S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of S Chand & Company Limited (Formerly S Chand and Company Private Limited)

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of S Chand and Company Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 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 standalone Ind AS 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 standalone Ind AS 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 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 standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 31 March 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

S.R. Batliboi & Associates LLP * New Delhi *

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on 31 March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, 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 2" to this report;

(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 has disclosed the impact of pending litigation on its financial position in its standalone financial statement. Refer 49 note to the financial statement;

   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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP * New Delhi

per Yogesh Midha
Partner
Membership Number: 94941

Place: New Delhi
Date: 30 May 2018

Annexure referred to in paragraph 1 of report on other legal and regulatory requirements

Re: S Chand and Company Limited (Formerly S Chand and Company Private Limited) ('the Company')

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/fixed assets of the Company and accordingly the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year. Discrepancies noted on physical verification of inventories were not material and have been properly dealt with in the books of accounts.

(iii) (a) The Company has granted loan to five companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loan are not prejudicial to the Company's interest.

(b) In respect of loan granted to Company covered in the register maintained under section 189 of the Companies Act, 2013, repayment of the principal amount and receipt of interest is as stipulated.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are outstanding for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to entities in which directors are interested and in respect of loans and advances given, investments made and guarantees given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, sales-tax, service tax/goods and service tax, value added tax, cess and other material statutory dues applicable to it, though there has been a slight delay in few cases of income tax. The provisions relating duty of excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, provident fund, employees' state insurance, sales–tax, service tax/goods and service tax, value added tax, cess and other undisputed statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.

(c) According to the records of the Company, the dues outstanding of income-tax on account of any dispute are as follows:

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New Delhi

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	30,297,622	A.Y 2004-05	Delhi High Court
Income Tax Act, 1961	Income tax	4,459,354	A.Y 2005-06	Delhi High Court
Income Tax Act, 1961	Income tax	1,456,060	A.Y 2006-07	Delhi High Court
Income Tax Act, 1961	Income tax	3,424,588	A.Y 2007-08	Delhi High Court
Income Tax Act, 1961	Income tax	15,198,906	A.Y 2007-08	ITAT
Income Tax Act, 1961	Income tax	4,163,128	A.Y 2008-09	Delhi High Court
Income Tax Act, 1961	Income tax	5,338,597	AY 2009-10	Delhi High Court
Income Tax Act, 1961	Income tax	6,628,820	AY 2010-11	ITAT
Income Tax Act 1961	Income tax	8,184,960	AY 2011-12	ITAT
Income Tax Act 1961	Income tax	9,997,850	AY 2012-13	ITAT
Income Tax Act 1961	Income tax	3,339,530	AY 2013-14	CIT (A)
Income Tax Act 1961	Income tax	3,093,320	AY 2014-15	CIT (A)
Income Tax Act 1961	Income Tax	4,443,190	AY 2015-16	CIT (A)

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to a bank and financial institution. The Company does not have any dues to in respect of debenture holders or government.

(ix) In our opinion and according to information and explanations given by the management, the Company has utilized the monies raised by way of initial public offer and term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

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(xii) In our opinion and according to information and explanations given by the management, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

S.R. Batliboi & Associates LLP * New Delhi

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: 30 May 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF S Chand & Company Limited (Formerly S Chand and Company Private Limited)

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 S Chand & Company Limited ("the Company") as of 31 March, 2018 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 onthe 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 the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 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 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 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP * New Delhi

per Yogesh Midha
Partner
Membership Number: 94941

Place: New Delhi
Date: 30 May 2018

S Chand and Company Limited
Balance sheet as at 31 March 2018
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Assets				
Non-current assets				
Property, plant and equipment	3	91.27	111.70	140.32
Intangible assets	4	167.63	145.73	115.94
Capital work-in-progress		0.47	-	0.10
Financial assets				
- Investments	5A	6,066.96	4,704.06	3,531.57
- Loans	5F	652.31	153.07	18.36
- Other financial assets	5E	8.58	4.76	4.78
Other non-current assets	7	40.91	27.44	59.28
Deferred tax assets (net)	8	51.00	69.11	62.26
Total non-current assets		**7,079.13**	**5,215.87**	**3,932.61**
Current assets				
Inventories	6	526.00	577.09	620.59
Financial assets				
- Investments	5B	176.42	1.94	122.01
- Loans	5F	79.93	26.68	162.11
- Trade receivables	5C	3,026.87	2,128.58	1,781.33
- Cash and cash equivalents	5D	389.30	143.85	93.76
- Other financial assets	5E	8.95	4.61	7.21
Other current assets	7	63.21	135.00	37.35
Total current assets		**4,270.68**	**3,017.75**	**2,824.36**
Total assets		**11,349.81**	**8,233.62**	**6,756.97**
Equity and liabilities				
Equity				
Equity share capital	9	174.88	149.22	2.02
Other equity				
- Retained earnings	10	1,810.60	1,353.41	1,093.05
- Other reserves	10	6,614.76	3,517.34	3,647.01
Total equity		**8,600.24**	**5,019.97**	**4,742.08**
Non-current liabilities				
Financial liabilities				
- Borrowings	12A	4.86	8.05	308.36
Net employee defined benefit liabilities	16	8.90	8.46	7.68
Other non-current liabilities	15	6.04	4.92	2.56
Total non-current liabilities		**19.80**	**21.43**	**318.60**
Current liabilities				
Financial liabilities				
- Borrowings	12B	507.62	798.83	496.82
- Trade payables	13	1,303.00	900.56	1,073.37
- Other financial liabilities	14	685.11	1,322.31	25.69
Other current liabilities	15	100.81	60.29	51.22
Other provisions	17	133.23	110.23	49.19
Total current liabilities		**2,729.77**	**3,192.22**	**1,696.29**
Total equity and liabilities		**11,349.81**	**8,233.62**	**6,756.97**
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 S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants

S.R. Batliboi & Associates LLP * New Delhi *

per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 30 May 2018

For and on behalf of the Board of Directors of
S Chand and Company Limited

Himanshu Gupta
Director
DIN: 0054015

Dinesh Kumar Jhunjhunwala
Director
DIN: 00282988

Saurabh Mittal
Chief Financial Officer

Jagdeep Singh
Company Secretary

S Chand and Company Limited
Statement of Profit and Loss for the period ended 31 March 2018
CIN: L22219DL1970PLC005400

(₹ in millions)

		Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
I	Revenue from operations	18	3,439.90	2,926.02
II	Other income	19	270.23	93.49
III	**Total Income (I)**		**3,710.13**	**3,019.51**
IV	**Expenses**			
	Cost of published goods/material consumed	20	1,251.01	1,013.41
	Purchase of traded goods	21	16.03	52.52
	(Increase)/decrease in inventories of finished goods and work in progress	22	66.71	23.28
	Publication expense	23	380.37	317.00
	Selling and distribution expense	24	233.57	206.39
	Employee benefits expense	25	543.83	481.27
	Finance costs	28	97.22	149.05
	Depreciation and amortization expense	26	33.50	65.13
	Other expenses	27	298.19	273.74
	Total expenses (II)		**2,920.43**	**2,581.79**
V	**Profit before tax**		**789.70**	**437.72**
VI	**Tax expense:**			
	Current tax	29	268.02	171.00
	Income tax adjustment related to earlier years		(2.93)	1.50
	Deferred tax (credit)/ charge		17.02	(6.99)
	Total tax expense		**282.11**	**165.51**
VII	**Profit for the year (V-VI)**		**507.59**	**272.21**
VIII	**Other Comprehensive Income**	30		
	- Items that will not be reclassified to profit or loss			
	Re-measurement (gains)/losses on defined benefit plans		(3.10)	(0.42)
	Income tax effect		1.07	0.15
XI	**Total Comprehensive Income for the year (VII + VIII) (Comprising Profit and Other Comprehensive Income for the year)**		**509.62**	**272.48**
XII	**Earnings per equity share:**			
	(1) Basic		14.76	9.12
	(2) Diluted		14.72	9.10
	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 S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941

S.R. Batliboi & Associates LLP * New Delhi *

Place : New Delhi
Date : 30 May 2018

For and on behalf of the Board of Directors of
S Chand and Company Limited

Himanshu Gupta
Director
DIN: 0054015

Dinesh Kumar Jhunjhnuwala
Director
DIN: 00282988

Saurabh Mittal
Chief Financial Officer

Jagdeep Singh
Company Secretary

S Chand and Company Limited
Cash flow statement for the year ended 31 March 2018
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	As at 31 March 2018	As at 31 March 2017
A. Cash flow from operating activities			
Profit before tax		789.70	437.72
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		33.50	65.13
(Profit)/loss on sale of fixed assets (net)		2.04	(1.66)
Interest income		(195.43)	(78.25)
Interest income on securities mearsured at amortised cost		(6.34)	(2.24)
Dividend income on current investments		(0.00)	(0.02)
Reversal of provision for diminution in value of investments		(41.00)	(0.39)
Fair value gain on financial instruments at fair value through profit or loss		(23.57)	(0.07)
Net gain on sale of current investments		-	(5.75)
Provision for doubtful receivables		12.23	25.00
Employee stock option expense		9.48	15.09
Interest expense		88.64	136.16
Operating profit before working capital changes		669.25	590.72
Movement in working capital:			
Decrease/(increase) in inventories		51.09	43.50
Increase in trade receivables		(910.52)	(372.25)
Increase in loans and advances		45.66	(91.90)
Increase in other financial assets		(7.61)	3.26
Increase/(decrease) in provisions		0.47	0.78
Decrease in trade payables		402.44	(172.82)
Increase/(decrease) in current liabilities		30.35	30.46
Cash generated from operations		281.13	31.75
Direct taxes paid (net of refunds)		(230.92)	(94.77)
Net cash from operating activities	(A)	50.21	(63.02)
B. Cash flows from investing activities			
Purchase of fixed assets including capital advances, capital creditors and capital work-in-progress		(89.12)	(66.68)
Purchase of non-current investments		(695.41)	(1,170.05)
Purchase of current investments		(107.17)	-
Proceeds from sale of current investments		-	126.29
Proceeds from sale of fixed assets		25.88	11.57
Dividend received		0.00	0.02
Interest received		194.87	77.61
Loans to related party		(518.49)	3.33
Net cash used in investing activities	(B)	(1,189.44)	(1,017.91)
C. Cash flows from financing activities			
Proceeds from issuance of equity share including securities premium (net of transaction cost)		3,318.05	-
Transaction cost on issue of equity share		(207.19)	-
Dividend paid on equity shares		(43.56)	(10.08)
Tax on equity dividend paid		(8.87)	(2.05)
Interest paid on borrowings		(82.09)	(136.05)
Repayment of long term borrowings		(1,300.44)	977.19
Proceed from borrowings		(291.22)	302.01
Net cash used in financing activities	(C)	1,384.68	1,131.02
Net increase in cash and cash equivalents	(A+B+C)	245.45	50.09
Effects of exchange differences on cash and cash equivalents held in foreign currency		-	-
Cash and cash equivalents at the beginning of the year		143.85	93.76
Cash and cash equivalents at the end of the year		389.30	143.85
Components of cash and cash equivalents			
Cash on hand		0.93	3.50
Cheques on hand		174.22	
Balances with banks:			
- on current accounts		73.39	134.95
- deposits with original maturity of less than three months		140.76	5.40
Total cash and cash equivalents (note 18)		389.30	143.85

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S.R. Batliboi & Associates LLP * New Delhi *

S Chand and Company Limited
Cash flow statement for the year ended 31 March 2018
CIN: L22219DL1970PLC005400

(₹ in millions)

Non-cash investing and financing transaction		
Acquisition of property, plant and equipment by means of a finance lease	12.70	19.42

