

Independent Auditor's Report

To the Members of BPI (India) Private Limited

Report on the financial statements

We have audited the accompanying standalone financial statements of BPI (India) Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2017 and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016, ("the Order"), as amended issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by the report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of written representations received from the directors as on 31st March 2017 taken on record by Board of Directors, none of the directors is disqualified as

J P CHAWLA & Co. LLP
Chartered Accountants

on 31st March 2017, 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 B**"; and
- 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 legal litigation which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. the Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management (Refer to Note 42. to the standalone financial statements)

For J P Chawla & Co. LLP
Chartered Accountants
FRN. 001875N/N50025



Rajat Chawla
(Partner)
Membership No.0510745



Place : New Delhi
Date : 08/06/2017

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory requirement' of our report of even date to the financial statements of the Company for the year ended 31st March, 2017:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, a substantial part of the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not have any immovable properties.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and discrepancies noticed on physical verification of inventories were not material and have been properly dealt within in the books of account. Inventory lying with outside parties have been confirmed by them as at year end.
- iii. According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Registered maintained under section 189 of the Act. According, the provisions of the paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our Opinion and according to information and explanation given to us, the company has not made any transaction in respect of loans, investment, guarantees, and security under section 185 and 186 of the companies Act, 2013. Accordingly, the provision of the clause 3 (iv) of the Order are not applicable to the Company and hence not commented upon.
- v. The Company has not accepted any deposit from public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. In our Opinion and according to information and explanation given to us, the maintenance of cost records not specified by the Central Government under section 148(1) of the Companies Act, 2013. Accordingly, the provision of the clause 3 (vi) of the Order are not applicable to the Company and hence not commented upon.

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Chartered Accountants

- vii. (a) According to information and explanation given to us and on the basis of our examination of the books of account, and records, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, sales tax, Duty of Customs, cess, service tax with appropriate authorities except sales tax and Income Tax. As informed, provision relating to excise duty is not applicable.

According to the information and explanation given to us, undisputed dues in respect of income tax and sales tax which were outstanding, as on the last day of the financial year concerned, for a period of more than six months from the date they became payable, are as follows:-

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates
Income Tax Act, 1961	Tax deducted at source	Rs.60/-	FY 2014-15
Income Tax Act, 1961	Tax deducted at source	Rs.55,390/-	FY 2013-14
Income Tax Act, 1961	Tax deducted at source	Rs.1,90,280/-	FY 2012-13
Income Tax Act, 1961	Tax deducted at source	Rs.1,23,630/-	FY 2011-12
Income Tax Act, 1961	Tax deducted at source	Rs.1,19,470/-	FY 2010-11
Income Tax Act, 1961	Tax deducted at source	Rs.2,98,420/-	FY 2009-10
Income Tax Act, 1961	Tax deducted at source	Rs.3,37,350/-	FY 2008-09
Income Tax Act, 1961	Tax deducted at source	Rs.75,260/-	FY 2007-08
Sales Tax	Central Sales Tax , 1958	Rs.3,66,471/-	FY 2011-12
Sales Tax	DVAT	Rs.46,798/-	FY 2012-13
Sales Tax	Penalty of DVAT	Rs.67,486/-	FY 2012-13

(b) According to the information and explanation given to us, there are no dues of income tax, service tax, Sales Tax, value added tax and cess which have not been deposited on account of any dispute .

- viii. Based on our audit procedures and as per the information and explanation given by the management, the company has delayed in repayment of dues to banks during the year to the extent of Rs. 44,905/- (the delay in such repayments being for 12 days in each individual case) and Rs. NIL of such dues were in arrears as on the balance sheet date.
- ix. Based upon the audit procedures performed and the information and explanation given by the management, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the company and no fraud on the company by its officers or employees has been noticed or reported during the year.

J P CHAWLA & Co. LLP

Chartered Accountants

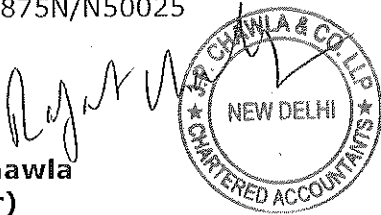
- xi. To the best of our knowledge, section 197 of the companies act, 2013 is not applicable to a private Company. Accordingly, paragraph 3(xi) of the Order is not applicable.
- xii. In our opinion, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. To the best of our knowledge, section 177 of the companies act, 2013 is not applicable to a private Company.

According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) is not applicable.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J P Chawla & Co. LLP

Chartered Accountants

FRN. 001875N/N50025



Rajat Chawla
(Partner)

Membership No.0510745

Place : New Delhi

Date : 08/06/2017

Annexure "B" to the Independent Auditor's report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of BPI (India) Private Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

Opinion

As per Information and explanation given to us and related documents provided to us, in our opinion, the Company has, in material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J P Chawla & Co. LLP

(Formerly known as J P Chawla & Co.)

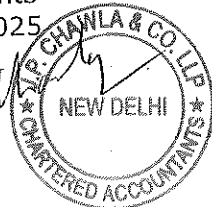
Chartered Accountants

FRN. 001875N/N50025


Rajat Chawla

(Partner)

