



**S K AGRAWAL AND CO CHARTERED
ACCOUNTANTS LLP**

(FORMERLY S K AGRAWAL AND CO)
CHARTERED ACCOUNTANTS
LLPIN – AAV-2926
FRN- 306033E/E300272

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THE CHAMBERS, OPP. GITANJALI STADIUM
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INDEPENDENT AUDITORS' REPORT

To the Members of SOUTHCITY INTERNATIONAL SCHOOL

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **SOUTHCITY INTERNATIONAL SCHOOL** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Income and Expenditure (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flow for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, the Surplus and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's report but does not include the financial statements and our auditor's report thereon.

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





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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, net profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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





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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also 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.





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

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

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Income and Expenditure (including Other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the accompanying financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.





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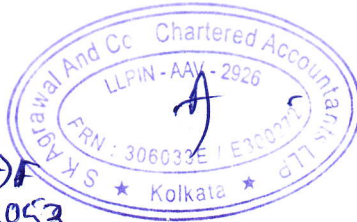
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(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to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

- i. The Company does not have any pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There is no such sum which needs to be transferred to the Investor Education and Protection Fund by the Company.

For S. K. AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm's Registration No. 306033E/E300272

Place: Kolkata
Date: 31-08-2021
UDIN: 213053AAAA



E8053

A. C. Sahoo
Ashok Kumar Sahoo
Partner
Membership No.: 306453



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ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls over financial reporting of **SOUTHCITY INTERNATIONAL SCHOOL** as of 31st March 2021 to the extent of records available with us, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal financial controls over financial reporting criteria established by the Company considering the essentials components of the internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate





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internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





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Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For S. K. AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm's Registration No.306033E/E300272

Place: Kolkata

Date: 31-08-2021

UDIN:21306453AAAAFE8053



A. K. Sahoo

Ashok Kumar Sahoo

Partner

Membership No.: 306453

**SOUTH CITY INTERNATIONAL SCHOOL
BALANCE SHEET AS AT MAR 31 2021**

		Amount in ₹	
	Notes	As at 31-Mar-2021	As at 31-Mar-2020
ASSETS :			
Non-Current assets			
Property Plant and Equipment	2.1	28,82,77,601	30,02,29,886
Intangible Assets	2.1	14,908	22,563
Financial Assets			
(a) Trade Receivables	2.4	7,48,540	3,98,200
(b) Loans	2.2	-	20,000
(c) Other Financial Assets	2.3	1,00,99,144	2,81,81,672
		29,91,40,193	32,88,52,321
Current Assets			
Financial Assets			
(a) Trade Receivables	2.4	25,27,322	36,42,513
(b) Cash and Cash Equivalents	2.5	2,18,96,720	17,85,691
Other Current Assets	2.6	17,37,225	23,69,890
		2,61,61,267	77,98,094
Total Assets		32,53,01,460	33,66,50,415
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.7	3,00,000	3,00,000
Other Equity	2.8	2,94,30,041	1,88,00,823
Total Equity		2,97,30,041	1,91,00,823
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	2.9	12,52,34,318	16,75,49,300
Provisions	2.10	1,80,06,780	1,70,14,908
		14,32,41,098	18,45,64,208
Current Liabilities			
Financial Liabilities			
(a) Borrowings	2.9	1,93,68,423	1,72,81,809
(b) Trade payables	2.11	-	46,929
- Total outstanding dues of Micro & Small Enterprises		-	46,929
- Total outstanding dues of creditors other than Micro & Small Enterprises		11,22,979	42,81,165
(c) Other Financial Liabilities	2.12	10,94,09,256	8,94,20,644
Other Current Liabilities	2.13	2,05,91,933	2,14,51,388
Provisions	2.10	18,37,730	5,03,449
		15,23,30,321	13,29,85,384
Total Liabilities		29,55,71,419	31,75,49,592
Total Equity and Liabilities		32,53,01,460	33,66,50,415

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.
As per our report on even date

For S. K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No : 306033E / E300272



A. K. Sahoo
Ashok Kumar Sahoo
Partner
M.No.306453
Place: Kolkata
Dated: 31-08-2021

[Signature]
South City International School
Director

[Signature]
South City International School
Director

SOUTH CITY INTERNATIONAL SCHOOL

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MAR 2021

		Amount in ₹	
	Notes	2020-21	2019-20
Revenue From Operations	2.14	14,92,68,182	17,37,32,210
Other Income	2.15	33,85,814	26,16,812
Total Income		15,26,53,996	17,63,49,022
Expenses			
Employee Benefits Expense	2.16	6,58,99,610	7,22,93,998
Finance Costs	2.17	1,92,08,316	1,96,72,424
Depreciation and Amortisation Expenses	2.18	2,81,30,836	1,83,28,560
Other Expenses	2.19	3,19,28,940	4,10,80,635
Total Expenses		14,51,67,702	15,13,75,617
Surplus/(Deficit) before tax		74,86,294	2,49,73,405
Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
		-	-
Surplus for the year (I)		74,86,294	2,49,73,405
Other Comprehensive income:			
Other comprehensive income not to be reclassified to			
Surplus/(Deficit) in subsequent periods:			
Re-measurement gains and (losses) on defined benefit obligations		31,42,925	(36,85,127)
Income tax effect thereof		-	-
Other comprehensive income/(loss) for the year, net of tax (II)		31,42,925	(36,85,127)
Total comprehensive income for the year, net of tax (I + II)		1,06,29,219	2,12,88,278
Earnings per Equity Share of Rs. 10 each			
Basic & Diluted	2.20	249.54	832.45

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements.