Particulars	As at 31 March 2017	Cash flows	Non cash changes	As at 31 March 2018
Long term borrowings (including current maturity)	1,310.34	(1,300.44)		9.90
Short term borrowings	798.83	(291.22)	-	507.61
	2,109.17	(1,591.66)	-	517.51

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 S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No. 94941

Place: New Delhi
Date: 30 May 2018

For and on behalf of the Board of Directors of S Chand and Company Limited

Himanshu Gupta
Director
DIN: 00054015

Dinesh Kumar Jhunjhnuwala
Director
DIN: 00282988

Saurabh Mittal
Cheif Financial Officer

Jagdeep Singh
Company Secretary

S Chand and Company Limited
Statement of changes in equity for the year ended 31 March 2018
CIN: L22219DL1970PLC005400

A. **Equity share capital:**

Issued, subscribed and fully paid up	No. of shares	₹ in millions
As at 1 April 2016	201,652	2.02
Issued during the period – Share split	201,652	-
Issued during the period – Bonus issue	29,441,192	147.20
As at 31 March 2017	29,844,496	149.22
Issued during the year - IPO	4,850,746	24.26
Issued during the year - ESOPs	280,045	1.40
As at March 31, 2018	34,975,287	174.88

B. **Other equity**

(₹ in millions)

	Reserve & Surplus				Total
	Retained earnings	Capital reserve	Security premium account	ESOP outstandings	
As at April 1, 2016	1,093.05	0.51	3,638.93	7.57	**4,740.06**
Profit for the year	272.21	-	-		**272.21**
Other comprehensive income for the year	0.27	-	-		**0.27**
Total Comprehensive Income for the year	**272.48**	-	-	-	**272.48**
Share based payments	-	-	-	17.53	**17.53**
Issue of share capital	-	-	(147.20)	-	**(147.20)**
Interim equity dividend	(10.07)	-	-	-	**(10.07)**
Dividend distribution tax	(2.05)	-	-	-	**(2.05)**
As at 31 March 2017	**1,353.41**	**0.51**	**3,491.73**	**25.10**	**4,870.75**
Profit for the year	507.59	-	-	-	**507.59**
Other comprehensive income for the year	2.03	-	-	-	**2.03**
Total Comprehensive Income for the year	**509.62**	-	-	-	**509.62**
Share based payments	-	-	-	12.22	**12.22**
Issue of share capital	-	-	3,292.39	-	**3,292.39**
Exercise of share options	-	-	29.42	(29.42)	**-**
Transaction costs	-	-	(207.19)	-	**(207.19)**
Interim equity dividend	(43.56)	-	-	-	**(43.56)**
Dividend distribution tax	(8.87)	-	-	-	**(8.87)**
As at 31 March 2018	**1,810.60**	**0.51**	**6,606.35**	**7.90**	**8,425.36**

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

S.R. Batliboi & Associates LLP * New Delhi

per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date: 30 May 2018

For and on behalf of the Board of Directors of
S Chand and Company Limited

Himanshu Gupta
Director
DIN: 0054015

Dinesh Kumar Jhunjhnuwala
Director
DIN: 00282988

Saurabh Mittal
Cheif Financial Officer

Jagdeep Singh
Company Secretary

1. Corporate information

S Chand and Company Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 applicable in India. The Company has become a Public Limited Company w.e.f. 8th September 2016 and consequently the name of the Company has changed from S Chand and Company Private Limited to S Chand and Company Limited. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 7361, Ram Nagar, Qutab Road, New Delhi - 110055. These are unconsolidated financial statements and, accordingly, these Indian Accounting Standard (Ind AS) financial statements incorporate amounts and disclosures related to the Company only.

The Company is principally engaged in publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children Books.

2. Significant accounting policies

2.1 Basis of preparation

The unconsolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP).

For all periods up to and including the year ended March 31 2017, the Company prepared its unconsolidated financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounting Standards) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Reconciliation and description of transition to Ind AS has been summarised in Note 51.

The unconsolidated financial statements have been prepared on a historical cost convention, except for the following assets and liabilities which have been measured at fair value.

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

ii) Equity settled employee share-based payment plan

The unconsolidated financial statements are presented in INR and all values are rounded to the nearest Millions (INR), except when otherwise indicated.

2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset as current when it is:

i. Expected to be realised or intended to sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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A liability is current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 Foreign currencies

Functional and presentational currency
The Company's financial statements are presented in INR, which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates 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.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of profit or loss.

2.4 Fair value measurement

The Company measures certain financial instruments and equity settled employee share based payment plan at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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 economic best 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.

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

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

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

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.

External valuers are involved for valuation of significant assets, unquoted financial assets, and significant liabilities, such as valuation of unquoted investments and equity settled employee share based payment plan. Involvement of external valuers is decided upon annually by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

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

The Company's management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i. Disclosures for valuation methods, significant estimates and assumptions (Note 32)
ii. Quantitative disclosures of fair value measurement hierarchy (Note 39)
iii. Investment in unquoted equity shares (Note 5A and 5B)
iv. Financial instruments (including those carried at amortised cost) (Note 39)
v. Equity Settled employee share based payment plan (Note 36)

2.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude, and is also exposed to inventory and credit risks.

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Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of sales returns, turnover discounts and cash discounts.

The provision for anticipated returns is made primarily on the basis of historical return rates. The provision for turnover discount and cash discount is made on estimated basis based on historical trends.

Interest income
For all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Dividends
Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental income
Rental Income arising from operating leases of computers is accounted for on a straight line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

2.6 Income taxes

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries and associates , deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

2.7 Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost, net of accumulated depreciation and accumulated impairment losses, if any. The Company has elected to continue with the carrying value for all its item of property, plant and equipment as recognised in its Indian GAAP financial as deemed cost at the transition date, viz, April 01, 2016.

Capital work in progress, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Depreciation
Till March 31, 2017, depreciation on property, plant and equipment was being provided on written down value method. w.e.f. April 01, 2017, depreciation is being provided on straight line method.

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(Amounts in Indian Rupees, unless otherwise stated)

Depreciation on property, plant and equipment, other than leasehold improvements, have been provided on pro-rata basis, on the straight line method, using rates determined based on management's technical assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used.

Category of assets	Useful life as adopted by management	Useful life as per Schedule II
Plant and equipment	15 -25 years	15 years
Office Equipment	5 years	5 years
Furniture & fixture	10 years	10 years
Vehicle	10 years	8 years
Others – Computer	6 years	3 years

Leasehold improvements are amortised over economic useful life or unexpired period of lease whichever is less.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and machinery, vehicles and computers over estimated useful lives which are different from useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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 statement of profit or loss when the asset is derecognised.

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.

2.8 Intangible assets

Under the previous GAAP (Indian GAAP), intangible assets were carried in the balance sheet at cost, net of accumulated amortization and accumulated impairment losses, if any. The Company has elected to continue with the carrying value for all its item of intangible assets as recognised in its Indian GAAP financial as deemed cost at the transition date, viz, April 01, 2016.

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with no adjustments. (Refer Note 4).

Recognition and measurement
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of profit or loss when it is incurred.

Amortisation and useful lives
The useful lives of intangible assets are assessed as either finite or indefinite.

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Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:
- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and 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 during development

Following 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 amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Company's intangible assets is as follows:

Intangible assets	Useful lives	Amortization method used	Internally generated or acquired
Computer software	Finite (5 -10 years)	Amortized on straight line basis over the period of useful lives	Acquired
Goodwill on business combination	Idefinite	No amortization	Acquired
Copyrights	Finite (10 years)	Amortized on straight line basis over the period of copyright	Acquired
Content development	Finite (10 seasons)	Amortized on straight line basis over the period of content	Internally generated

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2.9 Borrowing costs

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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.10 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating Leases are included in Fixed Assets. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

2.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out (FIFO) basis.

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

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2.12 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, or when annual impairment testing for an asset is required, 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) fair value less costs of disposal and its value in use. 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. When 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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.13 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.

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Financial assets

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 profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset

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

- Financial assets at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost
A 'Financial 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI
A debt instruments is classified as at the FVTOCI if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Equity instruments at FVTOCI
All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Financial assets at FVTPL
FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's unconsolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 17.
- Contract assets and trade receivables under Ind-AS 18.
- Loan commitments which are not measured as at FVTPL.
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, and
- All lease receivables resulting from transactions within the scope of Ind AS 17.

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.

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(Amounts in Indian Rupees, unless otherwise stated)

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

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 (i.e., all cash shortfalls), 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. On that basis, the Company has estimated provision of 4.89% is required to be made on outstanding receivables at the reporting date:

Age bracket	Not Due	0-270 Days	271-365 Days	365-730 Days	More than 730 Days
Credit loss rate	0.04%	0.58%	26.08%	100.00%	100.00%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (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:

The balance sheet presentation for various financial instruments is described below:-

a) For financial assets measured as at amortised cost and lease receivables: 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 Company does not reduce impairment allowance from the gross carrying amount.
b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk 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 profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss 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 profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. 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.

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 profit or loss

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Re-classification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated 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.

2.14 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the unconsolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

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Compensated absences
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.

2.15 Share based payments

Employees (including senior executives) of the Company receive remuneration in the form of share based payments, whereby employer render services as consideration for equity instruments (equity-settled transactions).

Equity settled transactions
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.16 Provisions

General
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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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

2.17 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the unconsolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.18 Earnings Per Share (EPS)

Basic Earnings Per Share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.19 Cash dividend and non-cash distribution to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

2.20 All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

2.21 Standards issued but not yet effective

a. Ind AS 115 – Revenue from contracts with customers

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 April 2018. The Company will adopt the new standard on the required effective date using the modified retrospective method. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.

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b. Amendments to Ind 112 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in Ind AS 112

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

c. Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:
(i) The beginning of the reporting period in which the entity first applies the Appendix, or
(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

Changes in accounting policies and disclosures

New and amended standards and interpretations

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1 April 2017. The nature and the impact of each amendment is described below:

Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for both the current and the comparative period in Cash Flow Statement.

Amendments to Ind AS 102 Classification and Measurement of Share-based Payment Transactions

The amendments to Ind AS 102 Share-based Payment addresses three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settle.