Membership No.0510745



Place : New Delhi

Date : 08/06/2017

BPI (INDIA) Private Limited
Balance sheet as at 31 March 2017

	Notes	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Equity and liabilities			
Shareholders' funds			
Share capital	3	11,250,000	11,250,000
Reserves and surplus	4	59,375,304	53,235,255
		70,625,304	64,485,255
Non-current liabilities			
Long-term borrowings	5	257,469	834,714
Long-term provisions	6	2,015,212	1,919,773
		2,272,681	2,754,487
Current liabilities			
Short-term borrowings	7	58,676,378	62,935,148
Trade payables	8	122,038,063	121,223,050
Other current liabilities	9	9,958,357	6,704,353
Short-term provisions	10	3,062,777	801,921
		193,735,574	191,664,472
Total		266,633,559	258,904,214
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11	3,135,015	3,404,435
Intangible assets	12	21,624,451	15,228,055
Intangible assets under development		1,666,270	444,226
Deferred tax assets (net)	13	1,746,500	2,047,632
Loans and advances	14	543,400	633,400
		28,715,636	21,757,748
Current assets			
Inventories	15	57,791,837	69,511,340
Trade receivables	16	157,033,568	144,035,943
Cash and bank balances	17	371,320	2,196,363
Loans and advances	13	22,721,199	21,402,820
		237,917,924	237,146,466
Total		266,633,559	258,904,214

Summary of significant accounting policies **2.1**

The accompanying notes are an integral part of the financial statements

As per our report of even date

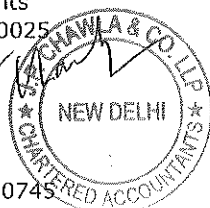
For J P Chawla & Co. LLP

Chartered Accountants

FRN:-001875N/NS00025

Rajat Chawla
Partner

Membership No.: 510745



Place: New Delhi

Date: 06 JUN 2017

For and on behalf of the board of directors of BPI
(India) Private Limited

Jai Saxena
Director
(DIN:00215033)

Place: New Delhi
Date:

Vidya Jai Saxena
Director
(DIN:00215116)

Place: New Delhi
Date:

For BPI (INDIA) PVT. LTD

Director

For BPI (INDIA) PVT. LTD.

Director

BPI (INDIA) Private Limited
Statement of profit and loss account for the period ended 31 March 2017

	Note	For the year ended 31 March 2017 (Rupees)	For the year ended 31 March 2016 (Rupees)
Income			
Revenue from operations	18	140,712,742	160,034,648
Other income	19	1,027,432	6,831,917
Total revenue (I)		141,740,174	166,866,565
Expenses			
Cost of raw material and components consumed	20	60,559,472	73,299,488
Purchase of traded goods	21	5,674,062	18,751,622
(Increase)/decrease in inventories of finished goods and work-in-progress	22	11,124,717	4,493,482
Employee benefits expense	23	15,834,405	21,227,460
Publication expenses	24	1,739,167	2,966,905
Selling and distribution expenses	25	5,931,669	8,281,830
Other expenses	26	19,991,529	26,226,875
Total (II)		120,855,020	155,247,662
Profit before interest, depreciation, tax (I-II)		20,885,154	11,618,902
Finance costs	27	7,179,541	7,673,878
Net depreciation and amortisation expense	28	4,270,106	3,722,118
Profit before tax		9,435,506	222,907
Tax Expense			
Current tax		3,089,886	151,965
Tax Adjustment		(95,561)	183,168
Deferred tax (Credit)/ Charge		301,132	(20,235)
Total tax expenses		3,295,457	314,898
Profit for the year		6,140,050	(91,991)
Earning per equity share [Nominal value of share Rs 10 (31 March 2016: Rs. 10)]			
Basic and diluted			
Basic and diluted earning per share			
Computed on the basis of total profit/(loss) for the year	29	5.46	(0.08)
Summary of significant accounting policies			
2.1			

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

As per our report of even date

For J P Chawla & Co. LLP

Chartered Accountants

FRN:-001875N/N500025

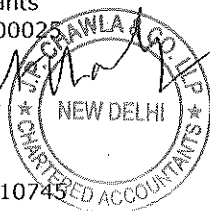
Rajat Chawla
Partner

Membership No.: 510745

Membership no.:

Place: New Delhi

Date: 31/03/2017



For and on behalf of the board of directors of BPI (India)
Private Limited

Jai Saxena
Director
(DIN:00215033)

Place: New Delhi
Date:

For BPI (India)

Vidya Jai Saxena
Director
(DIN:00215116)

Place: New Delhi
Date:

For BPI (India)

Vidya Jai Saxena
Director

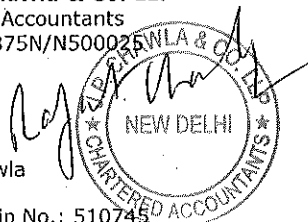
BPI (INDIA) Private Limited
Cash flow statements for the year ended 31 March 2017

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Cash flows from operating activities		
Profit before tax	9,435,506	222,907
Adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization	4,270,106	3,722,118
Bad debts	2,760,703	2,684,684
Provision for doubtful debts	2,703,972	1,335,000
Loss on sale of fixed assets	23,899	489,061
Unrealized foreign exchange loss	105,572	326,769
Amount Written off due to reconciliation adjustments	-	2,261,023
Liabilities written back	(9,773)	(429,536)
Interest expense	6,601,105	7,520,811
Operating profit before working capital changes	25,891,089	18,132,838
Adjustments for changes in working capital :		
Increase/(decrease) in trade payables	824,786	30,767,548
Increase/(decrease) in provisions	(121,795)	583,191
Increase /(decrease) in other current liabilities	3,204,374	(3,840,070)
(Increase)/decrease in trade receivables	(18,567,871)	(47,826,041)
Increase in inventories	11,719,503	4,697,728
(Increase)/decrease in loans and advances	(1,228,379)	(16,174,543)
Cash generated from/(used in) operations	21,721,707	(13,659,350)
Direct taxes paid (net of refunds)	(516,235)	(1,277,193)
Net cash flow used in operating activities	(A) 21,205,471	(14,936,543)
Cash flows from investing activities		
Purchase of fixed assets	(10,440,979)	(9,081,417)
Proceeds from sale of Fixed Assets	20,000	193,044
Intangible Capital WIP	(1,222,044)	(444,226)
Net cash from/(used in) investing activities	(B) (11,643,023)	(9,332,599)
Cash flow from financing activities		
Proceeds from long-term borrowings	(524,084)	(475,819)
Repayment of long-term borrowings	(4,258,770)	33,204,067
Net proceeds from short-term borrowings	(6,604,637)	(7,524,097)
Interest paid	-	-
Net cash from/(used in) financing activities	(C) (11,387,492)	25,204,150
Net increase/(decrease) in cash and cash equivalents	(A+B+C) (1,825,043)	935,008
Cash and cash equivalents at the beginning of the year	2,196,363	1,261,355
Cash and cash equivalents at the end of the year	371,320	2,196,363
Components of cash and cash equivalents		
	31 March 2017	31 March 2016
Balance with banks		
Current account	328,410	1,999,084
Cash in hand	42,911	197,279
	371,320	2,196,363