As per our report on even date

For S. K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E / E300272



Ashok Kumar Sahoo

Partner

M.No.306453

Place: Kolkata

Dated: 31-08-2021

South City International School

[Signature]
Director

South City International School

[Signature]
Director

SOUTH CITY INTERNATIONAL SCHOOL**Statement of Changes in Equity for the year ended 31 March 2021****a. Equity Share Capital:**

Equity shares of Rs. 10 each issued, subscribed and fully paid

As at 1 April 2020

Change of share capital

At 31 March 2021

No. of shares	Amount in ₹
30,000	3,00,000
-	-
30,000	3,00,000

b. Other equity

For the year ended 31 March, 2020

Amount in ₹

Particulars	Retained Earnings	Items of OCI	Total Equity
		FVTOCI Reserve	
As at 1st April 2019	10,54,925	(35,42,380)	(24,87,455)
Surplus/(Deficit) for the year	2,49,73,405	-	2,49,73,405
Other comprehensive income for the year	-	(36,85,127)	(36,85,127)
Total Comprehensive Income for the year	2,49,73,405	(36,85,127)	2,12,88,278
As at 31 March 2020	2,60,28,330	(72,27,507)	1,88,00,823

For the year ended 31 March 2021

Amount in ₹

Particulars	Retained Earnings	Items of OCI	Total Equity
		FVTOCI Reserve	
As at 1 April 2020	2,60,28,330	(72,27,507)	1,88,00,823
Surplus/(Deficit) for the year	74,86,294	-	74,86,294
Other comprehensive income for the year	-	31,42,925	31,42,925
Total Comprehensive Income for the year	74,86,294	31,42,925	1,06,29,219
As at 31 March 2021	3,35,14,623	(40,84,582)	2,94,30,041

As per our report on even date

For S. K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E / E300272

A. K. Sahoo

Ashok Kumar Sahoo

Partner

M.No.306453

Place: Kolkata

Dated: 31-08-2021

South City International School

Director

South City International School

Director



SOUTH CITY INTERNATIONAL SCHOOL
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

Particulars	Amount in ₹	
	March 31,2021	March 31,2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Surplus/(Deficit) before tax	74,86,294	2,49,73,405
Adjustment to reconcile surplus/(deficit) before tax to net cash flow		
Depreciation & Amortisation expense	2,81,30,836	1,83,28,560
Finance costs	1,92,08,316	1,96,72,424
Provision for Gratuity	31,42,925	(36,85,127)
Profit on sale of Property, Plant & Equipment	-	-
Interest Income	(22,71,180)	(17,54,971)
Operating surplus/(deficit) before working capital changes	5,56,97,191	5,75,34,291
Adjustments for-		
Increase in trade receivables	7,64,851	(16,88,716)
Increase/(decrease) in other current and non current assets	6,32,665	2,31,555
Increase/(decrease) in provisions	9,91,872	65,90,428
Increase/(decrease) in other current and non current liabilities	1,72,58,323	(1,67,17,447)
Cash generated in operations	7,53,64,902	4,59,50,111
Less : Income Tax Paid (net of refund)	-	-
Net Cash inflow from Operating Activities	7,53,64,902	4,59,50,111
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Interest Received	22,71,180	17,54,971
	22,71,180	17,54,971
Less : Purchase of Property, Plant & Equipment	1,61,70,896	2,30,71,808
Investments in Fixed Deposits	(1,80,82,527)	(13,77,470)
Net cash flow from Investing Activities	41,82,811	(1,99,39,367)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Borrowings	(4,23,14,982)	(36,33,900)
Interest paid	(1,92,08,316)	(1,96,72,424)
Net cash flow from Financing Activities	(6,15,23,298)	(2,33,06,324)
Net decrease in cash and cash equivalents (A+B+C)	1,80,24,415	27,04,420
Cash and Cash Equivalents at the beginning of the year (Refer note-2.5 and 2.9)	(1,54,96,118)	(1,82,00,538)
Cash and Cash Equivalents at the end of the year (Refer note-2.5 and 2.9)	25,28,297	(1,54,96,118)
Balances with banks:		
- On current accounts	3,28,382	3,94,534
- On savings accounts	6,69,102	12,99,868
Cash on hand	1,39,068	91,289
Bank Overdraft	(1,93,68,423)	(1,72,81,809)
	25,28,297	(1,54,96,118)

In terms of our attached report of even date

For S. K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No : 306033E / E300272

Ashok Kumar Sahoo
Ashok Kumar Sahoo
Partner
M.No.306453
Place: Kolkata
Dated: 31-08-2021

Director
South City International School
Director

Director
South City International School
Director



1.1 Corporate Information

South City International School (referred to as "the Company") is a Private Limited Company established in 2005 under the Companies Act applicable in India. The Company is engaged in providing exclusively educational services by way of pre-school education and education upto higher secondary school or equivalent. The Company is domiciled in India and has its registered office at 375, Prince Anwar Shah Road, Jadavpur, Kolkata – 700068.

1.2 Basis of Preparation of financial statements

a) Compliance with INDAS

These financial statements for the year ended 31st March 2021 are financial statements which the Company has prepared in accordance with Indian Accounting Standards ("Ind AS") including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

b) Historical Cost Convention

The financial statements have been prepared on going concern basis in accordance with the accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis, except for certain assets and liabilities which have been measured at fair values as explained in relevant accounting principles.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.3 Summary of Significant Accounting Policies

1.3.1 Operating Cycle

Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of classification of assets and liabilities into current and non-current. 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.

1.3.2 Foreign Currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency).



Transactions in foreign currencies are initially recorded in by the Company at spot rates at the functional currency spot rate (i.e. INR) at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of initial transaction. Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Income and Expenditure.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

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:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED
MARCH 31, 2021

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

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

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

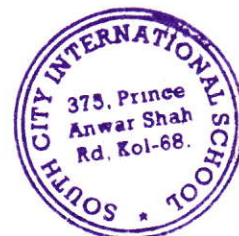
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.3.4 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. The areas involving critical estimates or judgements are:-

- i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized.
- ii) Determination of the estimated useful life of intangible assets.
- iii) Recognition and measurement of defined benefit obligation, key actuarial assumptions.
- iv) Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.
- v) Fair value of financial instrument.



1.3.5 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term highly liquid investments with original maturities less than three months, which are readily convertible into cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows; cash and cash equivalent, cash and short term deposits as defined above is net off outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

1.3.6 Property, Plant and Equipment

Property, plant and equipment is carried at cost of acquisition, on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price 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. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation is provided on reducing balance method over the useful lives of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, except Library books which are depreciated on Straight Line Method over a period of two years, Sports Equipments and Lab Equipments which are fully depreciated in the year of purchase respectively.

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

1.3.7 Intangible Assets

Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life of three years. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding eligible development costs, are not capitalized and are charged to Statement of Income and Expenditure for the year during which such expenditure is incurred.



1.3.8 Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

An impairment loss, if any, is recognised in the Statement of Income and Expenditure in the period in which the impairment takes place. The Impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

1.3.9 Revenue and Other Income

Income and expenditure are recognized on accrual basis.

