

(All amounts are in CAD, unless stated otherwise)

**(v) Ratio Analysis and its elements**

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	4.68	1.69	177%	This increase is due to increase in collection which resulted in increase in Cash and cash equivalents.
Debt equity ratio	Total Debt = Borrowings + Lease liabilities	Shareholder's Equity	-	0.04	(100%)	Entire debt has been paid during the year
Debt service coverage ratio	Earnings available for debt service	Debt service	0.97	15.30	(93%)	Reduction in profitability and loan provided during the year resulted in improvement of this ratio.
Return on equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	40.2%	89.7%	(55%)	Reduction in profitability has resulted in decreased in this ratio.
Trade receivables turnover ratio	Total Sales	Trade receivables	16.36	20.49	(20%)	
Trade payables turnover ratio	Total Purchases	Trade payables	3.50	2.16	62%	Reduction in trade payables resulted in improvement of this ratio.
Net capital turnover ratio	Net Sales	Average Working Capital (i.e. Total current assets less Total current liabilities)	2.16	5.89	(63%)	Decrease mainly due to higher efficiency in improvement of working capital improvement which is not in line with revenue growth.
Net profit ratio %	Net profit	Net Sales	27.9%	37.4%	(25%)	Decrease is on account of reduction in profit.
Return on capital employed	Earning before interest and taxes	Capital employed = Tangible Net worth + Lease liabilities + Borrowing	58.2%	275.6%	(79%)	Reduction in profitability has resulted in decreased in this ratio.

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## NIIT Learning Solutions (Canada) Limited

### Notes to the Special Purpose Financial Statements for the year ended March 31, 2023

- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (viii) The Company doesn't have any transactions with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.
- 36 The Board of Directors of the NIIT Limited, in its meeting held on January 28, 2022 approved a Composite Scheme of Arrangement under Section 230 to 232 and other applicable provisions of the Companies Act 2013 between NIIT Limited ("Transferor Company" or "NIIT") and NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ("Transferee Company" or "NLSL") a wholly owned subsidiary of the Company and their respective shareholders and creditors ("Scheme"). The National Company Law Tribunal (NCLT), Chandigarh Bench vide Order dated May 19, 2023 sanctioned the Composite Scheme of Arrangement. The Scheme became effective on May 24, 2023 upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the CLG Business Undertaking is demerged from the NIIT and transferred to and vested in NLSL with effect from April 1, 2022 i.e. the Appointed Date. Consequently, NIIT ceased to be the ultimate holding company of the entity and NLSL became the ultimate holding company of the entity.
- 37 Previous year figures have been regrouped / reclassified to conform the current year classification.

Signature to Notes '1' to '37' of these special purpose financial statements.

**For S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 101049W/E300004

  
**Sanjay Bachchani**  
Partner  
Membership No. 400419

Place: Gurugram

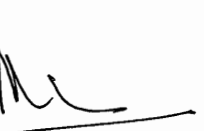
Date: May 26, 2023



**For and on behalf of the Board of Directors of**

**NIIT Learning Solutions (Canada) Limited**



  
**P R Subramanian**  
Director

Place: Gurugram

Date: May 26, 2023

  
**Sapresh Lalla**  
Director

  
**Vijay K Thadani**  
Director

Place: Gurugram

Date: May 26, 2023

Place: Gurugram

Date: May 26, 2023