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3. Property, plant and equipment

(₹ in millions)

	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Leasehold improvement	Computers	Total
Cost*							
As at 1 April 2016	24.80	11.81	17.98	41.75	7.81	36.17	140.32
Additions	0.41	1.86	0.46	19.42	0.76	1.02	23.93
Disposals	-	(0.02)	-	(9.66)	-	(1.97)	(11.65)
As at 31 March 2017	25.21	13.65	18.44	51.51	8.57	35.22	152.60
Additions	2.15	1.92	0.87	12.70	2.66	1.85	22.15
Disposals	(13.95)	(0.09)	(0.03)	(4.35)	-	(22.95)	(41.37)
As at 31 March 2018	13.41	15.48	19.28	59.86	11.23	14.12	133.38
Accumulated depreciation							
As at 1 April 2016	-	-	-	-	-	-	-
Charge for the year	3.27	5.34	4.95	13.86	1.47	14.15	43.04
Disposals	-	-	-	(1.43)	-	(0.71)	(2.14)
As at 31 March 2017	3.27	5.34	4.95	12.43	1.47	13.44	40.90
Charge for the year	0.84	2.05	2.00	4.70	2.02	3.04	14.65
Disposals	(1.11)	(0.05)	(0.01)	(1.43)	-	(10.84)	(13.44)
As at 31 March 2018	3.00	7.34	6.94	15.70	3.49	5.64	42.11
Net block							
As at 1 April 2016	24.80	11.81	17.98	41.75	7.81	36.17	140.32
As at 31 March 2017	21.94	8.31	13.49	39.08	7.10	21.78	111.70
As at 31 March 2018	10.41	8.14	12.34	44.16	7.74	8.48	91.27

*Cost as at 1 April 2016 is calculated as shown below:

	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Leasehold improvement	Computers	Total
Gross block	58.79	42.21	54.25	100.85	11.70	132.58	400.38
Accumulated depreciation	(33.99)	(30.40)	(36.27)	(59.10)	(3.89)	(96.41)	(260.06)
Deemed cost as at 1 April 2016	24.80	11.81	17.98	41.75	7.81	36.17	140.32

4. Intangible assets

(₹ in millions)

	Goodwill	Computer software	Copy-right	Content development	Total
Cost**					
As at 1 April 2016	23.83	44.95	20.74	26.42	115.94
Purchase	-	5.97	-	46.18	52.15
Disposals	-	(0.34)	-	-	(0.34)
As at 31 March 2017	23.83	50.58	20.74	72.60	167.75
Purchase	-	2.29	4.16	34.30	40.75
Disposals	-	-	-	-	-
As at 31 March 2018	23.83	52.87	24.90	106.90	208.50
Accumulated depreciation					
As at 1 April 2016	-	-	-	-	-
Amortization for the year	-	15.82	3.61	2.66	22.09
Disposals	-	(0.07)	-	-	(0.07)
As at 31 March 2017	-	15.75	3.61	2.66	22.02
Amortization for the year	-	7.18	3.82	7.85	18.85
Disposals	-	-	-	-	-
As at 31 March 2018	-	22.93	7.43	10.51	40.87
Net block					
As at 1 April 2016	23.83	44.95	20.74	26.42	115.94
As at 31 March 2017	23.83	34.83	17.13	69.94	145.73
As at 31 March 2018	23.83	29.94	17.47	96.39	167.63

**Cost as at 1 April 2016 is calculated as shown below:

	Goodwill	Computer software	Copy-right	Content development	Total
Gross block	74.89	58.07	21.71	29.36	184.03
Accumulated depreciation	(51.06)	(13.12)	(0.97)	(2.94)	(68.09)
Deemed Cost as at 1 April 2016	23.83	44.95	20.74	26.42	115.94

Note: Since the company has changed its estimate of depreciation on property, plant and equipment from financial year 2017-18, impact of change in estimate is given below:

Particulars	(₹ in millions)
Depreciation as per written down value method	30
Depreciation as per straight line method	15
Profit for current year increased by	15

**The carrying value of vehicles held under finance leases contracts at 31 March 2018 was ₹ 21.54 millions (31 March 2017: ₹ 11.97 millions and 1 April 2016: ₹ 9.55 millions). Additions during the year include ₹ 10.92 millions (31 March 2017: ₹ 6.14 millions) under finance leases contracts. Leased assets are pledged as security for the related finance leases.

Impairment testing of goodwill

The Company performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

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5. Financial assets

5A. Non-current investments

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investments valued at cost			
Investment in unquoted equity shares			
Investment in subsidiaries			
149 (31 March 2017: 149 and 1 April 2016: 149) shares of ₹ 1,000 each fully paid up in M/s Blackie & Son (Calcutta) Private Limited	62.29	60.79	60.79
12,000 (31 March 2017: 12,000 and 1 April 2016: 12,000) shares of ₹ 10 each fully paid up in M/s Nirja Publishers & Printers Private Limited	17.04	15.60	15.60
26,584,168 (31 March 2017: 26,584,168 and 1 April 2016: 26,584,168) shares of ₹ 10 each fully paid up in M/s Safari Digital Education Initiatives Private Limited	267.08	266.97	266.30
106 (31 March 2017: 106 and 1 April 2016: 106) shares of ₹ 1,000 each fully paid up in M/s Eurasia Publishing House Private Limited	116.05	116.05	116.05
39,339 (31 March 2017: 39,339 and 1 April 2016: 39,339) shares of ₹ 100 each fully paid up in M/s Vikas Publishing House Private Limited	1,507.68	1,504.44	1,503.18
15,600 (31 March 2017: 15,600 and 1 April 2016: 15,600) shares of ₹ 10 each fully paid up in M/s New Saraswati House (India) Private Limited	905.70	901.50	901.00
17,686,750 (31 March 2017: 17,686,750 and 1 April 2016: 17,686,750) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	142.51	142.51	142.51
64,548 (31 March 2017: 64,548 and 1 April 2016: Nil) shares of ₹ 100 each fully paid up in M/s Chhaya Prakashani Private Limited (*)	1,657.04	1,000.04	-
	4,675.39	4,007.90	3,005.43
Investment in associate			
50 (31 March 2017: 50 and 1 April 2016: 1) share of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	0.52	0.52	0.00
	0.52	0.52	0.00
Investment in unquoted preference shares			
Investment in subsidiaries			
16,000,000 (31 March 2017: 16,000,000 and 1 April 2016: Nil) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	160.00	160.00	-
1,600 (31 March 2017: 1,600 and 1 April 2016: 1,600) shares of ₹ 37.14 each fully paid up in M/s Essar Gujrat Limited	-	-	-
4,200 (31 March 2017: 4,200 and 1 April 2016: 4,200) 6% shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	-	-	-
	160.00	160.00	-
Investment in associate			
5,264 (31 March 2017: 5,064 and 1 April 2016: 4,164) 0.001% compulsorily convertible cumulative shares of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	18.13	15.64	6.14
	18.13	15.64	6.14
Investment in debentures			
Investment in subsidiaries			
5,200 (31 March 2017: 5,200 and 1 April 2016: 5,200) 10.75% optionally convertible redeemable of ₹ 100,000 each fully paid up in New Saraswati House (India) Private Limited	520.00	520.00	520.00
6,916 (31 March 2017: Nil and 1 April 2016: Nil) 2% optionally convertible redeemable of ₹ 100,000 each fully paid up in Eurasia Publishing House Private Limited*	692.92	-	-
	1,212.92	520.00	520.00
Investments at fair value through profit and loss			
Investment in debentures			
Investment in others			
100 (31 March 2017: 100 and 1 April 2016: 100) redeemable non-convertible of ₹ 60 each fully paid up in Motor and General Finance Limited	-	-	-
	-	-	-
Total	6,066.96	4,704.06	3,531.57
Aggregate value of unquoted investments	6,066.96	4,704.06	3,531.57
Aggregate value of impairment in value of investments	0.07	0.07	0.07

Note: Investment in Subsidiaries include deemed investments of ₹ 10.49 millions (31 March 2017: ₹ 2.43 millions 1 April 2016: ₹ 1.17 millions) due to ESOP granted to employees of subsidiary companies and corporate guarantee given by Holding Company on behalf of subsidiary companies.

*Investment in Chhaya Prakashani Private Limited includes ₹ 657 millions as deemed investment for 38,554 shares presently held by minority shareholders (refer note 14B)

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5B. Current investments

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
			(₹ in millions)
Investment at fair value through profit and loss			
Investment in equity shares (unquoted)			
15,880 (31 March 2017: 15,880 and 1 April 2016: 15,880) shares of ₹ 10 each fully paid up in M/s Sistema Shyam Teleservices Limited	-	-	-
1,000 (31 March 2017: 1,000 and 1 April 2016: 1,000) shares of ₹ 10 each fully paid up in M/s Bharat Glass Tubes Limited	-	-	-
	-	-	-
Investment valued at fair value through profit and loss			
Investment in equity instruments (quoted)			
1,000 (31 March 2017: 1,000 and 1 April 2016: 1,000) shares of ₹ 10 each fully paid up in M/s Freshtop Fruits Limited	0.14	0.10	0.09
42,564 (31 March 2017: 42,564 and 1 April 2016: 42,564) shares of ₹ 10 each fully paid up in M/s Mahaan Foods Limited	0.56	0.72	0.46
10,457 (31 March 2017: 10,457 and 1 April 2016: 10,457) shares of ₹ 1 each fully paid up in M/s Pentamedia Graphics Limited	0.01	0.01	0.01
2,000 (31 March 2017: 2,000 and 1 April 2016: 2,000) shares of ₹ 10 each fully paid up in M/s Vardhman Concrete Limited	0.01	0.02	0.03
100 (31 March 2017: 100 and 1 April 2016: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited	0.06	0.05	0.04
100 (31 March 2017: 100 and 1 April 2016: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	0.06	0.05	0.04
	0.84	0.95	0.67
Investment valued at amortised cost model			
Investment in preference shares (unquoted)			
512,500 (31 March 2017: 512,500 and 1 April 2016: 512,500) redeemable shares of ₹ 10 each fully paid up in M/s Walldorf Integration Solutions Limited (refer note no 47)	64.06	41.00	41.00
Less : Impairment of investment	-	(41.00)	(41.00)
	64.06	-	-
Investment valued at fair value through profit and loss			
Investment in mutual funds (quoted)			
89,039 (31 March 2017: 83,834 and 1 April 2016: 82,212) units in Principal Monthly Income Plan - Dividend Reinvestment	1.05	0.99	0.89
32,987 (31 March 2017: Nil and 1 April 2016: 40,359) units in HDFC Liquid Fund - Regular Plan Growth option	110.47	-	120.45
	111.52	0.99	121.34
Total	176.42	1.94	122.01
Aggregate book value of quoted investments	112.36	1.94	122.01
Aggregate market value of quoted investments	112.36	1.94	122.01
Aggregate value of unquoted investments	64.06	-	-
Aggregate value of impairment in value of investments	-	41.00	41.00

5C. Trade receivables

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
			(₹ in millions)
Trade receivables	3,137.09	2,235.93	1,815.49
Receivables from other related parties (refer note 35)	45.43	42.55	97.93
Total trade receivables	3,182.52	2,278.48	1,913.42
Break-up for security details:			
Secured, considered good	-	-	-
Unsecured, considered good	3,026.87	2,128.58	1,781.33
Doubtful	155.65	149.90	132.09
	3,182.52	2,278.48	1,913.42
Impairment Allowance (allowance for bad and doubtful debts)			
Unsecured, considered good	-	-	-
Doubtful	(155.65)	(149.90)	(132.09)
Total	3,026.87	2,128.58	1,781.33

The movement in impairment of trade receivables as follow:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Opening balance	149.90	132.09	132.09
Additions	12.23	25.00	-
Write off (net of recovery)	(6.48)	(7.19)	-
Closing balance	155.65	149.90	132.09

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

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5D. Cash and cash equivalents

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balances with banks:			
-On current accounts	73.39	134.95	82.22
-Cheques on hand	174.22	-	-
-Deposits with original maturity of less than three months	140.76	5.40	1.90
Cash on hand	0.93	3.50	9.64
Total	389.30	143.85	93.76

5E. Other financial assets

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposits with original maturity for more than 3 months but less than 12 months	7.37	2.58	5.77
Deposits with original maturity for more than 12 months	7.13	4.35	4.41
Interest accrued but not due on fixed deposits (on short term deposits)	1.55	2.03	1.44
Interest accrued but not due on fixed deposits (on long term deposits)	1.34	0.30	0.26
Restricted cash*	0.03	-	-
Margin money**	0.11	0.11	0.11
Total	17.53	9.37	11.99
Current	**8.95**	**4.61**	**7.21**
Non current	**8.58**	**4.76**	**4.78**

*Restricted cash represent earmarked balance for dividend payouts.
**Margin money deposit with a carrying amount of ₹0.11 million (31 March 2017: ₹ 0.11 and 31 March 2016: ₹ 0.11) has been deposited with sales tax department.