Interest Income

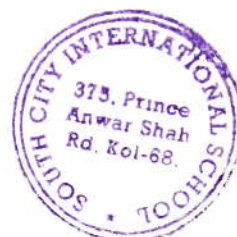
Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head 'Other Income' in the Statement of Income and Expenditure.

1.3.10 Employee Benefits

I. Defined Contribution Plan

a. Provident Fund

Contributions in respect of all Employees are made to the Regional Provident Fund as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to the Statement of Income and Expenditure as and when services are rendered by employees. The Company has no obligation other than the contribution payable to the Regional Provident fund.



II. Defined Benefit Plan

a. Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Current Service cost and Interest component on the Company's defined benefit plan is included in employee benefits expense. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

1.3.11 Taxes on Income

Tax expense comprises current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). 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.

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



Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Income and Expenditure, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

1.3.12 Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Income and Expenditure.

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

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. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

1.3.13 Borrowing Costs

Borrowing Costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs. Borrowing Costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date the asset is ready for its intended use is



added to the cost of the assets. Capitalisation of Borrowing Costs is suspended and charged to the Statement of Income and Expenditure during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

1.3.14 Earnings per Share

Basic Earnings per Share is calculated by dividing the surplus/(deficit) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the surplus/(deficit) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares.

1.3.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through income and expenditure, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

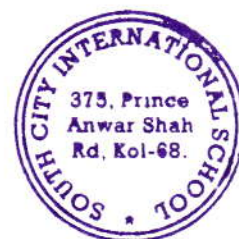
For purposes of subsequent measurement, financial assets are classified in two categories:

- a. Debt instruments at amortised cost
- b. Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost other than derivative contracts

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Income and Expenditure. The losses arising from impairment are recognised in the Income and Expenditure. This category generally applies to trade and other receivables.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is



adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Income and Expenditure(P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, investment in subsidiaries and joint ventures, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Income and Expenditure

Financial liabilities at fair value through Income and Expenditure include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Income and Expenditure. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Income and Expenditure.

Financial liabilities designated upon initial recognition at fair value through Income and Expenditure are designated as such at the initial date of recognition, and only if the criteria



NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED
MARCH 31, 2021

in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of Income and Expenditure.

Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of Income and Expenditure when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Income and Expenditure.

Trade receivables

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

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year. The amounts are generally unsecured. Trade and other payables are presented as current liabilities unless payment is not due within the Company's operating cycle. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.



SOUTH CITY INTERNATIONAL SCHOOL

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

De-recognition

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

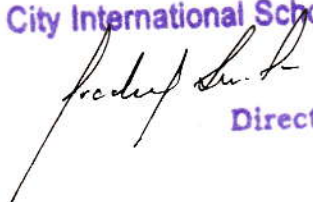
Offsetting of financial instruments

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

1.3.16 Operating Segments

The company is engaged in a single business segment i.e. running of School.

South City International School


Director

South City International School


Director



SOUTH CITY INTERNATIONAL SCHOOL

2.1 PROPERTY, PLANT & EQUIPMENT (Current Year)										(Amount in Rs.)	
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1-04-20	Additions	Deduction /Adjustment s	Total as at 31-03-21	As at 1-04-20	For the year *	On Deduction /Adjustments during the year	Upto 31-03-21	As at 31-03-21	As at 31-03-20	
<u>PROPERTY, PLANT & EQUIPMENT</u>											
Land	5,42,27,485	-	-	5,42,27,485	-	-	-	-	5,42,27,485	5,42,27,485	
Building	27,59,15,300	-	-	27,59,15,300	5,87,11,387	1,17,06,956	-	7,04,18,343	20,54,96,957	21,72,03,913	
Equipments	3,98,30,828	1,61,27,384	1,01,19,159	4,58,39,053	47,08,660	1,53,98,957	-	2,01,07,617	2,57,31,436	3,51,22,168	
Furniture & Fittings	1,12,21,587	22,050	-	1,12,43,637	90,25,241	3,95,102	-	94,20,343	18,23,294	21,96,346	
Vehicles -Finance Lease	15,17,311	-	-	15,17,311	11,10,225	1,28,774	-	12,38,999	2,78,312	4,07,086	
Office Equipments	20,33,279	17,700	-	20,50,979	15,82,141	2,47,193	-	18,29,334	2,21,645	4,51,138	
Computers	31,76,903	-	-	31,76,903	26,06,324	1,24,749	-	27,31,073	4,45,830	5,70,579	
Library Books	15,28,067	3,762	-	15,31,829	13,57,737	1,21,450	-	14,79,187	52,642	1,70,330	
Total (A)	38,94,50,760	1,61,70,896	1,01,19,159	39,55,02,497	7,91,01,715	2,81,23,181	-	10,72,24,896	28,82,77,601	31,03,49,045	
<u>INTANGIBLE ASSETS</u>											
Website Development	42,512	-	-	42,512	42,512	-	-	42,512	0	0	
Computer Software	79,104	-	-	79,104	56,541	7,655	-	64,197	14,907	22,563	
Total (B)	1,21,616	-	-	1,21,616	99,053	7,655	-	1,06,708	14,908	22,563	
Total (A + B)					7,92,00,768	2,81,30,836	-	10,73,31,604	28,82,92,509		



SOUTH CITY INTERNATIONAL SCHOOL

2.1 PROPERTY, PLANT & EQUIPMENT (Last Year)

2.1 PROPERTY, PLANT & EQUIPMENT (Last Year)											(Amount in Rs.)
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1-04-19	Additions	Deduction /Adjustment s	Total as at 31-03-20	As at 1-04-19	For the year *	On Deduction /Adjustments during the year	Upto 31-03-20	As at 31-03-20	As at 31-03-19	
<u>PROPERTY, PLANT & EQUIPMENT</u>											
Land	5,42,27,485	-	-	5,42,27,485	-	-	-	-	5,42,27,485	5,42,27,485	
Building	27,54,22,146	4,93,154	-	27,59,15,300	4,50,80,383	1,36,31,004	-	5,87,11,387	21,72,03,913	23,03,41,763	
Equipments	1,78,09,160	2,20,21,668	-	3,98,30,828	1,17,04,585	31,23,234	-	1,48,27,819	2,50,03,009	61,04,575	
Furniture & Fittings	1,10,71,337	1,50,250	-	1,12,21,587	84,26,904	5,98,337	-	90,25,241	21,96,346	26,44,433	
Vehicles -Finance Lease	15,17,311	-	-	15,17,311	9,21,989	1,88,236	-	11,10,225	4,07,086	5,95,322	
Office Equipments	19,32,949	1,00,330	-	20,33,279	11,34,517	4,47,624	-	15,82,141	4,51,138	7,98,432	
Computers	30,24,703	1,52,200	-	31,76,903	23,92,924	2,13,400	-	26,06,324	5,70,579	6,31,779	
Library Books	13,93,429	1,34,638	-	15,28,067	12,40,696	1,17,041	-	13,57,737	1,70,330	1,52,733	
Total (A)	36,63,98,520	2,30,52,240	-	38,94,50,760	7,09,01,998	1,83,18,876	-	8,92,20,874	30,02,29,886	29,54,96,522	
<u>INTANGIBLE ASSETS</u>											
Website Development	42,512	-	-	42,512	33,303	9,209	-	42,512	-	9,209	
Computer Software	59,536	19,568	-	79,104	56,066	475	-	56,541	22,563	3,470	
Total (B)	1,02,048	19,568	-	1,21,616	89,369	9,684	-	99,053	22,563	12,679	