Summary of significant accounting policies

2.1

As per our report of even date
For J P Chawla & Co. LLP
Chartered Accountants
FRN:-001875N/N500025



Rajat Chawla
Partner
Membership No.: 510745

Place: New Delhi
Date: 08 APR 2017

For and on behalf of the board of directors of BPI (India)
Private Limited

Jai Saxena
Director
(DIN:00215033)

Place: New Delhi
Date:

Vidya Saxena
Director
(DIN:00215116)

Place: New Delhi
Date:

For BPI (INDIA) PVT. LTD.

Director

For BPI (INDIA) PVT. LTD.

Director

BPI (India) Private Limited

Notes to financial statements for the year ended 31 March 2017

1. Corporate information

BPI (India) Private Limited (the company) is a private company incorporated under the provisions of the Companies Act, 1956. The company is subsidiary of Blackie & Sons (Calcutta) Private Limited. S Chand and Company Private Limited is ultimate holding company for all publishing business of S Chand Group. The company is primarily engaged for printing and binding of books as well as mfg. of board games.

2. Basis of preparations

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of Companies Act 2013, read together with paragraph 7 of the companies (accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention method.

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

2.1 Summary of significant accounting policies

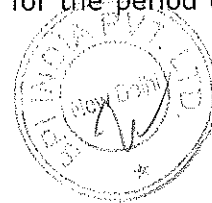
(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP 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, 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.

(b) Property, Plant and Equipment

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

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which



BPI (India) Private Limited

Notes to financial statements for the year ended 31 March 2017

such expenses are incurred.

Gains or losses arising from de-recognition/ sale of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized/ sold.

(c) Intangible assets

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.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

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

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale Its intention to complete the assets.
- Its ability to use or sell the asset How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit & loss. During the period of development, the asset is tested for



BPI (India) Private Limited

Notes to financial statements for the year ended 31 March 2017

impairment annually.

(d) Depreciation and amortizations

Depreciation on Property, Plant and Equipment is provided on a written down value basis using the rates prescribed under the Schedule II of the Companies Act, 2013, which approximate the useful life of the assets estimated by the management.

In house development is amortized on straight line basis over 10 years and all other Intangible assets are amortized on a straight line basis over 5 years or life of particular assets whichever is lower and on the basis of their flow of future economic benefit to the company.

(e) Leases**Where the company is lessee****Operating Lease:**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(f) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(g) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a First in first out (FIFO) basis.



BPI (India) Private Limited

Notes to financial statements for the year ended 31 March 2017

Work In Progress and finished goods are valued at lower of cost and net realizable value. The cost includes direct materials and labour and a proportion of overheads. Cost is determined on the basis of retail method viz. considering the ratio of cost incurred to the MRP value of goods manufactured. However goods purchased for trading are valued at lower of purchase cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(h) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:-

i. Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

ii. Sale of Services

Revenue from Service work is recognized when contents, designs, creations has been delivered to and is accepted by the customer and all significant risk and rewards are transferred to customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

iii. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head "Other Income "in the statement of Profit & Loss.

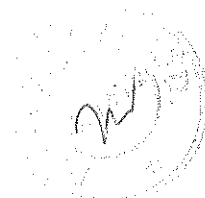
(i) Foreign currency translations and balances

(i) Initial recognition

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

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost



BPI (India) Private Limited

Notes to financial statements for the year ended 31 March 2017

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

(iii) Exchange differences

All other exchange differences are recognized as income or as expenses in the period in which they arise.

(j) Retirement and other employee benefits

The different types of retirement and employee benefits are accounted for as follows

Retirement benefit in the form of provident fund is a defined contribution scheme.. The company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. The company has no obligation, other than the contribution payable to the provident fund.

The company operates defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial gain and loss for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company present the entire leave as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for 12 month after the reporting date.

(k) Income tax and deferred taxes

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 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.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets



BPI (India) Private Limited

Notes to financial statements for the year ended 31 March 2017

are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

(l) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events if any that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(m) Provisions

A provision is recognized when the company has a present obligation 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(n) Segment policy**Identification of segments**

The company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different product and serves different market. The analysis of geographical segment is based on the area in which major operating division of the company operate

Segments accounting policies

The company prepares its segment information in conformity with the accounting policies



BPI (India) Private Limited

Notes to financial statements for the year ended 31 March 2017

adopted for preparing and presenting the financial statement of the company as a whole.

(o) Cash and Bank Balance

Cash and Bank Balance for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(p) Impairment of assets

The carrying values of assets/ cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount.