5F. Loans

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security deposits - non current	20.13	20.34	18.36
Security deposits - current	37.79	3.58	2.95
Loans related parties - non current (refer note 35)	632.18	132.73	-
Loans related parties - current	42.14	23.10	159.16
Total loans	732.24	179.75	180.47
Break-up for security details			
(a) Secured, considered good;	-	-	-
(b) Unsecured, considered good; and	732.24	179.75	180.47
(c) Doubtful.	-	-	-
	732.24	179.75	180.47
Current	**79.93**	**26.68**	**162.11**
Non current	**652.31**	**153.07**	**18.36**

6. Inventories

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Raw materials (at cost)	21.90	6.28	2.16
Finished goods (at lower of cost and net realisable value)	500.28	560.97	600.03
Finished goods-traded goods (at lower of cost and net realisable value)	3.82	9.84	18.40
Total	526.00	577.09	620.59

7 Other assets

7A. Capital advances

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good.	25.75	0.01	9.31
Total	25.75	0.01	9.31

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7B. Other advances

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good.	41.75	115.67	9.54
Total	**41.75**	**115.67**	**9.54**

7C. Prepaid expenses

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Prepaid expenses - current	18.36	12.94	12.47
Prepaid expenses - non-current	7.48	8.55	11.25
Total	**25.84**	**21.49**	**23.72**

7D. Balance with statutory / Government authorities

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good	3.10	3.24	2.77
Total	**3.10**	**3.24**	**2.77**

7E. Other assets

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advance income-tax (net of provision for taxation)	7.68	18.88	35.57
Ancillary cost of arranging the borrowings -unamortised cost	-	-	3.15
Ancillary cost of arranging the borrowings -unamortised cost	-	3.15	1.57
Shares issue expenses	-	-	11.00
Total	**7.68**	**22.03**	**51.29**
Current	**63.21**	**135.00**	**37.35**
Non current	**40.91**	**27.44**	**59.28**

8 Deferred taxes

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Items leading to creation of deferred tax assets			
Impact of expenditure charged to the statement of profit and loss account in the current year but allowed for tax purposes on payment basis in subsequent years	3.11	4.22	5.29
Fixed assets: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	-	1.49	-
Provision for doubtful debt & advances	54.39	51.88	45.71
Provision for diminution in value of investments	-	13.95	13.95
Total deferred tax assets	**57.50**	**71.54**	**64.95**
Items leading to creation of deferred tax liabilities			
Fixed assets: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	6.29	2.43	2.69
Others	0.21	-	-
Total deferred tax liabilities	**6.50**	**2.43**	**2.69**
Net deferred tax assets/(liabilities)	**51.00**	**69.11**	**62.26**

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9. Share capital

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised			
40,000,000 (31 March 2017: 40,000,000 and 1 April 2016: 2,210,000) equity shares of ₹ 5/- each (1 April 2016: equity shares of ₹ 10 each)	200.00	200.00	22.10
Issued, subscribed and fully paid equity capital			
34,975,287 (31 March 2017: 29,844,496 and 1 April 2016: 201,652) equity shares of ₹ 5/- each (1 April 2016: equity shares of ₹ 10 each)	174.88	149.22	2.02
	174.88	**149.22**	**2.02**

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Authorised share capital	No. of shares	₹ in millions
As at 1 April 2016	2,210,000	22.10
Increase during the year	37,790,000	177.90
As at 31 March 2017	**40,000,000**	**200.00**
Increase/(decrease) during the year	-	-
As at 31 March 2018	**40,000,000**	**200.00**

Issued equity capital	No. of shares	₹ in millions
Equity share of ₹ 5/- each issued, subscribed and fully paid		
As at 1 April 2016	201,652	2.02
Issued during the year – Share split	201,652	-
Issued during the year – Bonus issue	29,441,192	147.20
As at 31 March 2017	**29,844,496**	**149.22**
Issued during the year - IPO	4,850,746	24.26
Issued during the year - ESOPs	280,045	1.40
As at 31 March 2018	**34,975,287**	**174.88**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share (31 March 2017: ₹ 5 per share and 1 April 2016: ₹ 10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2017, the amount of per share interim dividend recognized as distributions to equity shareholders at record date of 28 April 2016 was ₹ 25 per share (1 April 2016: Nil).

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. Details of shareholders holding more than 5% shares in the company

As at 31 March 2018	No. of shares	% of holding
Mr. Himanshu Gupta	5,777,454	16.52%
Mr. Dinesh Kumar Jhunjhnuwala	3,790,229	10.84%
Mrs. Neerja Jhunjhnuwala	3,313,018	9.47%
Everstone Capital Partners II LLC	3,323,229	9.50%
International Finance Corporation	2,805,784	8.02%
HDFC Trustee Company Limited - HDFC Prudence Fund	2,485,159	7.11%

As at 31 March 2017	No. of shares	% of holding
Mr. Dinesh Kumar Jhunjhnuwala	4,064,820	13.62%
Mr. Himanshu Gupta	6,167,752	20.67%
Mrs. Neerja Jhunjhnuwala	3,553,036	11.91%
Everstone Capital Partners II LLC	9,629,472	32.27%
International Finance Corporation	2,805,784	9.40%

d. Aggregate number of bonus shares issued during the period of five years immediately preceding the report date:

	31 March 2018 No. of shares	31 March 2017 No. of shares	1 April 2016 No. of shares
Equity shares allotted as fully paid up bonus shares by capitalization of securities premium	-	29,441,192	-

e. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock options (ESOPs) plan of the company, please refer note 36

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10. Other equity

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017
Capital reserve		
Balance as the beginning of reporting period	0.51	0.51
Add: Increase during the year	-	-
Balance as the end of reporting year	**0.51**	**0.51**
Securities premium account		
Balance as the beginning of reporting period	3,491.73	3,638.93
Add: increase because of issue of equity share capital	3,321.81	-
Less: decrease due to transaction cost for issued share capital	(207.19)	-
Less: decrease due to utilization towards issue of fully paid up bonus shares	-	(147.20)
Balance as the end of reporting year	**6,606.35**	**3,491.73**
Employee stock options outstanding		
Balance as the beginning of reporting period	25.10	7.57
Add: compensation option granted during the year- charge for the year	12.22	17.53
Less: transferred to securities premium on exercise of stock options	(29.42)	-
Balance as the end of reporting year	**7.90**	**25.10**
Retained earning		
Balance as the beginning of reporting period	1,353.41	1,093.05
Add: surplus during the year	509.62	272.48
Amount available for appropriation	**1,863.03**	**1,365.53**
Less: Appropriations		
Dividend on equity shares	(43.56)	(10.07)
Tax on equity dividend	(8.87)	(2.05)
Balance as the end of reporting year	**1,810.60**	**1,353.41**

11. Distribution made and proposed

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017
Cash dividends on equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2018: ₹ Nil per share (31 March 2017: ₹ 25 per share)	-	10.07
DDT on interim dividend	-	2.05
Final dividend on equity shares for the year ended 31 March 2018 : ₹ 1.25 per share	43.56	-
DDT on final dividend	8.87	-
	52.43	**12.12**
Proposed dividends on equity shares:		
Proposed dividend for the year ended on 31 March 2018: ₹ 1.50 per share (31 March 2017: ₹ 1.25 per share)	52.46	43.56
DDT on proposed dividend	10.68	8.87
	63.14	**52.43**

Proposed dividends on equity and preference shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon).

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12A. Non-current borrowings

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Term Loans			
Indian rupee loan from others (secured) (refer note 'a, b, c, d and e' below)	-	-	297.13
Vehicle loans			
Indian rupee loan from bank (secured) (refer note f and g)	4.70	6.47	11.23
Indian rupee loan from others (secured) (refer note h)	0.16	1.58	-
Total	**4.86**	**8.05**	**308.36**
Secured	**4.86**	**8.05**	**308.36**
Unsecured	-	-	-

Note:-

a. Term loan from Siemens Financial Limited taken during the financial year 2013-14, carries interest @ 13.75%. The loan is repayable in 36 equal monthly instalments beginning from June' 2013 onwards. The instalment amount ranges from ₹ 0.18 millions to of ₹ 0.32 millions. The loan is secured by hypothecation of equipments being purchased, currently valued at ₹ 14.45 million. Further the loan has been guaranteed by personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company & demand promissory note issued in favour of lender. The loan has been repaid during the financial year 2016-17.

b. Term loan from Siemens Financial Limited taken during the financial 2014-15, carries interest @ 13.50% to 13.75%. The loan is repayable in 36 equal monthly instalments beginning from August' 2014 onwards. The instalment amount ranges from ₹ 0.34 million to of ₹ 0.54 million. The loan is secured by hypothecation of assets being purchased, currently valued at ₹ 14.45 million. Further the loan has been guaranteed by personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company & demand promissory note issued in favour of lender. The loan has been repaid during the current year.

c. Term loan from Siemens Financial Limited taken during the financial year 2014-15 carries interest @13.50% . The loan is repayable in 36 equal monthly instalments of ₹ 0.08 million beginning from April' 2015. Further the loan has been guaranteed by personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company & demand promissory note issued in favour of lender. The loan has been repaid during the current year.

d. Term loan from Indo Star Capital Finance has been taken during the 2014-15 financial year, carries interest @ 12.50% p.a. to 12.95% p.a. linked to Kotak Bank Base Rate + 300 basis points with annual reset. (31 March 2016: 12.85% p.a. to 13.00% p.a.). The loan is repayable in 18 quarterly instalments beginning from December' 2014 onwards. Till September 2015, instalment amount ranging from ₹ 14 million to ₹ 48.46 million per quarter. On December 2015, Company had made early repayment of loan facility amounting to ₹ 350 million, consequent to that repayment schedule has been revised. The remaining loan amount is repayable in 7 quarterly instalment beginning from September 2017 onwards. The instalment amount is ranging from ₹ 3.23 million to ₹ 48.46 million per quarter. The loan is secured by (i) First and exclusive charge on optionally convertible redeemable debentures of New Saraswati House (India) Private Limited by way of pledge (ii) First and exclusive charge on 98% equity of Vikas Publishing House Private Limited by way of pledge (iii) Second pari passu charge on the entire fixed assets of the Company (iv) Second pari passu charge on all current assets of the Company. Further the loan facility has been secured demand promissory note issued in favour of lender. The loan has been repaid during the current year.

e. Term loan from Axis Finance Limited has been taken during the year ended 31st March 2017 and carries interest @ 11.25 % p.a. linked to the Axis Bank Base Rate . The facility has been taken for a period of 5 years and is repayable in 14 equal quarterly instalments of ₹ 71.43 million beginning from June 2018. The facility has been secured against: (i) second pari passu charge on both present and future current and fixed assets of the Company, (ii) pledge on entire stake to be purchased by the Company i.e., 43.54% of Chhaya Prakashani Private Limited, (iii) pledge on 20% equity shares of the Company by the promoters to be replaced by pledge of 74% shares of Chhaya Prakashani Private Limited acquired by Company and Eurasia Publishing House Private Limited (iv) pledge on 100% equity shares of New Saraswati House (India) Private Limited, subsidiary Company (v) pledge on 100% equity shares of Eurasia Publishing House Private Limited, wholly owned subsidiary company (vi) charge over publishing license/ IPRs as well as brand of New Saraswati and (vii) PDCs for the interest and principal amount. The above securities are to be shared pari-passu with respect to both the facilities of Axis Finance Limited in borrower i.e., the Company and its wholly owned subsidiary Company, Eurasia Publishing House Private Limited. Furthermore, on acquisition of balance shares of Chhaya Prakashani Private Limited, the balance shares and the publishing license as well as the brand is to be charges to Axis Finance Limited.

Moreover, the sanction letter also contains the mandatory prepayment terms as follows:
- Any change in ownership structure and / or management control of borrower companies i.e., the Company and Eurasia Publishing House Private Limited and security providers i.e., New Saraswati House (India) Private Limited and Chhaya Prakashani Private Limited;
- Proceeds from any third party by way of further equity/debt infusion into borrower companies i.e., the Company and Eurasia Publishing House Private Limited;
- Rating downgrade
- Merger events
- Interest reset event, in case borrower is not agreeable with the revised interest rates.