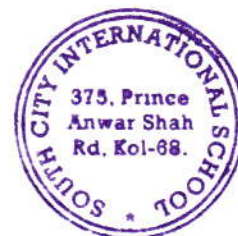
South City International School**Notes to financial statements for the year ended March 31, 2021****Note 2.2 Financial Assets - Loans
(Unsecured)**

	Amount in ₹	
	Non-Current	
	As at 31-Mar-2021	As at 31-Mar-2020
Considered good - Unsecured Loan		
Security Deposits with Supplier	-	20,000
Total Financial Assets - Loans	-	20,000

Note 2.3 Other Financial Assets

	Non-Current	
	As at	As at
	31-Mar-2021	31-Mar-2020
Bank Deposits with maturity of twelve months or More *	93,00,000	2,78,60,168
Interest Receivables	7,99,144	3,21,504
Total Other Financial Assets	1,00,99,144	2,81,81,672

* Represents fixed deposits created for Debt Service Reserve Account (DSRA) for loans availed from Kotak Mahindra Bank Ltd and fixed deposits of Rs.1,00,000 with UCO Bank.



South City International School

Notes to financial statements for the year ended March 31, 2021

Note 2.4 Financial Assets - Trade Receivables

Amount in ₹

	Non-Current		Current	
	As at 31-Mar-2021	As at 31-Mar-2020	As at 31-Mar-2021	As at 31-Mar-2020
Trade Receivables - Unsecured Considered good	7,48,540	3,98,200	25,27,322	36,42,513
Total Financial Assets - Trade Receivables	7,48,540	3,98,200	25,27,322	36,42,513

Note 2.5 Financial Assets - Cash and Cash Equivalents

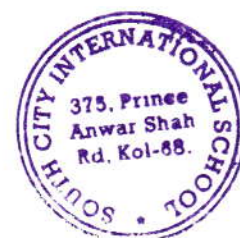
Amount in ₹

	Current	
	As at 31-Mar-2021	As at 31-Mar-2020
Balances with banks:		
– On current accounts	3,28,382	3,94,534
– On savings accounts	6,69,102	12,99,868
– Bank Deposits with maturity of three months or Less	2,07,60,168	-
Cash on hand	1,39,068	91,289
Total Cash and Cash Equivalents	2,18,96,720	17,85,691

Note 2.6. Other Current Assets

Amount in ₹

	Current	
	As at 31-Mar-2021	As at 31-Mar-2020
Advances other than capital advances		
Advances to Related Parties (Refer Note 2.21)	-	55,000
Advances for Creditors	2,57,413	4,87,718
Advances for Expenses	25,930	21,101
Others		
Balance with Government Authorities	4,04,902	6,96,790
Prepaid Expenses	10,48,980	11,09,281
Other Advances	-	-
Total Other Current Assets	17,37,225	23,69,890



South City International School

Notes to financial statements for the year ended March 31, 2021

Note - 2.7 Equity Share Capital

Authorised Capital

5,00,000 Equity Shares of Rs. 10 each

Issued, Subscribed and Paid-up Capital

30,000 Equity Shares of Rs. 10 each fully paid up in cash

Total Equity Share Capital

	Amount in ₹
As at 31-Mar-2021	As at 31-Mar-2020
50,00,000	50,00,000
3,00,000	3,00,000
3,00,000	3,00,000

a) The Reconciliation of shares capital is given below:

Shares outstanding at the beginning of the year

Issued during the Year

Shares outstanding at the end of the year

As at 31-Mar-2021		As at 31-Mar-2020	
No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
30,000	3,00,000	30,000	3,00,000
-	-	-	-
30,000	3,00,000	30,000	3,00,000

b) Terms/Rights attached to class of shares

The company has only one class of equity shares having par value of Rs.10 per share.Each holder of equity shares has a right of shares pari passu.The company has been granted license under section 25 of the Companies Act 1956 (Corresponding section 8 of the Companies Act 2013),consequently as required by section 25 of the Companies Act 1956 and in terms of clause 5 of the Memorandum of Association of the company,the company will not use any portion of its income or assets in paying to its members, directly or indirectly, by way of dividend , bonus or otherwise by way of profit.

In terms of clause number 10 of the Memorandum of Association of the company, if in the event of winding up or dissolution of the company, there remains , after the satisfaction of all the debts and liabilities ,any property whatsoever , the same shall not be distributed amongst the members of the company but shall be given or transferred to such other company having objects identical to the objects of this company ,subject to such conditions as the Tribunal may impose subject to compliance with provisions of section 115TD of the Income-tax Act and/or any other applicable law in force.

c) Details of Shareholders holding more than 5 percent of Equity Shares in the Company

As at 31-Mar-2021		As at 31-Mar-2020	
No. of	% holding	No. of	% holding
15,300	51.00%	15,300	51.00%

South City Projects (Kolkata) Limited

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares



South City International School

Notes to financial statements for the year ended March 31, 2021

Note - 2.8 Other Equity

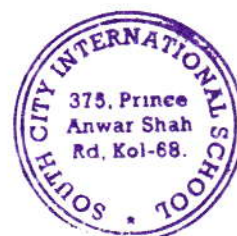
	Amount in ₹	
	As at 31-Mar-2021	As at 31-Mar-2020
Reserves & Surplus		
Retained Earnings	3,35,14,623	2,60,28,330
Other Comprehensive Income		
- FVTOCI Reserve	(40,84,582)	(72,27,507)
Total Other Equity	2,94,30,041	1,88,00,823

Retained Earnings - Retained earnings includes surplus in the Statement of Income and Expenditure, Ind-AS related adjustments as on the date of transition, remeasurement gains/ losses on defined benefit obligations.