(q) Contingent liabilities

A contingent liability if any 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 probable that an outflow of resources will be required to settle the obligations. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

3 Share Capital	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Authorized Shares		
1,125,000 (31 March 2016: 1,125,000) Equity shares of RS 10/- each	11,250,000	11,250,000
Issued, subscribed and fully paid-up shares		
1,125,000 (31 March 2016: 1,125,000) Equity shares of RS 10/- each	11,250,000	11,250,000
Total issued, subscribed and fully paid-up share capital	11,250,000	11,250,000

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

Equity Shares	31 March 2017		31 March 2016	
	Number	Rupees	Number	Rupees
Authorised				
At the beginning of the period	1,125,000	11,250,000	1,125,000	11,250,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	1,125,000	11,250,000	1,125,000	11,250,000
Issued, subscribed and fully paid up				
At the beginning of the period	1,125,000	11,250,000	1,125,000	11,250,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	1,125,000	11,250,000	1,125,000	11,250,000

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. No dividend has been proposed by the Board of Directors during the period ended 31 March 2017. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as below:

All in numbers	31 March 2017	31 March 2016
Blackie & son (Calcutta) Pvt Ltd., the holding company		
573,750 (31 March 2016: 573,750) equity shares of Rs 10 each	5,737,500	5,737,500

(d) Shares held by each shareholder holding more than 5% shares

Name of shareholder	31 March 2017		31 March 2016	
	No.of Shares	% Shares	No.of Shares	% Shares
Equity shares of Rs 10 each				
Vidya Saxena	506,925	45.06%	506,925	45.06%
Blackie & son (Calcutta) Pvt Ltd.	573,750	51.00%	573,750	51.00%

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 ownerships of shares.



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

4 Reserves and surplus	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Security Premium Account		
Balance as per the last financial statements	42,818,000	42,818,000
	42,818,000	42,818,000
Surplus / (Deficit) in the statement of profit & loss		
Balance as per the last financial statements	10,417,255	10,509,246
Add: Net surplus in the statement of profit and loss	6,140,050	(91,991)
Closing balance	16,557,304	10,417,255
	59,375,304	53,235,255
Total reserves and surplus		

5 Long term borrowings	Non- current portion		Current maturities	
	31 March 2017 (Rupees)	31 March 2016 (Rupees)	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Secured				
Vehicle loans from bank (refer note below)	257,469	834,714	577,245	524,084
	257,469	834,714	577,245	524,084
The above amount includes				
Amount disclosed under the head "other current liabilities" (refer note 9)			(577,245)	(524,084)
	257,469	834,714	-	-
Net amount				

Note:-

Vehicle Loan from HDFC Bank Limited carries interest @ 9.7% p.a. The loan is repayable in 60 equal monthly installments of Rs. 52,750 each including interest, from the date of loan, viz., 5 September 2013. The loan is secured by hypothecation of vehicle of the Company.



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

6 Long term provisions	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Provision for employee benefits		
Provision of Gratuity (refer note 32)	2,015,212	1,919,773
	<u>2,015,212</u>	<u>1,919,773</u>

7 Short term borrowings	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Secured		
Loans repayable on demand		
From Banks		
Cash credit facility from banks (secured) (refer note-1 below)	49,987,934	49,935,148
Unsecured Loan		
Loans from Directors (refer note-2 below)	8,688,444	13,000,000
	<u>58,676,378</u>	<u>62,935,148</u>

Note:-

1) Cash credit facility carry interest rate of Base Rate plus 2.25% per annum taken from IndusInd Bank on 12th February, 2015. Cash credit facility are secured by exclusive charge on all current assets and movable fixed assets except vehicle specifically charged to other lender of the Company (both present and future), exclusive charge on property of directors situated at DDA Flat No. D-7/7123, HIG First Floor, Vasant Kunj, New Delhi, and Property of Vikas Publishing House Pvt. Ltd. (Subsidiary of Group Co.) situated at 161718/1, Apartment No.4, 1st Floor, 4th Cross, Main Gandhi Nagar, Bangalore and corporate guarantee of M/s Blackie and Son (calcutta) Private Limited & M/s S Chand and Co. Ltd and Personal Guarantee of Mr. Himanshu Gupta, Mr. Jai Saxena, Mrs Vidya Saxna and Mr. Dinesh Kumar Jhunjhnuwala.

2) Interest free Indian rupee loan from directors. It is repayable after 31.03.2017.

8 Current trade payables	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Total outstanding dues of micro enterprises and small enterprises (refer note 37)	30,899,133	22,514,941
Total outstanding dues of creditors other than micro enterprises and small enterprises	91,138,930	98,708,109
	<u>122,038,063</u>	<u>121,223,050</u>

9 Other current liabilities	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Current maturities of long term borrowings (refer note 5)	577,245	524,084
Interest accrued but not due on vehicle loan	5,622	9,153
Expenses Payable	401,005	1,051,296
Payable to employees	6,609,397	4,538,026
Other payables		
TDS Payable	1,840,657	401,518
Other statutory dues	524,430	180,276
	<u>9,958,357</u>	<u>6,704,353</u>

10 Short term provisions	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Provision for employee benefits		
Provision for leave encashment	395,072	612,022
Provision for gratuity (refer note 32)	117,473	117,757
Other provisions		
Provision for tax (net of advance tax)	2,550,232	72,142
	<u>3,062,777</u>	<u>801,921</u>

BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

11 Tangible assets

	Plant & Machinery	Furniture & Fixtures	Lease hold Improvement	Office Equipments	Computer	Motor Vehicles	Total
Gross Block at 1 April 2015							
Additions	2,223,794	3,419,379	905,126	1,454,675	3,204,874	7,667,335	18,875,183
Disposals	135,194	90,000	-	208,650	175,956	-	609,800
	114,230	2,665,305	-	226,525	-	3,091,011	6,097,071
At 31 March 2016	2,244,758	844,074	905,126	1,436,800	3,380,830	4,576,324	13,387,912
Additions	229,255	52,850	-	442,608	318,251	-	1,042,964
Disposals	-	-	-	-	-	274,700	274,700
At 31 March 2017	2,474,013	896,924	905,126	1,879,408	3,699,081	4,301,624	14,156,176
Depreciation at 1 April 2015							
Charge for the year	1,053,091	2,518,484	905,126	1,058,347	2,707,780	5,472,162	13,714,989
Disposals	236,974	117,800	-	245,655	361,382	721,643	1,683,453
	71,197	2,087,196	-	165,562	-	3,091,011	5,414,966
At 31 March 2016	1,218,868	549,087	905,126	1,138,440	3,069,161	3,102,794	9,983,477
Charge for the year	217,827	90,243	-	229,326	256,766	474,325	1,268,487
Disposals	-	-	-	-	-	230,801	230,801
At 31 March 2017	1,436,695	639,330	905,126	1,367,766	3,325,928	3,346,318	11,021,163
Net block							
At 31 March 2016	1,025,890	294,986	-	298,360	311,669	1,473,530	3,404,435
At 31 March 2017	1,037,318	257,593	-	511,642	373,153	955,308	3,135,015

12. Intangible assets

	Copy Rights	Goodwill	In-House Product Development	Computer Software	Total
At 1 April 2015					
Additions	1,260,394	444,553	15,475,738	-	17,180,685
	-	-	8,168,346	303,271	8,471,617
At 31 March 2016	1,260,394	444,553	23,644,084	303,271	25,652,302
Additions	-	-	9,166,485	231,530	9,398,015
At 31 March 2017	1,260,394	444,553	32,810,569	534,801	35,050,317
At 1 April 2015					
Amortization	1,260,394	444,553	6,680,635	-	8,385,582
	-	-	1,973,285	65,379	2,038,665
At 31 March 2016	1,260,394	444,553	8,653,920	65,379	10,424,247
Amortization for the year	-	-	2,889,934	111,685	3,001,619
At 31 March 2017	1,260,394	444,553	11,543,854	177,065	13,425,866
Net block					
At 31 March 2016	-	-	14,990,163	237,892	15,228,055
At 31 March 2017	-	-	21,266,715	357,737	21,624,451



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

13 Deferred tax Asset (net)	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(155,461)	-
Deferred tax asset		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	-	500,119
Impact of expenditure charged to statement of profit & loss in the current year but allowed for tax purpose on payment basis	1,901,961	1,547,513
Net deferred tax assets	1,746,500	2,047,632

14 Loans and advances	Non-current		Current	
	31 March 2017 (Rupees)	31 March 2016 (Rupees)	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Security deposits				
Unsecured, considered good	543,400	633,400	-	510,000
(A)	543,400	633,400	-	510,000
Advances recoverable in cash or kind				
Unsecured	-	-	21,981,971	19,929,408
(B)	-	-	21,981,971	19,929,408
Other loans and advances				
Unsecured considered good	-	-	204,532	338,714
Prepaid expenses	-	-	534,696	624,698
Balance with statutory/government authorities	-	-	739,228	963,412
(C)	-	-	739,228	963,412
Total	543,400	633,400	22,721,199	21,402,820

15 Inventories (Valued at lower of cost and net realizable value)	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Raw material (refer note 2.1 (f))	384,721	979,507
Work in progress (refer note 2.1 (f))	3,305,398	3,348,638
Finished goods (refer note 2.1 (f))		
Manufactured goods	45,455,944	56,219,862
Imported goods	6,549,619	7,515,855
Traded goods	2,096,155	1,447,478
	57,791,837	69,511,340

16 Trade receivables	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	36,516,668	14,874,946
Doubtful	2,703,972	1,335,000
	39,220,640	16,209,946
Provision for doubtful receivables	(2,703,972)	(1,335,000)
	36,516,668	14,874,946
Other receivables		
Unsecured, considered good	120,516,900	129,160,997
	120,516,900	129,160,997
	157,033,568	144,035,943



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

17 Cash and Bank Balances

	Current	
	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Cash and Bank Balances		
Balances with banks		
In current accounts	328,410	1,999,084
Cash in hand	42,911	197,279
	371,320	2,196,363



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

18 Revenue from operations

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Revenue from operations		
Finished goods	123,504,750	145,684,005
Traded goods	4,422,039	13,747,893
	127,926,788	159,431,898
Less: Turnover Discount	324,967	381,720
	127,601,821	159,050,178
Sales of services	12,164,000	616,275
Other operating revenue		
Scrap sales	26,783	3,260
Miscellaneous Income	900,974	348,244
Export incentives	19,164	16,690
Revenue from operations	140,712,742	160,034,648
Detail of products sold		
Finished goods sold		
Books	103,285,151	122,850,658
Educational kits	20,219,599	22,833,347
	123,504,750	145,684,005
Traded goods sold		
Books	4,422,039	13,747,893
	4,422,039	13,747,893

19 Other Income

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Royalty	810,037	5,792,073
Creditors written back	9,773	429,536
Other Income	-	8,697
Foreign exchange fluctuation	207,621	601,611
	1,027,432	6,831,917



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

20 Cost of raw materials consumed

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Inventory opening balance	979,507	1,183,752
Add : Purchases	59,964,686	73,095,242
	<u>60,944,192</u>	<u>74,278,994</u>
Less : Inventory closing balance	384,721	979,507
Cost of raw materials consumed	<u>60,559,472</u>	<u>73,299,488</u>

Details of raw materials consumed

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Books	52,173,307	60,019,160
Educational kits	8,386,164	13,280,328
	<u>60,559,472</u>	<u>73,299,488</u>

Details of inventory

Raw materials

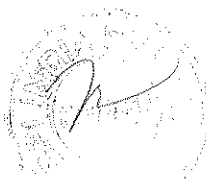
Books	-	350,694
Educational Kits	384,721	628,813
	<u>384,721</u>	<u>979,507</u>