The Company had disclosed this under the Objects Clause of the Prospectus filed with SEBI , hence the Term loan has been disclosed as "short term" under current maturities of long term borrowings. The Company listed on NSE and BSE on completion of Initial Public Offering ("IPO") on May 9, 2017 . The loan has been repaid during the financial year 2017-18.

f. Vehicle loans have been taken from HDFC Bank, ICICI Bank and Vijaya Bank and carry interest @ 10.00% to 12.00%. The loan is repayable in 36 to 60 equal monthly instalments ranging from ₹ 4,348 to ₹ 99,400. The loan is secured by hypothecation of respective vehicles.

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g. Vehicle loan taken during 2016-17 from Daimler Financial, carry interest @ 9.81% p.a. The loan is repayable in 36 equal monthly instalments of ₹ 0.13 million. The loan is secured by hypothecation of respective vehicle.

h. Vehicle loan taken during the current year from Yes Bank Ltd, carry interest @ 8.90% p.a. The loan is repayable in 60 equal monthly instalments of ₹ 17,740 to ₹ 25,990). The loan is secured by hypothecation of respective vehicle.

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12B. Current borrowings

(₹ in millions)

		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a.	**Current maturity of loan**			
	Term loans			
	Indian rupee loan from financial institutions (secured) (Refer Note 12A (e)	0.08	1,297.19	4.20
	Vehicle loans			
	Indian rupee loan from bank (secured) (refer Note 12A (f) and (h))	3.55	3.78	20.60
	Indian rupee loan from financial institutions (secured) (refer Note 12A (g))	1.42	1.32	-
	Total current maturity of Indian currency loan	**5.05**	**1,302.29**	**24.80**
b.	**Cash credit from banks (secured)**	257.62	233.83	220.00
c.	**Indian rupee working capital demand loan from banks (secured)**	250.00	565.00	276.82
	Total current borrowings	**512.67**	**2,101.12**	**521.62**
	Less: Amount presented under "other financial liabilities"	(5.05)	(1,302.29)	(24.80)
	Total current borrowings	**507.62**	**798.83**	**496.82**
	Secured	**507.62**	**798.83**	**496.82**
	Unsecured	-	-	-

Note :-

a. Working capital demand loan from HDFC Bank Limited (under Multiple Banking Arrangement with DBS , IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla , Directors of the Company upto 9 June 2017 & Corporate Guarantee of Nirja Publishers & Printers Private Limited. This loan carries interest rate ranging from 8.50 % to 9.50 % p.a. (31 March 2017: 9.25 % to 10.25 % p.a.).

b. Working capital demand loan from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS , Induslnd Bank, HDFC Bank, Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 7 November 2017 . This loan carries interest rate ranging from 8.60 % to 11.35% p.a. (31 March 2017: 9.35 % to 11.35% p.a.).

c. Working capital demand loan from Standard Chartered Bank (under Multiple Banking Arrangement with DBS , Induslnd Bank, HDFC Bank, Kotak Mahindra Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 4 August 2017 . This loan carries interest rate ranging from 8.60 % to 9.15 % p.a. (31 March 2017 9.15% to 10.75% p.a.).

d. Working capital demand loan from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, Induslnd Bank, Kotak Mahindra Bank, Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company Upto 7 November 2017. This loan carries interest rate ranging from 8.45% to 9.25 % p.a (31 March 2017 9.15% to 9.50 %).

e. Working capital demand loan from DCB Bank Limited taken during the year 2016-17, is secured by way of subservient charge on the entire existing and future current assets and movable fixed assets of the Company. This loan carries interest rate of 9.35% p.a. The loan has been repaid in the Financial Year 2017-18.

f. Cash credit from IndusInd Bank Limited (under Multiple Banking Arrangement with DBS , Standard Chartered Bank , HDFC Bank, Kotak Mahindra Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta , Directors of the Company. It carries interest rate ranging from 10% p.a. (31 March 2017: 12.10 % to 12.35% p.a.).

g. Cash credit from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS , Induslnd Bank, HDFC Bank, Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 7 November 2017. This carries interest rate ranging from 10.85% to 11.05% p.a. (31 March 2017: 11.08% to 11.22% p.a.).

h. Cash credit from Standard Chartered Bank (under Multiple Banking Arrangement with DBS , Induslnd Bank, HDFC Bank, Kotak Mahindra Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 4 August 2017. This carries interest rate ranging from 8.60% to 11.15%. (31 March 2017: 10.75% to 11 % p.a.).

i. Cash Credit from HDFC Bank Limited (under Multiple Banking Arrangement with DBS , IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla , Directors of the Company upto 9 June 2017 & Corporate Guarantee of Nirja Publishers & Printers Private Limited. This carries interest rate ranging from 9.50 % to 11.25% p.a. (31 March 2017: 11.25 % to 11.30 % p.a.).

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13. Trade payables

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade payables of micro enterprises and small enterprises (refer note 43)	6.57	2.49	1.18
Trade payables of related entities (refer note 35)	361.39	487.30	689.24
Trade payables other than micro enterprises and small enterprises	935.04	410.77	382.95
	1,303.00	900.56	1,073.37

14. Other financial liabilities

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other financial liabilities at amortised cost			
Interest accrued but not due	0.09	0.08	0.26
Interest accrued and due on security deposits	1.05	0.28	-
Interest accrued and due on bill discounted	5.76	-	-
Current maturity of long term loans (refer note 12B)	5.05	1,302.29	24.80
Security deposits received	8.36	19.65	0.62
Interest accrued on trade payables to micro and small enterprises	0.04	0.01	0.01
Total (A)	20.35	1,322.31	25.69
Other financial liabilities at fair value through profit and loss			
Financial liability*	657.00	-	-
Total (B)	657.00	-	-
Financial guarantee obligation (Refer Note 5A)	7.76	-	-
Total (C)	7.76	-	-
Total (A+B+C)	685.11	1,322.31	25.69
Current	685.11	1,322.31	25.69
Non current	-	-	-

*Financial liability represents amount payable to minority shareholders for 38,554 shares of Chhaya Prakashani Private Limited towards purchase of remaining equity shares as per share purchase agreement.

15. Other liabilities

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutory dues payable	84.33	43.22	45.80
Rent equalization reserve	6.04	4.92	2.56
Advance from customers	16.48	17.07	5.42
Total	106.85	65.21	53.78
Current	100.81	60.29	51.22
Non current	6.04	4.92	2.56

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16. Net employee defined benefit liabilities

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for gratuity (refer note 33)	8.90	8.46	7.68
Total	**8.90**	**8.46**	**7.68**
Current	-	-	-
Non current	**8.90**	**8.46**	**7.68**

17. Other provisions

(₹ in millions)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for income tax (net of advance tax)	133.20	110.23	49.19
Provision for unclaimed dividend	0.03	-	-
Total other provisions	**133.23**	**110.23**	**49.19**
Current	**133.23**	**110.23**	**49.19**
Non-current	-	-	-

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18. Revenue from operations

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products		
Finished goods	3,353.11	2,823.40
Traded goods	82.13	83.16
Other operating revenue		
Lease income	0.43	17.16
Scrap sale	4.23	2.30
Total	**3,439.90**	**2,926.02**

19. Other incomes

(₹ in millions)

		For the year ended 31 March 2018	For the year ended 31 March 2017
19.1	**Finance income**		
	Interest income on:		
	- Bank deposits	24.45	0.89
	- Unwinding of discount on security deposits paid	6.34	2.24
	- Income tax refund	1.62	1.25
	- Others	170.98	77.37
	Total finance income (A)	**203.39**	**81.75**
19.2	**Other income**		
	Dividend income on current investments	0.00	0.02
	Net gain on sale of current investments (net)	-	5.75
	Profit on sale of fixed assets (net)	-	1.66
	Foreign exchange fluctuation gain (net)	0.20	-
	Fair value gain on financial instruments at fair value through profit or loss	23.57	0.07
	Reversal of temporary diminution in value of investments	41.00	0.39
	Others	2.07	3.85
	Total other income (B)	**66.84**	**11.74**
	Grand Total (A+B)	**270.23**	**93.49**

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20. Cost of published goods/material consumed

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory at the beginning of the year	6.28	2.16
Add: Purchases of published goods	373.04	998.05
Add: Printing charges	325.05	-
Add: Purchases of paper	555.22	-
Add: Purchases of VRX Sets , CDs and other items	13.32	19.48
	1,272.91	**1,019.69**
Less: Inventory at the end of the year	21.90	6.28
Cost of published goods/material consumed	**1,251.01**	**1,013.41**
Details of raw material purchased		
Paper	555.22	-
Total	**555.22**	-

21. Purchase of traded goods

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Purchase of traded goods sold	16.03	52.52
Total	**16.03**	**52.52**

22. (Increase)/ decrease in inventories of finished goods, work-in-progress

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory at the end of the year		
Finished goods	504.10	570.81
Inventory at the beginning of the year		
Finished goods	(570.81)	(594.09)
Increase/(decrease) in inventories	**(66.71)**	**(23.28)**
Details of inventory at the end of the year		
Finished goods		
Manufactured goods		
Books	500.28	560.97
Traded goods		
Books	3.82	9.84
	504.10	**570.81**

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23. Publication expense

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Royalty	332.77	283.64
Other publication expenses	47.60	33.36
Total	**380.37**	**317.00**

24. Selling and distribution expense

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Advertisement, publicity and exhibition	63.68	60.04
Freight & cartage outward	85.77	66.56
Packing & dispatch expenses	12.22	8.45
Vehicle running & maintenance	16.20	19.01
Travelling & conveyance	54.69	50.51
Leases rent-vehicles	1.01	1.82
Total	**233.57**	**206.39**

25. Employee benefits expense

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, bonus and allowances	465.15	405.14
Contribution to provident and other funds	29.40	26.93
Gratuity expense (refer note 33)	9.10	5.41
Employee stock option expense	9.48	15.09
Staff welfare expenses	30.70	28.70
Total	**543.83**	**481.27**

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26. Depreciation and amortization expense

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation on property, plant and equipment (refer note 3)	14.65	43.04
Amortisation on intangible fixed assets (refer note 4)	18.85	22.09
Total depreciation and amortisation expenses	**33.50**	**65.13**

27. Other expenses

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Rent	107.87	101.35
Repairs and maintenance		
- Plant and machinery	0.02	0.16
-Building	0.01	0.14
-Others	20.90	14.73
Insurance	4.15	3.88
Rates and taxes	0.76	0.32
Communication cost	16.07	14.52
Printing and stationery	2.41	2.18
Legal and professional fee	26.24	26.55
Donations	0.52	0.01
Payment to auditor (refer details below)	6.60	3.45
Water and electricity charges	11.35	11.01
Provision for doubtful receivables	12.23	25.00
Recruitment expenses	0.76	0.93
Outsourced employee cost	60.13	43.24
Loss on sale of fixed assets (net)	2.04	-
Office expenses	2.78	4.77
Security charges	12.84	12.30
Corporate social responsibility expenses (refer note 41)	1.82	2.72
Director sitting fees	1.72	0.65
Foreign exchange fluctuation gain (net)	-	0.73
Fair value loss on financial instruments at fair value through profit or loss	-	0.10
Miscellaneous expenses	6.97	5.00
Total other expenses	**298.19**	**273.74**

Payment to auditors:

	For the year ended 31 March 2018	For the year ended 31 March 2017
As auditor:		
- Audit fee	4.12	3.45
- Limited review	2.12	-
In other capacity		
- Other services (certification fees)	0.06	-
- Reimbursement of expenses	0.30	-
	6.60	**3.45**

28. Finance cost

(₹ in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017.
Interest expense		
- On term loan	18.03	78.00
- On others	70.61	58.16
Bank charges	2.84	1.10
Foreclosure charges	0.01	-
Loan processing fee	5.73	11.79
Total	**97.22**	**149.05**