FVTOCI Reserve - Net gain/(loss) on financial assets measured at fair value through other comprehensive income.

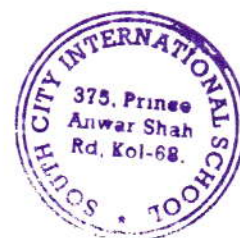
Note 2.9 Financial Liabilities - Borrowings

	Amount in ₹	
	As at March 31, 2021	As at March 31, 2020
Non-Current Borrowings		
Secured		
Term Loans from Banks	12,52,20,427	12,94,33,579
Kotak Bank Loan A/c 1	7,27,13,902	9,40,75,003
Kotak Bank Loan A/c 2	-	21,50,231
Kotak Bank Loan A/c 3	2,37,79,486	3,32,08,345
Kotak Bank Working Capital Loan	2,87,27,039	-
Long Term Maturities of Vehicle Loan	13,891	1,65,192
Unsecured		
Loan from Holding Company	-	3,79,50,529
Total Non Current Borrowings	12,52,34,318	16,75,49,300
Borrowing included in Other Financial Liabilities		
Current maturities of long-term borrowings from Bank	4,55,51,740	3,70,55,143
Kotak Bank Loan A/c 1	2,81,10,063	2,63,53,763
Kotak Bank Loan A/c 2	-	23,68,047
Kotak Bank Loan A/c 3	1,01,68,716	83,33,333
Kotak Bank Working Capital Loan	72,72,961	-
Current maturities of Vehicle Loan	1,52,591	1,68,280
Total Borrowing included in Other Financial Liabilities	4,57,04,331	3,72,23,423
Aggregate of Term Loan from Bank	17,07,72,167	16,64,88,722
Aggregate of Vehicle Loan	1,66,482	3,33,472
Current Borrowings		
Secured		
Bank Overdraft	1,93,68,423	1,72,81,809
Total Current Borrowings	1,93,68,423	1,72,81,809



South City International School**Notes to financial statements for the year ended March 31, 2021****Terms and conditions**

(1) Term loan from Banks	As at March 31, 2021	As at March 31, 2020
Rupee term Loan from Kotak Mahindra Bank Limited (KMBL) are secured by- The above Term Loans are secured by first and exclusive charge over the movable and immovable fixed assets (both present and future) at 6 months KMCLR plus 0.75% per annum. Further, it is additionally secured by corporate guarantee of the holding company, South City Projects (Kolkata) Ltd .		
(i)Term Loan of Rs. 23 crores from Kotak Mahindra Bank Ltd is repayable in 40 monthly installments till Jul'2024 as per EMI plan of the lender.The EMI is subject to change in case of change of Base Rate of lender.	10,08,23,965	12,04,28,766
(ii)Term Loan of Rs. 5 crores from Kotak Mahindra Bank Ltd is repaid in 6 monthly installments till Nov'2020 as per EMI plan of the lender.The EMI is subject to change in case of change of Base Rate of lender.	-	45,18,278
(iii)Term Loan of Rs. 5 crores from Kotak Mahindra Bank Ltd is repayable in 40 monthly installments till Jul'2024 as per EMI plan of the lender.The EMI is subject to change in case of change of Base Rate of lender.	3,39,48,202	4,15,41,678
(iv) Working Capital Term Loan of Rs. 3.60 crores from Kotak Mahindra Bank Ltd by way of first and exclusive hypothecation charge on all existing and future current assets ,on all existing and future moveable fixed assets , on immoveable properties being land and building situated at Commercial Building located at 375,Prince Anwar Shah Road, P.S Jadavpur ,Kolkata - 700068 and by way of Guaranteed Emergency Credit Line under ECLGS scheme of National Credit Guarantee Trsutee Company Ltd. is repayable in 40 monthly installments till Jul'2024 as per EMI plan of the lender.The Rate of Interest is @8%.	3,60,00,000	-
Total of Term Loan from Banks	17,07,72,167	16,64,88,722

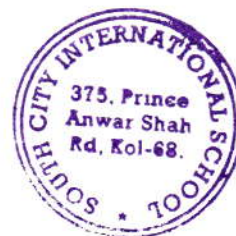


South City International School**Notes to financial statements for the year ended March 31, 2021**

(2) Vehicle Loan	As at March 31, 2021	As at March 31, 2020
The Vehicle loan of Rs.762000/- from HDFC Bank Ltd is repayable in 23 monthly installments payable till February'2022 as per EMI plan of the lender was secured against hypothecation of vehicles held by the Company bearing interest rate @ 9.26% p.a	1,66,482	3,33,472
Total of Vehicle Loan	1,66,482	3,33,472

(3) Loan from Holding Company	As at March 31, 2021	As at March 31, 2020
The loan from Holding Company is bearing interest @ 12% p.a.	-	3,79,50,529
Total Loan from Holding Company	-	3,79,50,529

(4) Bank Overdraft	As at March 31, 2021	As at March 31, 2020
The above Loans are secured by first and exclusive charge over the movable and immovable fixed assets (both present and future) at 6 months KMCLR plus 0.75% per annum.Further, it is additionally secured by corporate guarantee of the holding company, South City Projects (Kolkata) Ltd .	1,93,68,423	1,72,81,809
Total Bank Overdraft	1,93,68,423	1,72,81,809



South City International School**Notes to financial statements for the year ended March 31, 2021****Note 2.10 Provisions**

	Non-Current		Current	
	As at	As at	As at	As at
	31-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
Provision for Gratuity (Refer Note 2.25)	1,57,15,624	1,70,14,908	18,37,730	5,03,449
Others				
Provision for Municipal Tax	22,91,156	-	-	-
Total Provisions	1,80,06,780	1,70,14,908	18,37,730	5,03,449

Note 2.11 Trade Payables

	Current	
	As at	As at
	31-Mar-2021	31-Mar-2020
- Total outstanding dues of Micro & Small Enterprises *	-	46,929
- Total outstanding dues of creditors other than Micro & Small Enterprises	11,22,979	42,81,165
Total Trade Payables	11,22,979	43,28,094

*The company has sent intimation to the suppliers requesting for furnishing details about their registration under Micro, Small and Medium Enterprises Development Act, 2006 or otherwise. However the company has received reply from only one supplier so far and hence disclosures, relating to the amounts unpaid as at the year end together with nil interest paid / payable as required under the said Act is also given.