21 Purchase of traded goods/services

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Traded books	3,118,782	11,294,329
Traded Imported goods/services	2,555,280	7,457,293
	<u>5,674,062</u>	<u>18,751,622</u>

22 Changes in Inventories

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Inventory opening balance		
Finished goods	65,183,195	72,338,865
Work in progress	3,348,638	686,450
	<u>68,531,833</u>	<u>73,025,315</u>
Inventory closing balance		
Finished goods	54,101,718	65,183,195
Work in progress	3,305,398	3,348,638
	<u>57,407,116</u>	<u>68,531,833</u>
(Increase)/Decrease in inventories	<u>11,124,717</u>	<u>4,493,482</u>
Details of inventory		
Work-in-progress		
Printed material for books	-	-
Educational Kits	3,305,398	3,348,638
	<u>3,305,398</u>	<u>3,348,638</u>
Finished goods		
Manufactured goods		
Books	33,889,718	36,497,556
Educational Kits	11,566,226	19,722,307
Traded goods		
Books	2,096,155	1,447,478
Stationery Import	6,549,619	7,515,855
	<u>54,101,718</u>	<u>65,183,195</u>



23. Employee benefits expense

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Salaries, wages & bonus	14,511,700	18,852,320
Contribution to provident Fund and other funds	830,679	1,116,490
Gratuity expense (refer note 32)	186,492	403,522
Staff welfare expenses	305,534	855,128
Total	15,834,405	21,227,460

24. Publication expenses

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Royalty	1,739,167	2,923,898
Editing charges	-	43,007
Total	1,739,167	2,966,905

25. Selling and distribution expenses

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Advertisement, publicity and exhibition	2,808,694	3,629,673
Commission	88,142	620,971
Freight outward	2,592,404	2,826,518
Packing charges	442,429	1,204,668
Total	5,931,669	8,281,830

26. Other expenses

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Travelling and conveyance expenses	3,573,850	3,936,924
Rent	3,711,302	6,302,935
Foreign exchange fluctuation	202,415	-
Provision for doubtful debts	2,703,972	1,335,000
Bad debts, advances written off & additional Discount (net of Bad debts settled against opening provision)	1,425,703	2,684,684
Communication expenses	1,097,014	1,301,293
Electricity & water	995,887	1,330,635
Festival expenses	50,869	93,427
Rates and taxes	1,231,874	1,069,607
Legal and professional charges	1,077,772	2,074,038
Insurance charges	267,839	205,884
Membership & Subscriptions	43,088	20,036
Website design charges	57,500	30,170
Office maintenance expenses	160,145	154,534
Loss on sale of Fixed Asset	23,899	489,061
Printing & stationery	80,010	232,087
Repair & maintenance- others	1,594,603	1,206,274
Security charges	649,975	549,133
Payment to auditor (Refer details below)	499,100	250,000
Amount Written off due to reconciliation adjustments	-	2,261,023
Miscellaneous expenses	544,712	700,130
Total	19,991,529	26,226,875

Payment to auditor

	For the period ended 31st March 2017	# For the period ended 31st March 2016
	(Rupees)	(Rupees)
As auditor :		
Audit fee & other assurance matter	499,100	250,000
	499,100	250,000

BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

27 Finance costs

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Interest	6,601,105	7,520,811
Bank charges	578,437	153,066
	<u>7,179,541</u>	<u>7,673,878</u>

28 Depreciation and amortization expense

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Depreciation on tangible assets	1,268,487	1,683,453
Amortization on intangible assets	3,001,619	2,038,665
	<u>4,270,106</u>	<u>3,722,118</u>

29 Earnings per share

	For the period ended 31st March 2017	For the period ended 31st March 2016
	(Rupees)	(Rupees)
Profit/(loss) after tax	6,140,050	(91,991)
Net profit/(loss) for calculation of Basic and diluted EPS	<u>6,140,050</u>	<u>(91,991)</u>
Weighted average number of equity shares in calculating basic EPS	1,125,000	1,125,000
Weighted average number of equity shares in calculating diluted EPS	1,125,000	1,125,000
Basic earnings per share	5.46	(0.08)
Diluted earnings per share	5.46	(0.08)

BPI (INDIA) Private Limited
Notes to financial statements for nine months period ended 31st March 2017

30. Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

Holding Company Blackie & Son (Calcutta) Pvt Ltd.
 Ultimate Holding Company S. Chand and Company Limited

Enterprises over which Key Managerial Personnel are able to exercise significant influence

New Saraswati House India Pvt Ltd (w.e.f 16th May 2014)
 Ane Books Pvt Ltd
 Vikas Publishing House Pvt Ltd
 Quartette Books Distributors Private Limited
 Smartivity Labs Private Limited (w.e.f 15th July 2015)
 Safari Digital Education Pvt Ltd
 Motif

Key management personnel or their relatives

Mr. Jai Saxena (Director)
 Mrs. Vidya Saxena (Director)
 Mr. Kunal Shroff (Director)
 Mr. Vishal Sharma (Director) upto 20th May, 2016

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Amount in Rupees)