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29. Income tax

The major components of income tax expense for the years ended 31 March 2018 and 31 March 2017 are:
Consolidated statement of profit and loss:
Profit or loss section

	For the year ended 31 March 2018	For the year ended 31 March 2017
Current income tax:		
Current income tax charge	268.02	171.00
Adjustments in respect of current income tax of previous year	(2.93)	1.50
Deferred tax:		
Relating to origination and reversal of temporary differences	17.02	(6.99)
Income tax expense reported in the statement of profit or loss	**282.11**	**165.51**

OCI section

Deferred tax related to items recognised in OCI during in the year:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Net loss/(gain) on remeasurements of defined benefit plans	(3.10)	(0.42)
Income tax charged to OCI	1.07	0.15

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 March 2018:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Accounting profit before tax	789.70	437.72
At India's statutory income tax rate of 34.608% (31 March 2017: 34.608%)	273.30	151.49
Adjustments in respect of current income tax of previous years	(2.93)	1.50
Non deductible expenses	16.28	11.19
Others	(4.54)	1.33
At the effective income tax rate of 35.72% (31 March 2017: 35.96%)	282.11	165.51
Income tax expense reported in the statement of profit and loss	282.11	165.51

30. Components of Other Comprehensive Income (OCI)

The disaggregation of changes in other comprehensive income by each type of equity is shown below:

During the year ended 31 March 2018

	Retained earnings	Total
Re-measurement gains/(losses) on defined benefit plans	3.10	3.10
Tax impact on re-measurement gains/(losses) on defined benefit plans	(1.07)	(1.07)
	2.03	**2.03**

During the year ended 31 March 2017

	Retained earnings	Total
Re-measurement gains/(losses) on defined benefit plans	0.42	0.42
Tax impact on re-measurement gains/(losses) on defined benefit plans	(0.15)	(0.15)
	0.27	**0.27**

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31. Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders 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 dilutive potential equity shares into equity shares.

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

	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit attributable to equity holders of the company	507.59	272.21
Weighted average number of equity shares used for computing Earning per Share (Basic)	34.39	29.84
Weighted average number of equity shares used for computing Earning per Share (Diluted)	34.47	29.90
Basic EPS	14.76	9.12
Diluted DPS	14.72	9.10

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32. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Indian Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures (including contingent liabilities). The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Judgements

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

Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Taxes

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33.

Provision for trade receivable

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible. For details of allowance for doubtful debts please refer Note 5c.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

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33. Gratuity and other post- employment benefits plan

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service or part thereof in excess of six months subject to a maximum of ₹ 2 million. The scheme is funded with an insurance company in the form of qualifying insurance policy.

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 & loss account

Net employee benefit expense recognised in employee cost:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	6.69	5.30
Past service cost	1.82	-
Interest cost on defined obligation	2.94	2.42
Expected return on plan assets	(2.35)	(2.31)
	9.10	**5.41**

Amount recognised in Other Comprehensive Income:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gains) / losses on obligation	(3.71)	0.48
Actuarial gains / (losses) on assets	(0.61)	0.90
	(3.10)	**(0.42)**

Balance sheet

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

	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening defined benefit obligation	40.38	36.75
Current service cost	6.69	5.30
Past service cost	1.82	-
Interest cost	2.94	2.42
Benefits paid from plan assets	(6.02)	(5.78)
Benefits paid directly by employer	(0.10)	-
Actuarial (gains) / losses on obligation	(3.71)	0.48
Acquistion/ divestiure	-	1.21
Closing defined benefit obligation	**42.00**	**40.38**
Current Portion	-	-
Non - Current Portion	42.00	40.38

Changes in the fair value of plan assets are as follows:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening fair value of plan assets	31.92	29.07
Expected return	2.35	2.31
Contributions by employer	5.46	5.42
Benefits paid	(6.02)	(5.78)
Actuarial gain/(loss)	(0.61)	0.90
Closing fair value of plane assets	**33.10**	**31.92**

The Company expects to contribute ₹ 756,610 to gratuity in this year (31 March 2017: ₹ 1,171,225)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Investments with insurer	100%	100%

The economic and demographic assumptions used in determining gratuity obligations for the company's plans are shown below:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount rate	7.70%	7.35%
Expected rate of return on assets	7.70%	6.00%
Expected rate of salary increase	6.00%	6.00%
Retirement Age (In years)	60 years	60 years
Employee turnover :-		
- For Service upto 5 years	5.00%	5.00%
- For Service more than 5 years	1.00%	1.00%
Mortality Rate	IALM (2006-08)	IALM (2006-08)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

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The impact of sensitivity analysis due to changes in the significant actuarial assumptions on the defined benefit obligations is given in below table:

	Change in assumptions	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount rate	+ 1%	37.60	36.01
	- 1%	47.23	45.60
Expected rate of salary increase	+ 1%	47.05	45.23
	- 1%	37.69	36.10

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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34. Leases

Operating lease: company as lessee

a. 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 ₹ 107.87 million (31 March 2017: ₹ 101.35 million). These lease have average life of between one to nine years. There are no restrictions imposed by the lease agreements. There are no sub leases.

b. The Company has taken vehicle 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 ₹ 1 million (31 March 2017: ₹ 1.82 million). There are no restrictions imposed by the lease agreements. There are no sub leases.

Further minimum rental payable under non-cancellable operating lease are as follows :

(₹ in millions)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within one year	13.30	13.30	13.30
After one year but not more than five years	53.22	53.22	53.22
After five years	3.33	16.63	29.93

35. Related party disclosure

a. **Names of related parties and related party relationship**

Related parties where control exists

Subsidiary company	:	Nirja Publishers & Printers Private Limited
	:	Safari Digital Education Initiatives Private Limited
	:	Eurasia Publishing House Private Limited
	:	Blackie & Son (Calcutta) Private Limited
	:	BPI (India) Private Limited
	:	Arch Papier Mache Private Limited (till 8 December 2016)
	:	Vikas Publishing House Private Limited
	:	DS Digital Private Limited
	:	New Saraswati (India) Private Limited
	:	S Chand Edutech Private Limited
	:	Chhaya Prakashani Private Limited (w.e.f 5 December 2016)
	:	Indian Progressive Publishing Co. Private Limited (w.e.f 5 December 2016)
	:	Publishing Services Private Limited (w.e.f 5 December 2016)

Related parties with whom transactions have taken place during the year:

Enterprises over which Key Management personnel or their relatives exercise significant influence	:	Hotel Tourist (Partnership firm)
	:	Raasha Entertainment & Leisure LLP
	:	S Chand Hotels Private Limited
	:	SC Hotel Tourist Deluxe Private Limited
	:	Shaara Hospitalities Private Limited
	:	S Chand Properties Private Limited
	:	Shyam Lal Charitable Trust
	:	RKG Hospitalities Private Limited
Associate	:	Edutor Technologies India Private Limited
	:	Smartivity Labs Private Limited

Key Management Personnel (KMP) & their relatives

Mrs. Nirmala Gupta	:	Chair Person and Managing Director (till 20 May 2016)
Mrs. Savita Gupta	:	Whole-time Director (till 20 May 2016) Director (w.e.f. 20 May 2016)
Mr. Himanshu Gupta	:	Joint Managing Director (till 20 May 2016) Managing Director (w.e.f. 20 May 2016)
Mrs. Ankita Gupta	:	Whole-time Director (till 20 May 2016)
Mr. Dinesh Kumar Jhunjhnuwala	:	Vice Chair Person and Director Finance (till 20 May 2016) Whole-time Director (w.e.f. 20 May 2016)
Mrs. Neerja Jhunjhnuwala	:	Whole time Director (till 20 May 2016)
Mr. Gaurav Jhunjhnuwala	:	Director
Mr. Saurabh Mittal	:	Chief Financial Officer
Mr. Jagdeep Singh	:	Company Secretary
Relatives of KMP	:	Mr. Ravindra Kumar Gupta
	:	Mrs. Neerja Jhunjhnuwala (w.e.f. 20 May 2016)

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(Amount in ₹ millions)

Nature of Transactions	Period/Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Purchase of books and others					
Nirja Publishers & Printers Private Limited (books)	31 March 2018	116.94	-	-	116.94
	31 March 2017	(206.30)	-	-	(206.30)
Vikas Publishing House Private Limited (books)	31 March 2018	246.37	-	-	246.37
	31 March 2017	(824.45)	-	-	(824.45)
BPI (India) Private Limited (books)	31 March 2018	0.33	-	-	0.33
	31 March 2017	(4.65)	-	-	(4.65)
New Saraswati (India) Private Limited (books)	31 March 2018	0.00	-	-	0.00
	31 March 2017	-	-	-	-
Smartivity Labs Private Limited (sets)	31 March 2018	-	0.25	-	0.25
	31 March 2017	-	-	-	-
Smartivity Labs Private Limited (VRX Sets)	31 March 2018	-	11.29	-	11.29
	31 March 2017	-	(0.38)	-	(0.38)
Printing charges		-	-	-	
Nirja Publishers & Printers Private Limited	31 March 2018	28.29	-	-	28.29
	31 March 2017	-	-	-	-
Vikas Publishing House Private Limited	31 March 2018	261.76	-	-	261.76
	31 March 2017	-	-	-	-
Royalty expense		-	-	-	
Eurasia Publishing House Private Limited	31 March 2018	23.01	-	-	23.01
	31 March 2017	(18.42)	-	-	(18.42)
Blackie & Son (Calcutta) Private Limited	31 March 2018	2.09	-	-	2.09
	31 March 2017	(2.67)	-	-	(2.67)
BPI (India) Private Limited	31 March 2018	0.55	-	-	0.55
	31 March 2017	(0.59)	-	-	(0.59)
Purchase- (Other) from		-	-	-	
SC Hotel Tourist Deluxe Private Limited	31 March 2018	-	1.17	-	1.17
	31 March 2017	-	(1.19)	-	(1.19)
Hotel Tourist	31 March 2018	-	3.39	-	3.39
	31 March 2017	-	(4.16)	-	(4.16)
Vikas Publishing House Private Limited	31 March 2018	0.07	-	-	0.07
	31 March 2017	(1.83)	-	-	(1.83)
S Chand Hotels Private Limited	31 March 2018	-	0.13	-	0.13
	31 March 2017	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2018	7.23	-	-	7.23
	31 March 2017	(0.67)	-	-	(0.67)
Purchase of fixed asset and paper		-	-	-	
DS Digital Private Limited (fixed assets)	31 March 2018	3.95	-	-	3.95
	31 March 2017	-	-	-	-
Vikas Publishing House Private Limited (paper)	31 March 2018	12.12	-	-	12.12
	31 March 2017	-	-	-	-
Sales of books, fixed assets and paper		-	-	-	
BPI (India) Private Limited (books)	31 March 2018	-	-	-	-
	31 March 2017	(0.00)	-	-	(0.00)
New Saraswati House Private Limited (books)	31 March 2018	0.05	-	-	0.05
	31 March 2017	(0.08)	-	-	(0.08)
DS Digital Private Limited (fixed assets)	31 March 2018	10.19	-	-	10.19
	31 March 2017	(0.07)	-	-	(0.07)
Safari Digital Education Initiatives Private Limited (E books)	31 March 2018	2.29	-	-	2.29
	31 March 2017	(2.38)	-	-	(2.38)
Vikas Publishing House Private Limited (fixed assets)	31 March 2018	11.91	-	-	11.91
	31 March 2017	-	-	-	-
Other expenses paid (reimbursement)		-	-	-	
Eurasia Publishing House Private Limited	31 March 2018	-	-	-	-
	31 March 2017	(0.51)	-	-	(0.51)
Nirja Publishers & Printers Private Limited	31 March 2018	-	-	-	-
	31 March 2017	(0.90)	-	-	(0.90)
S Chand Edutech Private Limited	31 March 2018	8.49	-	-	8.49
	31 March 2017	(4.47)	-	-	(4.47)
BPI (India) Private Limited	31 March 2018	0.09	-	-	0.09
	31 March 2017	(0.16)	-	-	(0.16)
Vikas Publishing House Private Limited	31 March 2018	0.17	-	-	0.17
	31 March 2017	(1.10)	-	-	(1.10)
Safari Digital Education Initiatives Private Limited	31 March 2018	0.59	-	-	0.59
	31 March 2017	(0.67)	-	-	(0.67)
DS Digital Private Limited	31 March 2018	0.09	-	-	0.09
	31 March 2017	(0.22)	-	-	(0.22)
Shyam Lal Charitable Trust	31 March 2018	-	-	-	-
	31 March 2017	-	(0.02)	-	(0.02)
New Saraswati House Private Limited	31 March 2018	0.66	-	-	0.66
	31 March 2017	(0.48)	-	-	(0.48)
Rentals paid		-	-	-	
Arch Papier Mache Private Limited	31 March 2018	-	-	-	-
	31 March 2017	(14.42)	-	-	(14.42)
Safari Digital Education Initiatives Private Limited	31 March 2018	12.53	-	-	12.53
	31 March 2017	(11.03)	-	-	(11.03)
S Chand Properties Private Limited	31 March 2018	-	29.42	-	29.42
	31 March 2017	-	(28.84)	-	(28.84)
Mrs.Savita Gupta	31 March 2018	-	-	3.25	3.25
	31 March 2017	-	-	(3.14)	(3.14)
Mrs.Neerja Jhunjhunwala	31 March 2018	-	-	2.51	2.51
	31 March 2017	-	-	(2.28)	(2.28)
Ravindra Kumar Gupta	31 March 2018	-	-	1.21	1.21
	31 March 2017	-	-	(1.19)	(1.19)