South City International School**Notes to financial statements for the year ended March 31, 2021****Note 2.12 Other Financial Liabilities**

Amount in ₹

	Current	
	As at 31-Mar-2021	As at 31-Mar-2020
Current maturities of Long-term Borrowings	4,55,51,740	3,70,55,143
Current maturities of Vehicle Loan	1,52,591	1,68,280
Security Deposits Received from Students	5,36,01,516	5,06,28,783
Refundable Deposits from Contractors	13,11,982	14,79,836
Outstanding Liabilities for Expenses	87,91,427	88,602
Total Other Financial Liabilities	10,94,09,256	8,94,20,644

Note 2.13 Other Current Liabilities

Amount in ₹

	Current	
	As at 31-Mar-2021	As at 31-Mar-2020
Advance From Students - Contract Liability	1,98,33,349	2,05,71,843
Others:		
Statutory Dues	7,58,584	8,79,545
Total Other Current Liabilities	2,05,91,933	2,14,51,388



South City International School

Notes to financial statements for the year ended March 31, 2021

Note 2.14 Revenue From Operations

	Amount in ₹	
	2020 - 21	2019 - 20
Revenue From Operations		
Tuition Fees	12,51,37,531	12,44,15,408
Less: Discount As Per Court Order (*)	1,49,97,260	-
	11,01,40,271	12,44,15,408
Admission Fees	99,87,000	1,73,99,560
Session Fees	2,61,83,302	2,65,90,913
Infrastructure & Development Fees	21,58,300	37,50,000
Others	7,99,309	15,76,329
Total Revenue From Operations	14,92,68,182	17,37,32,210

Note 2.15 Other Income

	Amount in ₹	
	2020 - 21	2019 - 20
Income from Financial Assets		
Interest Income on bank deposits	22,72,814	22,18,522
Miscellaneous Income	11,13,000	3,98,290
Total Other Income	33,85,814	26,16,812

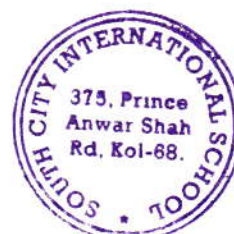
Note 2.16 Employee Benefit Expenses

	Amount in ₹	
	2020 - 21	2019 - 20
Salaries and wages	5,95,55,774	6,54,49,075
Contribution to provident and other funds (Refer Note 2.25)	61,44,829	61,22,302
Staff welfare expenses	1,99,007	7,22,621
Total Employee Benefit Expenses	6,58,99,610	7,22,93,998

Note 2.17 Finance Costs

	Amount in ₹	
	2020 - 21	2019 - 20
Interest Expense	1,92,08,316	1,96,72,424
Other Borrowing cost	-	-
Total Finance Costs	1,92,08,316	1,96,72,424

*The situation arising out of Covid-19 and consequential lock down imposed by the State and Central Govt. affected the smooth functioning of the School during the year. The parents of the students demanded fee waiver/reduction. Several Court proceedings were also initiated for reduction in the fees payable by the students to the School. In one such matters being WP No. 5890 (W) of 2020 (Vineet Ruia -Vs- State of West Bengal & Others.), the Division Bench of Hon'ble Calcutta High Court was pleased to pass an Order on 13th October, 2020 thereby, inter alia, directing the concerned Schools (including South City International School in as much as they were made one of the respondent in the instant matter) not to increase fee during financial year 2020-21 and further directing them to the effect that beginning April, 2020 till the month following the one in which the Schools re-open in the physical mode, to offer a minimum of 20% reduction of fees across the Board. In pursuance of the said Order, the School has duly offered 20% reduction in the fees payable by the students and on this count, a sum of Rs.1,49,97,260/- has been offered towards such reduction.



South City International School

Notes to financial statements for the year ended March 31, 2021

Note 2.18 Depreciation and Amortisation Expense

	Amount in ₹	
	2020 - 21	2019 - 20
Depreciation of tangible assets [Note 2.1(a)]	2,81,23,181	1,83,18,876
Amortisation of intangible assets [Note 2.1(b)]	7,655	9,684
Total Depreciation and Amortisation Expense	2,81,30,836	1,83,28,560

Note 2.19 Other Expenses

	Amount in ₹	
	2020 - 21	2019 - 20
<u>School Running and Other Educational Expenses</u>		
Electricity	39,12,438	84,54,376
Repairs:		
- Building	2,56,984	2,06,720
- Others	33,74,523	11,27,311
- Maintenance	44,36,775	20,61,446
House Keeping Charges	20,75,692	28,10,927
Manpower Supply Expenses	19,55,618	29,10,670
Security Charges	14,38,120	18,47,499
Rates & Taxes	12,400	20,150
School Promotional Expenses	4,63,430	7,29,875
Training Expenses	9,500	18,556
Retainership and Consultancy Charges	55,39,352	65,23,878
Workshop and School Function Expenses	2,81,977	21,72,942
Printing and Stationery	2,71,461	8,27,603
School Affiliation and Other Expenses	9,89,366	9,97,139
Discount On School Fees	5,53,900	60,25,245
Miscellaneous Expenses	9,85,814	10,95,355
<u>Administrative Expenses</u>		
Insurance Charges	2,20,704	1,62,574
Municipal Tax	39,07,442	21,55,048
Professional Fees and Charges *	8,20,942	5,27,590
Miscellaneous Expenses	4,22,502	4,05,731
Total Other Expenses	3,19,28,940	4,10,80,635

*Includes Auditor's Remuneration

	Amount in ₹	
	2020 - 21	2019 - 20
As Auditor:		
Audit fees	1,18,000	94,400
Tax audit fee	13,570	13,570
Total Auditor's Remuneration	1,31,570	1,07,970



South City International School

Notes to financial statements for the year ended March 31, 2021

Note 2.20 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the surplus for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the surplus attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	2020 - 21	2019 - 20
Surplus for calculation of Basic and Diluted Earnings Per Share (Amount in Rs.)	74,86,294	2,49,73,405
Weighted average number of shares (Nos.)	30,000	30,000
Earning per equity share		
Basic & Diluted Earning Per Share (in Rs.)	249.54	832.45



South City International School
Notes to Financial Statements for the year ended March 31, 2021

2.21 Related party transactions

(a) Particulars	As at 31st March, 2021		As at 31st March, 2020	
	₹		₹	
Parties whose control exists : Holding Company		% of Holding		% of Holding
South City Projects (Kolkata) Ltd.		51%		51%

(b) Key Management Personnel

John Andrew Bagul -Principal
Jugal Kishore khetawat -Director
Pradeep Kumar Sureka -Director
Shrawan Kumar Todi resigned with effect from 01/07/2020.
Ravi Todi -Director appointed with effect from 08/07/2020.