Particulars	Holding Company		Ultimate Holding Company		Key management personnel or their relatives		Enterprises over which Key Managerial Personnel are able to exercise significant influence		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
(A) Transactions										
Sale of products (Net of return & discount)										
S. Chand and Company Limited	-	-	4,461,047	669,630	-	-	-	-	4,461,047	669,630
New Saraswati House India Pvt Ltd	-	-	-	-	-	-	1,836	-	-	1,836
Safari Digital Education Pvt Ltd	-	-	-	-	-	-	108,084	-	108,084	-
Vikas Publishing House Pvt Ltd	-	-	-	-	-	-	3,962,347	-	3,962,347	-
Sale of Fixed Assets										
Motif	-	-	-	-	-	-	-	141,400	-	141,400
Royalty income										
New Saraswati House India Pvt Ltd	-	-	-	-	-	-	79,099	(31,738)	79,099	(31,738)
S. Chand and Company Limited	-	-	590,883	674,571	-	-	-	-	590,883	674,571
Vikas Publishing House Pvt Ltd	-	-	-	-	-	-	125,339	116,786	125,339	116,786
Reimbursement of expenses										
S. Chand and Company Limited	-	-	428,331	17,995	-	-	-	-	428,331	17,995
Purchases										
S. Chand and Company Limited	-	-	2,703	339,734	-	-	-	-	2,703	339,734
Vikas Publishing House Pvt Ltd	-	-	-	-	-	-	-	9,356,615	-	9,356,615
Purchases Return										
S. Chand and Company Limited	-	-	186,870	-	-	-	-	-	186,870	-
Loan taken										
Mr. Jai Saxena	-	-	-	-	-	12,695,000	-	-	-	12,695,000
Mrs. Vidya Saxena	-	-	-	-	-	1,155,000	-	-	-	1,155,000
Loan repayment										
Mr. Jai Saxena	-	-	-	-	3,816,556	200,000	-	-	3,816,556	200,000
Mrs. Vidya Saxena	-	-	-	-	495,000	650,000	-	-	495,000	650,000
(B) Outstanding balances at the year end										
Trade receivables										
Blackie & Son (Calcutta) Pvt Ltd.	-	-	-	-	-	-	-	-	-	-
Safari Digital Education Pvt Ltd	-	-	-	-	-	-	108,084	-	108,084	-
Trade payable										
S. Chand and Company Limited	-	-	22,495,481	27,831,595	-	-	-	-	22,495,481	27,831,595
Vikas Publishing House Pvt Ltd	-	-	-	-	-	-	27,506,026	31,343,712	27,506,026	31,343,712
New Saraswati House (India) Pvt Ltd.	-	-	-	-	-	-	158,175	237,274	158,175	237,274
Unsecured Loan										
Mr. Jai Saxena	-	-	-	-	8,678,444	12,495,000	-	-	8,678,444	12,495,000
Mrs. Vidya Saxena	-	-	-	-	10,000	505,000	-	-	10,000	505,000

(b) Remuneration to key managerial personnel *

Particulars	(Amount in Rupees)	
	31 March 2017	31 March 2016
Mr. Jai Saxena	3,750,000	3,750,000
Mrs. Vidya Saxena	3,750,000	3,750,000
Total	7,500,000	7,500,000

* Remuneration to key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Company as a whole.
 Note: In addition to above transactions certain guarantees have been given by directors (Refer note 7).



BPI (INDIA) Private Limited
Notes to financial statements for the period ended 31 March 2017

31. Segment information

Business segments

Year Ended 31 March 2017

Particulars	Books	Educational Kits	Total
Revenue			
External sales	107,382,223	20,219,599	127,601,822
Total revenue	107,382,223	20,219,599	127,601,822
Results			
Segment results	47,575,695	2,667,877	50,243,572
Allocated Expenses			
Cost of raw material and components consumed	52,173,307	8,386,164	60,559,472
Purchase of traded goods	5,674,062	-	5,674,062
(Increase)/decrease in inventories of finished goods and work-in-progress	1,959,159	9,165,557	11,124,717
Unallocated expenses			47,766,876
Operating profit			2,476,696
Finance costs			7,179,541
Other income including finance income			14,138,352
Profit before tax			9,435,506
Tax expense			3,295,457
Net profit			6,140,050
As at 31 December 2016			
Segment assets	125,605,124	28,911,317	154,516,440
Unallocated assets			112,117,119
Total assets	125,605,124	28,911,317	266,633,559
Segment liabilities	53,352,392	2,780,626	56,133,017
Unallocated liabilities			210,500,542
Total liabilities	53,352,392	2,780,626	266,633,559

Business segments

Year Ended 31 March 2016

Particulars	Books	Educational Kits	Total
Revenue			
External sales	136,343,602	22,706,577	159,050,178
Total revenue	136,343,602	22,706,577	159,050,178
Results			
Segment results	50,967,538	11,538,048	62,505,586
Unallocated expenses			62,425,188
Operating profit			80,398
Finance costs			7,673,878
Other income including finance income			7,816,386
Profit before tax			222,907
Tax expense			314,898
Net profit			(91,991)
As at 31 March 2015			
Segment assets	129,191,442	43,924,460	173,115,902
Unallocated assets			85,788,312
Total assets	129,191,442	43,924,460	258,904,214
Segment liabilities	60,316,524	4,014,660	64,331,184
Unallocated liabilities			194,573,030
Total liabilities	60,316,524	4,014,660	258,904,214

Geographical segments

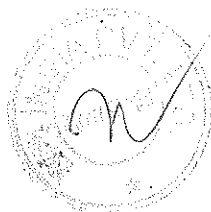
The geographical segment considered are as follows:-

- Sales within India includes sales to customers located within India
- Sales outside India includes sales to customers located outside India

Information about secondary segment:-

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Sales within India	126,819,817	156,392,302
Sales outside India	782,005	2,657,876
	127,601,822	159,050,178

The Company has common fixed assets for producing goods for domestic market and oversea markets. Hence separate figures for fixed assets/addition to fixed assets cannot be furnished.



BPI (INDIA) Private Limited**Notes to financial statements for nine months period ended 31st March 2017****32. Gratuity**

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The following tables summarize the components of net benefit expense recognised in the profit and loss account and amounts recognized in the balance sheet for Gratuity Plan.