Lease rent received from		-	-	-	
Nirja Publishers & Printers Private Limited	31 March 2018	-	-	-	-
	31 March 2017	(0.30)	-	-	(0.30)
Vikas Publishing House Private Limited	31 March 2018	0.30	-	-	0.30
	31 March 2017	(1.50)	-	-	(1.50)
DS Digital Private Limited	31 March 2018	0.13	-	-	0.13
	31 March 2017	(15.35)	-	-	(15.35)
Interest income		-	-	-	
Eurasia Publishing House Private Limited	31 March 2018	56.70	-	-	56.70
	31 March 2017	(3.54)	-	-	(3.54)
New Saraswati House Private Limited	31 March 2018	64.62	-	-	64.62
	31 March 2017	(68.90)	-	-	(68.90)
Vikas Publishing House Private Limited	31 March 2018	42.79	-	-	42.79
	31 March 2017	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2018	3.54	-	-	3.54
	31 March 2017	(2.09)	-	-	(2.09)
DS Digital Private Limited	31 March 2018	1.23	-	-	1.23
	31 March 2017	(2.84)	-	-	(2.84)
S Chand Edutech Private Limited	31 March 2018	0.77	-	-	0.77
	31 March 2017	-	-	-	-
Miscellaneous Income		-	-	-	
Vikas Publishing House Private Limited	31 March 2018	3.65	-	-	3.65
	31 March 2017	(3.57)	-	-	(3.57)
S Chand Edutech Private Limited	31 March 2018	0.72	-	-	0.72
	31 March 2017	-	-	-	-
Loans given		-	-	-	
Eurasia Publishing House Private Limited	31 March 2018	520.25	-	-	520.25
	31 March 2017	(110.23)	-	-	(110.23)
Vikas Publishing House Private Limited	31 March 2018	466.00	-	-	466.00
	31 March 2017	-	-	-	-
New Saraswati House Private Limited	31 March 2018	72.50	-	-	72.50
	31 March 2017	-	-	-	-
DS Digital Private Limited	31 March 2018	42.55	-	-	42.55
	31 March 2017	-	-	-	-
S Chand Edutech Private Limited	31 March 2018	20.00	-	-	20.00
	31 March 2017	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2018	83.44	-	-	83.44
	31 March 2017	(16.00)	-	-	(16.00)
Loans repayment received		-	-	-	
Vikas Publishing House Private Limited	31 March 2018	50.00	-	-	50.00
	31 March 2017	-	-	-	-
New Saraswati House Private Limited	31 March 2018	47.50	-	-	47.50
	31 March 2017	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2018	16.00	-	-	16.00
	31 March 2017	-	-	-	-
Remuneration to KMP		-	-	-	
Mrs. Nirmala Gupta	31 March 2018	-	-	-	-
	31 March 2017	-	-	(0.16)	(0.16)
Mr. Gaurav Jhunjhunwala	31 March 2018	-	-	-	-
	31 March 2017	-	-	(0.20)	(0.20)
Mrs.Savita Gupta	31 March 2018	-	-	-	-
	31 March 2017	-	-	(0.40)	(0.40)
Mr. Dinesh Kumar Jhunjhnuwala	31 March 2018	-	-	16.42	16.42
	31 March 2017	-	-	(10.19)	(10.19)
Mr. Himanshu Gupta	31 March 2018	-	-	16.42	16.42
	31 March 2017	-	-	(10.19)	(10.19)
Mrs.Neerja Jhunjhnuwala	31 March 2018	-	-	-	-
	31 March 2017	-	-	(0.16)	(0.16)
Mrs. Ankita Gupta	31 March 2018	-	-	-	-
	31 March 2017	-	-	(0.16)	(0.16)
Saurabh Mittal	31 March 2018	-	-	12.76	12.76
	31 March 2017	-	-	(9.43)	(9.43)
Jagdeep Singh	31 March 2018	-	-	5.49	5.49
	31 March 2017	-	-	(7.41)	(7.41)
Investment made during the period		-	-	-	
DS Digital Private Limited (Preference shares)	31 March 2018	-	-	-	-
	31 March 2017	(160.00)	-	-	(160.00)
Chhaya Prakashani Private Limited (Equity shares)	31 March 2018	-	-	-	-
	31 March 2017	(1,000.04)	-	-	(1,000.04)
Eurasia Publishing House Private Limited (Debenture)*	31 March 2018	691.60	-	-	691.60
	31 March 2017	-	-	-	-
Smartivity Labs Private Limited (Equity shares)	31 March 2018	-	-	-	-
	31 March 2017	-	(0.52)	-	(0.52)
Smartivity Labs Private Limited (Preference shares)	31 March 2018	-	2.50	-	2.50
	31 March 2017	-	(9.49)	-	(9.49)
Balances outstanding as at 31 March 2018		-	-	-	
Security deposit receivable		-	-	-	
Arch Papier Mache Private Limited	31 March 2018	-	-	-	-
	31 March 2017	-	-	-	-
	1 April 2016	(9.12)	-	-	(9.12)
Safari Digital Education Initiatives Private Limited	31 March 2018	4.80	-	-	4.80
	31 March 2017	(4.80)	-	-	(4.80)
	1 April 2016	(4.80)	-	-	(4.80)
S Chand Properties Private Limited	31 March 2018	-	12.55	-	12.55
	31 March 2017	-	(12.55)	-	(12.55)
	1 April 2016	-	(12.55)	-	(12.55)
Mrs.Savita Gupta	31 March 2018	-	-	0.54	0.54
	31 March 2017	-	-	(0.54)	(0.54)
	1 April 2016	-	-	(0.39)	(0.39)
Mrs.Neerja Jhunjhnuwala	31 March 2018	-	-	0.12	0.12
	31 March 2017	-	-	(0.12)	(0.12)
	1 April 2016	-	-	(0.12)	(0.12)
Ravindra Kumar Gupta	31 March 2018	-	-	0.41	0.41
	31 March 2017	-	-	(0.41)	(0.41)
	1 April 2016	-	-	(0.41)	(0.41)

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S Chand and Company Limited
Notes to financial statements for the year ended March 31, 2018
CIN:L22219DL1970PLC005400

Loans and advances					
Eurasia Publishing House Private Limited	31 March 2018	-	-	-	-
	31 March 2017	(112.91)	-	-	(112.91)
	1 April 2016	-	-	-	-
Vikas Publishing House Private Limited	31 March 2018	454.51	-	-	454.51
	31 March 2017	-	-	-	-
	1 April 2016	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2018	86.19	-	-	86.19
	31 March 2017	(20.85)	-	-	(20.85)
	1 April 2016	(18.53)	-	-	(18.53)
DS Digital Private Limited	31 March 2018	55.70	-	-	55.70
	31 March 2017	-	-	-	-
	1 April 2016	(86.86)	-	-	(86.86)
S Chand Edutech Private Limited	31 March 2018	39.84	-	-	39.84
	31 March 2017	(12.42)	-	-	(12.42)
	1 April 2016	(7.94)	-	-	(7.94)
SC Hotel Tourist Deluxe Private Limited	31 March 2018	-	-	-	-
	31 March 2017	-	(0.14)	-	(0.14)
	1 April 2016	-	(0.13)	-	(0.13)
New Saraswati House (India) Private Limited	31 March 2018	31.84	-	-	31.84
	31 March 2017	(2.31)	-	-	(2.31)
	1 April 2016	(33.16)	-	-	(33.16)
Raasha Entertainment & Leisure LLP	31 March 2018	-	0.22	-	0.22
	31 March 2017	-	(0.22)	-	(0.22)
	1 April 2016	-	(0.22)	-	(0.22)
Shaara Hospitalities Private Limited	31 March 2018	-	0.01	-	0.01
	31 March 2017	-	(0.01)	-	(0.01)
	1 April 2016	-	(0.01)	-	(0.01)
BPI (India) Private Limited	31 March 2018	5.54	-	-	5.54
	31 March 2017	(6.51)	-	-	(6.51)
	1 April 2016	(11.85)	-	-	(11.85)
RKG Hospitalities Private Limited	31 March 2018	-	0.34	-	0.34
	31 March 2017	-	(0.34)	-	(0.34)
	1 April 2016	-	(0.34)	-	(0.34)
Trade payables					
Nirja Publishers & Printers Private Limited	31 March 2018	153.00	-	-	153.00
	31 March 2017	(152.67)	-	-	(152.67)
	1 April 2016	(247.31)	-	-	(247.31)
Vikas Publishing House Private Limited	31 March 2018	198.95	-	-	198.95
	31 March 2017	(300.22)	-	-	(300.22)
	1 April 2016	(242.52)	-	-	(242.52)
Eurasia Publishing House Private Limited	31 March 2018	6.41	-	-	6.41
	31 March 2017	(16.82)	-	-	(16.82)
	1 April 2016	(170.22)	-	-	(170.22)
Blackie & Son (Calcutta) Private Limited	31 March 2018	1.68	-	-	1.68
	31 March 2017	(16.50)	-	-	(16.50)
	1 April 2016	(14.99)	-	-	(14.99)
DS Digital Private Limited	31 March 2018	-	-	-	-
	31 March 2017	-	-	-	-
	1 April 2016	(13.99)	-	-	(13.99)
Smartivity Labs Private Limited	31 March 2018	-	1.27	-	1.27
	31 March 2017	-	(0.04)	-	(0.04)
	1 April 2016	-	-	-	-
Hotel Tourist	31 March 2018	-	0.06	-	0.06
	31 March 2017	-	(1.05)	-	(1.05)
	1 April 2016	-	(0.21)	-	(0.21)
Share based payment					
Vikas Publishing House Private Limited	31 March 2018	2.02	-	-	2.02
	31 March 2017	1.26	-	-	1.26
	1 April 2016	0.50	-	-	0.50
Safari Digital Education Initiatives Private Limited	31 March 2018	0.01	-	-	0.01
	31 March 2017	0.68	-	-	0.68
	1 April 2016	0.45	-	-	0.45
New Saraswati House (India) Private Limited	31 March 2018	0.70	-	-	0.70
	31 March 2017	0.50	-	-	0.50
	1 April 2016	0.21	-	-	0.21
Directors/KMP remuneration payable					
Nirmala Gupta	31 March 2018	-	-	-	-
	31 March 2017	-	-	-	-
	1 April 2016	-	-	(0.10)	(0.10)
Gaurav Jhunjhunwala	31 March 2018	-	-	-	-
	31 March 2017	-	-	-	-
	1 April 2016	-	-	(0.10)	(0.10)
Savita Gupta	31 March 2018	-	-	-	-
	31 March 2017	-	-	-	-
	1 April 2016	-	-	(0.20)	(0.20)
Dinesh Kumar Jhunjhunwala	31 March 2018	-	-	0.28	0.28
	31 March 2017	-	-	(0.44)	(0.44)
	1 April 2016	-	-	(0.30)	(0.30)
Himanshu Gupta	31 March 2018	-	-	0.38	0.38
	31 March 2017	-	-	(0.42)	(0.42)
	1 April 2016	-	-	(0.30)	(0.30)
Neerja Jhunjhunwala	31 March 2018	-	-	-	-
	31 March 2017	-	-	-	-
	1 April 2016	-	-	(0.10)	(0.10)
Ankita Gupta	31 March 2018	-	-	-	-
	31 March 2017	-	-	-	-
	1 April 2016	-	-	(0.10)	(0.10)
Saurabh Mittal	31 March 2018	-	-	0.60	0.60
	31 March 2017	-	-	(0.47)	(0.47)
	1 April 2016	-	-	(0.97)	(0.97)
Jagdeep Singh	31 March 2018	-	-	0.30	0.30
	31 March 2017	-	-	(1.01)	(1.01)
	1 April 2016	-	-	(0.43)	(0.43)