(c) Transactions with related parties during the year :-

Particulars	Key Management Personnel		Holding Company	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
	₹	₹	₹	₹
Salary paid	23,38,261	23,03,751	-	-
Reimbursement of expenses	1,09,059	8,93,642	2,96,366	2,53,767
Advance given	1,09,059	6,14,699	-	-
Advance adjusted	98,059	5,59,699	-	-
Interest on loan	-	-	12,60,348	12,32,213
Loan Taken	55,000	-	1,03,65,821	4,44,96,105
Repayment of Loan Taken	55,000	-	4,83,16,350	5,26,11,866
Rent Paid	-	-	3,60,000	3,60,000

Particulars	Key Management Personnel		Holding Company	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
	₹	₹	₹	₹
Closing Balance				
-Loan balance	-	-	-	3,79,50,529
-Unadjusted advance	-	55,000	-	-
-Equity Shares held	-	-	1,53,000	1,53,000



South City International School**Notes to Financial Statements for the year ended March 31, 2021****2.22 Commitments:**

Particulars	Amount in ₹	
	As at 31-Mar-2021	As at 31-Mar-2020
Estimated value of contracts remaining to be executed on capital account, to the extent not provided	3,16,367	1,48,23,252
Total	3,16,367	1,48,23,252



South City International School
Notes to Financial Statements for the year ended March 31, 2021

Note 2.23 Employee Benefits Obligation

(I) Defined Benefit Plans

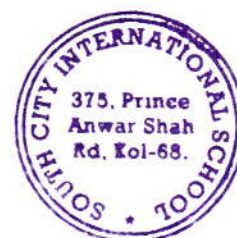
The following table summarizes the components of net benefit expense recognised in the Statement of Surplus/(Deficit) and OCI and amounts recognised in the Balance Sheet.

Particulars	Amount in ₹	
	Gratuity funded	
	2020 - 21	2019 - 20
Changes in the Present Value of Defined Benefit Obligation		
Present Value of Defined Benefit Obligation at the beginning of the period	1,77,81,661	1,21,81,992
Current Service Cost	20,44,539	20,94,716
Interest Cost	11,73,590	9,25,831
Past Service Cost	-	-
Remeasurements (or Actuarial (gains)/losses) arising from :		
- Changes in demographic assumptions	-	(12,624)
- Changes in financial assumptions	(5,49,916)	18,66,662
- Experience variance (i.e. Actual experience vs assumptions)	(26,19,355)	17,58,695
- Others	-	-
Benefits Paid	-	(10,33,611)
Present Value of Defined Benefit Obligation at the end of the period	1,78,30,519	1,77,81,661

Particulars	Amount in ₹	
	Gratuity funded	
	2020 - 21	2019 - 20
Changes in Fair Value Of Assets		
Plan assets at beginning of period	2,63,304	12,51,375
Investment Income	17,378	95,105
Return on Plan Assets, Excluding amount recognised in Net Interest Expense	(26,346)	(72,394)
Actual Company contributions	22,829	22,829
Fund Transferred	-	-
Employee contributions	-	-
Benefits paid	-	(10,33,611)
Plan assets at the end of period	2,77,165	2,63,304

Amounts Recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation at the year end	1,78,30,519	1,77,81,661
Fair Value of the Plan Assets at the year end	2,77,165	2,63,304
Liability/(Asset) Recognised in the Balance Sheet	(1,75,53,354)	(1,75,18,357)

Particulars	2020 - 21	2019 - 20
Expense recognised in the Statement of Surplus/(Deficit):		
Current Service Cost	20,44,539	20,94,716
Past Service Cost	-	-
Net Interest Cost/(Income)	11,56,212	8,30,726
Net Cost Recognised in the Statement of Surplus/(Deficit)	32,00,751	29,25,442



South City International School**Notes to Financial Statements for the year ended March 31, 2021****Note 2.23 Employee Benefits Obligation**

Expense recognised in the Other Comprehensive Income:		
Return on plan assets, excluding amount recognised in net interest expense	26,346	72,394
Actuarial (gains)/losses due to:		
- Changes in demographic assumptions	-	(12,624)
- Changes in financial assumptions	(5,49,916)	18,66,662
- Experience variance (i.e. Actual experience vs assumptions)	(26,19,355)	17,58,695
- Others	-	-
Net Cost Recognised in Other Comprehensive Income	(31,42,925)	36,85,127

(i) The principal assumptions used in determining Gratuity obligations for the Company's plans are shown below:

Financial Assumptions :		
Discount Rate	6.90%	6.60%
Salary Growth Rate (per annum)	5.00%	5.00%
Demographic Assumptions :		
Mortality Rate	(100% of IALM 2012-14)	(100% of IALM 2012-14)
Normal Retirement Age (yrs.)	60	60
Attrition Rates, based on age	2%	2%

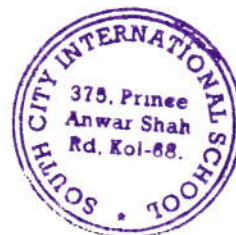
The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The discount rate is based on the government securities yield.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

(ii) A quantitative sensitivity analysis for significant assumption as at 31 March 2020 and 31 March 2021 is as shown below:



South City International School
Notes to Financial Statements for the year ended March 31, 2021

Note 2.23 Employee Benefits Obligation

	Gratuity			
	As at 31.03.2021		As at 31.03.2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,97,75,052	1,61,78,870	1,99,90,180	1,59,14,999
% change compared to base due to sensitivity	10.91%	-9.26%	12.42%	(10.50)%
Salary Growth Rate (- / + 1%)	1,61,01,143	1,98,36,747	1,58,34,215	2,00,51,256
% change compared to base due to sensitivity	-9.70%	11.25%	(10.95)%	12.76%
Attrition Rate (- / + 50%)	1,75,04,185	1,81,19,666	1,74,72,913	1,80,53,632
% change compared to base due to sensitivity	-1.83%	1.62%	(1.74)%	1.53%
Mortality Rate (- / + 10%)	1,77,75,264	1,78,84,524	1,77,29,372	1,78,32,741
% change compared to base due to sensitivity	-(0.31)%	(0.30)%	-(0.29)%	0.29%

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the

Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk : This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk : Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972(as amended from time to time).