Statement of profit and loss**Net employee benefit expense recognised in the employee cost**

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Current service cost	276,786	225,352
Interest cost on benefit obligation	139,430	132,414
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	(229,724)	45,757
Net benefit expense	186,492	403,523

Balance sheet**Benefit Assets / (Liabilities)**

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Present value of defined benefit obligation	2,132,685	2,037,531
Fair value of plan assets	-	-
Plan asset/(liability)	(2,132,685)	(2,037,531)

Changes in the present value of the defined benefit obligation are as follows:

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Opening defined benefit obligation	2,037,530	1,761,220
Current service cost	276,786	225,352
Interest cost	139,430	132,414
Benefits paid	(91,337)	(127,212)
Actuarial (gains) / losses on obligation	(229,724)	45,757
Closing defined benefit obligation	2,132,685	2,037,531

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Discount Rate	7.30%	7.90%
Salary escalation*	7.00%	7.00%
Employee turnover	4.00%	4.00%
Expected rate of return on assets	N.A.	N.A.

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

Amounts for the current and previous period are as follows:

	31 March 2017 (Rupees)	31 March 2016 (Rupees)	31 March 2015 (Rupees)	31 March 2014 (Rupees)
Defined benefit obligation	2,132,685	2,037,531	1,761,220	1,481,940
Plan assets	-	-	-	-
Surplus / (deficit)	2,132,685	2,037,531	1,761,220	1,481,940

Note :-

This being the fourth year of adoption of AS 15 (R), therefore figures for only last four years are furnished.

BPI (INDIA) Private Limited**Notes to financial statements for nine months period ended 31st March 2017****33. Other commitments**

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Estimated amount of contracts remaining to be executed and not provided for (net of advances):		
Other Commitments	366,667	243,998
	<u>366,667</u>	<u>243,998</u>

34. Unhedged foreign currency exposure

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Trade receivables	USD 23731.49@Rs.64.85 per USD(Rs. 1538987)	USD 66021.44 @ Rs.66.33 per USD (Rs. 4379202)
Trade payable	NIL	NIL

35. Value of imports calculated on CIF basis

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Purchase of traded goods	590,815	7,457,293
	<u>590,815</u>	<u>7,457,293</u>

36. Imported and indigenous raw materials and components consumed

	31 March 2017		31 March 2016	
	% of total consumption	Value (Rupees)	% of total consumption	Value (Rupees)
Raw Materials				
Indigenously obtained	100	60,559,472	100	73,299,488
	<u>100</u>	<u>60,559,472</u>	<u>100</u>	<u>73,299,488</u>

37. Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

The Amount due to Micro and small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March 2017 are as under:

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Description		
(i) Principal amount remaining unpaid as on 31st March 2017	30,899,133	22,514,941
(ii) Interest due thereon as on 31st March 2017	-	-
(iii) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the Interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) Interest accrued and remaining unpaid as at 31st March 2017	-	-
(vi) Further Interest remaining due and payable even in the succeeding years, until such date when the Interest dues as above are actually paid to the small enterprise	-	-

38. Operating Lease : Company as Lessee

The Company has taken premises for office use under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to Rs. 37,11,302/- (31 March 2016: Rs. 63,02,935). There are no restrictions imposed by the lease agreements. There are no sub leases.

39. The Company had entered into a contract with a foreign party for supply of certain children books. As per the contract material was to be supplied in lots. After receiving certain lots the Company had requested the vendor to terminate the contract as there were no demands for such books. But the party had continued to supply books. The party has filed case against the Company for recovery of amount with interest. The case is currently lying with Delhi High court.

The Company will discuss with AD / Reserve Bank of India (RBI) for remitting / regularizing the payment due once the case is finally settled. Also, based on the discussions with the solicitor/expert, the management feels that the Company has a strong chance of success in above mentioned case and hence no provision for interest has been booked in the financial statements.

BPI (INDIA) Private Limited**Notes to financial statements for nine months period ended 31st March 2017****40 Expenditure in foreign currency (accrual basis)**

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Travelling expense	1,217,622	1,248,138
Miscellaneous Expenses	-	46,670
Commission Paid	-	181,472
Advertisement, publicity and exhibition	548,301	60,779
Import of goods/services	2,555,280	7,457,293
Royalty	1,346,966	2,179,918
	<u>5,668,169</u>	<u>11,174,269</u>

41 Earnings in foreign currency

	31 March 2017 (Rupees)	31 March 2016 (Rupees)
Exports of F.O.B.value	782,005	2,657,876
Total	<u>782,005</u>	<u>2,657,876</u>

42 Disclosure on Specified Bank Notes

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.A 308(E), dated 31st March, 2017. The details of SBNs held and transacted during the period from

8 November 2016 to 30 December 2016, the denomination-wise SBNs and other notes as per the notification as follows

Particulars	SBNs	Other denomination notes	Total
	(Rupees)	(Rupees)	(Rupees)
Closing cash in hand as on Nov 8, 2016	843,500	79,009	922,509
Add: Permitted receipts	10,000	353,242	363,242
Less: Permitted payments	(10,000)	(180,784)	(190,784)
Less: Amount deposited in Banks	(843,500)	(950)	(844,450)
Closing cash in hand as on Dec 30, 2016	-	250,517	250,517

43 Previous Figures

Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For J P Chawla & Co. LLP

Chartered Accountants

FRN:-001875N/N500025

Rajat Chawla

Partner

Membership No.: 510745

Place: Delhi

Date: 31/03/2017

For and on behalf of the board of directors of BPI (India)

Private Limited

Jai Saxena

Director

(DIN:00215033)

Place: Delhi

Date:

Vidya Jai Saxena

Director

(DIN:00215116)

Place: Delhi

Date:

For BPI (INDIA) PVT. LTD.

For BPI (INDIA) PVT. LTD.

Director

Director