There is a risk of change in regulations requiring higher gratuity payouts.



South City International School

Notes to Financial Statements for the year ended March 31, 2021

Note 2.24 Financial Risk Management, Objectives and Policies

The Company's principal financial liabilities, comprise of borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans and cash & cash equivalents, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's Board of Directors assures 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.

A. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes security deposits, Loans given and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

a) Credit Risk Management

1. Credit Risk Rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A. Low Credit Risk

B. Moderate Credit risk

C. High credit risk

The Company provides for Expected Credit Loss based on the following:-

Asset Group	Description	Provision for Expected Credit Loss*
Low Credit Risk	Cash and cash equivalents, Trade Receivables, loans and other financial assets	12 month expected credit loss/life time expected credit loss

*Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in Statement of Surplus/(Deficit).

Credit Rating	Particulars	31.03.2021	31.03.2019
Low Credit Risk	Cash and cash equivalents, Trade Receivables, loans and other financial assets	3,45,23,186	3,40,28,076



South City International School**Notes to Financial Statements for the year ended March 31, 2021****Note 2.24 Financial Risk Management, Objectives and Policies****B. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of Financial Liabilities

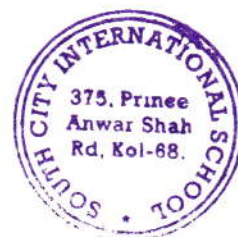
The table below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities

March 31, 2021

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	1,93,68,423	12,52,34,318	-	14,46,02,741
Trade Payable	11,22,979	-	-	11,22,979
Security Deposits	5,36,01,516	-	-	5,36,01,516
Other Financial Liabilities	5,58,07,740	-	-	5,58,07,740

March 31, 2020

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	1,72,81,809	16,75,49,300	-	18,48,31,109
Trade Payable	42,81,165	-	-	42,81,165
Security Deposits	5,06,28,783	-	-	5,06,28,783
Other Financial Liabilities	3,87,91,861	-	-	3,87,91,861



South City International School**Notes to Financial Statements for the year ended March 31, 2021****Note 2.24 Financial Risk Management, Objectives and Policies****C. Market Risk****a. Interest Rate Risk**

The Company has taken debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk.

Interest Rate Risk Exposure

Particulars	31.03.2021	31.03.2020
Variable Rate Borrowing	19,01,40,590	18,37,70,531
Fixed Rate Borrowing	1,66,482	3,82,84,001

Interest Rate Sensitivity

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

Particulars	March 31, 2021	March 31, 2020
Interest Sensitivity*		
Interest Rates increase by 100 basis points	(20,26,015)	(22,07,056)
Interest Rates decrease by 100 basis points	20,26,015	22,07,056

*Holding all other variables constant

b. Price Risk

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. However the Company has not made any investments during the year and hence this is not applicable.



South City International School

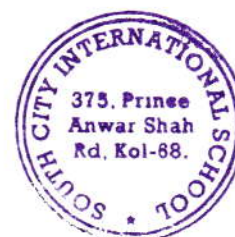
Notes to Financial Statements for the year ended March 31, 2021

Note 2.25 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its activities. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

	As at 31.03.2021	As at 31.03.2020
Borrowings	14,46,02,741	18,48,31,109
Other Financial Liabilities	9,93,05,847	8,78,52,206
Less: Cash and Cash Equivalents	2,18,96,720	17,85,691
Net Debt	22,20,11,868	27,08,97,624
Total capital	3,00,000	3,00,000
Capital and Net Debt	22,23,11,868	27,11,97,624
Gearing ratio	99.87%	99.89%



Notes to Financial Statements for the year ended March 31, 2021

Note 2.26 Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

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

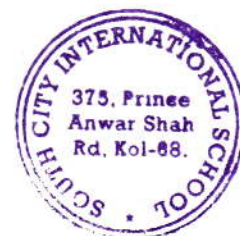
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

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

(a) Financial Instruments at Ammortized Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(b) During the year there has been no transfer from one level to another .

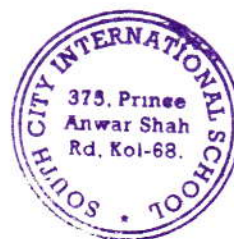


South City International School**Notes to Financial Statements for the year ended March 31, 2021****Note 2.27 a. Financial Assets**

	Amount in ₹	
	As at 31.03.2021	As at 31.03.2020
Financial Assets - Non Current		
<u>At Amortised Cost</u>		
(a) Loans	-	20,000
(b) Other financial assets	1,00,99,144	2,81,81,672
Total Non Current Financial Assets (a)	1,00,99,144	2,82,01,672
Financial Assets - Current		
<u>At Amortised cost</u>		
(a) Trade Receivables	25,27,322	36,42,513
(b) Cash and Cash Equivalents	2,18,96,720	17,85,691
Total Current Financial Assets (b)	2,44,24,042	54,28,204
Total Financial Assets (a + b)	3,45,23,186	3,36,29,876

Note 2.27 b. Financial Liabilities

	As at 31.03.2021	As at 31.03.2020
Financial Liabilities - Non Current		
<u>At Amortised Cost</u>		
(a) Borrowings	12,52,34,318	16,75,49,300
Total Non Current Financial Liabilities (a)	12,52,34,318	16,75,49,300
Financial Liabilities - Current		
<u>At Amortised Cost</u>		
(a) Borrowings	1,93,68,423	1,72,81,809
(b) Trade payables	11,22,979	42,81,165
(c) Other Financial Liabilities	10,94,09,256	8,94,20,644
Total Current Financial Liabilities (b)	12,99,00,658	11,09,83,618
Total Financial Liabilities (a + b)	25,51,34,976	27,85,32,918



South City International School

Notes to Financial Statements for the year ended March 31, 2021

Note 2.28

Previous year's figures have been re-grouped/ re-cast/ re-arranged/ re-classified, wherever necessary, to make them comparable to those of the current year.

For S. K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E

A. K. Sahoo
Ashok Kumar Sahoo

Partner

M.No.306453

Place: Kolkata

Dated: 31-08-2021



South City International School

[Signature]
Director

South City International School

[Signature]
Director