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Trade receivable		-	-	-	
BPI (India) Private Limited	31 March 2018	15.99	-	-	15.99
	31 March 2017	(15.99)	-	-	(15.99)
	1 April 2016	(15.99)	-	-	(15.99)
New Saraswati House Private Limited	31 March 2018	5.83	-	-	5.83
	31 March 2017	(5.78)	-	-	(5.78)
	1 April 2016	(5.69)	-	-	(5.69)
Safari Digital Education Initiatives Private Limited	31 March 2018	5.35	-	-	5.35
	31 March 2017	(2.75)	-	-	(2.75)
	1 April 2016	-	-	-	-
DS Digital Private Limited	31 March 2018	18.26	-	-	18.26
	31 March 2017	(18.03)	-	-	(18.03)
	1 April 2016	(76.25)	-	-	(76.25)

(Figures in brackets represents previous year figures.)

* the investment in debentures is on account of conversion of loan given to Eurasia along with the accrued interest.

** The Holding company has given corporate guarantees for the loans taken by the subsidiaries

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36. Employee stock option plans

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2018 an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On 30 June 2012, the board of directors approved the Equity Settled ESOP Scheme 2012 (Scheme 2012) for issue of stock options to the eligible employees. According to the Scheme 2012, two types of options are granted by the Company to the eligible employees viz Growth and Thankyou option and will be entitled to 2,194 and 292 options respectively. The options are subject to satisfaction of the prescribed vesting conditions, viz., continuing employment with the company. However in case of growth options, in addition to this the board may also specify the certain corporate, individual or a combination performance parameters subject to which the option would vest. The other relevant terms of the grant are as below:

	Grant I	Grant II	Grant III (a)	Grant III (b)	Grant IV (a)	Grant IV (b)	Grant IV (c)	Grant IV (d)	Grant V	Grant VI	Grant VII
Date of grant	09-Jul-12	09-Jul-12	28-Jul-14	30-Sep-14	27-Aug-15	27-Aug-15	30-Sep-15	28-Mar-16	05-Aug-16	16-Aug-16	30-Nov-16
Date of Board approval	30-Jun-12	30-Jun-12	28-Jul-14	30-Sep-14	27-Aug-15	27-Aug-15	27-Aug-15	28-Mar-16	05-Aug-16	05-Aug-16	19-Sep-16 & 30-Nov-16
Date of Shareholder's approval	30-Jun-12	30-Jun-12	28-Jul-14	30-Sep-14	30-Sep-15	30-Sep-15	30-Sep-15	28-Mar-16	05-Aug-16	05-Aug-16	10-Nov-16
Number of options granted	2,194	292	180	75	441	185	248	40	93,388	51,060	12,506
Method of settlement (Cash/Equity)	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting Period	Year 1- 10% Year 2- 15% Year 3-20% Year 4-25% Year 5-30%	100% Immediate vesting	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 50% Year 2- 50%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 100%	Year 1- 25% Year 2- 25% Year 3- 25% Year 4- 25%	Year 1- 50% Year 2- 50%
Exercise Period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price	9,110	9,110	36,870	36,870	36,870	45,000	45,000	45,000	304	304	392
Fair value of shares at the time of grant	4,139	4,109	10,949	10,949	25,227	20,944	20,594	20,404	112	139	60

Equity shares of ₹ 10 each were subdivided into 2 equity shares of ₹ 5 each as per resolution passed by shareholders at extraordinary general meeting dated 20 April 2016. Further, bonus shares were issued to the shareholders in the ratio of 73:1 as per resolution passed at extraordinary general meeting (EGM) dated 20 April 2016. The effect of share split and bonus issue on exercise price, fair value at the time of grant and weighted average exercise price on options granted till March 31, 2018 is as below:

	Grant I	Grant II	Grant III (a)	Grant III (b)	Grant IV (a)	Grant IV (b)	Grant IV (c)	Grant IV (d)	Grant V	Grant VI	Grant VII
Exercise Period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price	61.55	61.55	249.12	249.12	249.12	304.05	304.05	304.05	304.00	304.00	392.00
Fair value of shares at the time of grant	27.97	27.77	73.98	73.98	170.45	141.51	139.15	137.87	112.41	138.97	60.40

The details of activities under Growth option (Grant I) are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)**	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	47,656	62	322	9,110
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	47,656	62	-	-
Effect of share split	-	-	322	-
Effect of bonus issue	-	-	47,012	-
Outstanding at the end of the year	-	-	47,656	62
Exercisable at the end of the year	-	-	33,152	-

*includes 61 options which has vested 100% on account of demise of an employee.
** denotes weighted average excecise price

The details of activities under Thankyou option (Grant II) are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	3,108	62	21	9,110
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	3,108	62	-	-
Effect of share split	-	-	21	-
Effect of bonus issue	-	-	3,066	-
Outstanding at the end of the year	-	-	3,108	62
Exercisable at the end of the year	-	-	3,108	-

The weighted average remaining contractual life for Growth and Thankyou option outstanding as at March 31, 2018 is Nil.

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The details of activities under Grant III a and III b are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	26,640	249	253	36,870
Granted during the year	-	-	-	-
Forfeited during the year	-	-	10,804	-
Exercised during the year	26,640	249	-	-
Effect of share split	-	-	253	-
Effect of bonus issue	-	-	36,938	-
Outstanding at the end of the year	-	-	26,640	249
Exercisable at the end of the year	-	-	16,280	-

The weighted average remaining contractual life for option outstanding as at March 31, 2018 is Nil.

The Company had granted 441 option during the financial year ended 31 March 2016. The details of activities under Grant IV(a)are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	65,268	249	441	-
Granted during the year	-	-	-	36,870
Forfeited during the year	-	-	-	-
Exercised during the year	65,268	249	-	-
Effect of share split	-	-	441	-
Effect of bonus issue	-	-	64,386	-
Outstanding at the end of the year	-	-	65,268	249
Exercisable at the end of the year	-	-	-	-

The weighted average remaining contractual life for option outstanding as at March 31, 2018 is Nil.

The Company had granted 473 option during the financial year ended 31 March 2016. The details of activities under Grant IV(b), IV(c) and IV(d) are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	68,302	304	473	-
Granted during the year	-	-	-	45,000
Forfeited during the year	-	-	1,702	-
Exercised during the year	28,268	304	-	-
Effect of share split	-	-	473	-
Effect of bonus issue	-	-	69,058	-
Outstanding at the end of the year	40,034	304	68,302	304
Exercisable at the end of the year	12,210	304	-	-

The weighted average remaining contractual life for option outstanding as at March 31, 2018 under Grant IV(b) is 2.41 years, under Grant IV(c) is 2.5 years and under Grant IV(d) is 2.99 years .

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The Company had granted 93,388 option during the year ended 31 March 2017. The details of activities under Grant V are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	93,388	304	-	-
Granted during the year	-	-	93,388	304
Forfeited during the year	-	-	-	-
Exercised during the year	93,388	304	-	-
Outstanding at the end of the year	-	-	93,388	304
Exercisable at the end of the year	-	-	-	-

The weighted average remaining contractual life for option outstanding under Grant V as at March 31, 2018 is Nil.

The Company had granted 51,060 option during the year ended 31 March 2017. The details of activities under Grant VI are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	51,060	304	-	-
Granted during the year	-	-	51,060	304
Forfeited during the year	-	-	-	-
Exercised during the year	12,765	304	-	-
Outstanding at the end of the year	38,295	304	51,060	304
Exercisable at the end of the year	-	-	-	-

The weighted average remaining contractual life for option outstanding under Grant VI as at March 31, 2018 is Nil.

The Company had granted 12,506 option during the year ended 31 March 2017. The details of activities under Grant VII are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	11,203	392	-	-
Granted during the year	-	-	12,506	392
Forfeited during the year	1,800	-	1,303	-
Exercised during the year	2,952	-	-	-
Outstanding at the end of the year	6,451	-	11,203	392
Exercisable at the end of the year	1,750	-	-	-

The weighted average remaining contractual life for option outstanding under Grant VII as at March 31 2018 is 2.67 years.

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Grant IVb 31 March 2018	Grant IVc 31 March 2018	Grant IVd 31 March 2018	Grant VI 31 March 2018	Grant VII 31 March 2018
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Expected volatility	15.65%	15.57%	16.04%	17.22%	17.48%
Risk-free interest rate	7.71%	7.51%	7.46%	6.84%	6.04%
Weighted average fair market price (₹)	377	377	377	376	376
Exercise price (₹)	304	304	304	304	392
Expected life of options granted in years	4.00	4.00	4.00	3.00	3.00

Each vest has been considered as a separate grant with weights assigned to each vesting as per the vesting schedule. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The expected life has been calculated as an average of minimum and maximum life.

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37. Financial Instruments:- Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables . The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments in equity shares and government securities, advances to related party, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The board provides assurance to the shareholders 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. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market Risk

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

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2018.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

a. Interest rate risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax	Effect on equity (OCI)
As at 31 March 2018			
INR Borrowings	+0.50%	2.59	-
	-0.50%	(2.59)	-
As at 31 March 2017			
INR Borrowings	+0.50%	10.55	-
	-0.50%	(10.55)	-
As at 1 April 2016			
INR Borrowings	+0.50%	4.15	-
	-0.50%	(4.15)	-

b. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company does not hedge its foreign currency exposure, however the sensitivity analysis is given as below for the for the currencies, in which Company has foreign exposure:

	Changes in foreign currency rates	Effect on profit before tax	Effect on equity (OCI)
For the year ended 31 March 2018			
USD	+5%	2.28	-
	-5%	(2.28)	-
For the year ended 31 March 2017			
USD	+5%	1.50	-
	-5%	(1.50)	-
As at 1 April 2016			
USD	+5%	1.93	-
	-5%	(1.93)	-

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B. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any significant credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Ageing analysis of trade receivables (net) as of the reporting date is as follows:

Age Bracket	Not Due	0-215 Days	216-365 Days	365-730 Days	More than 730 Days	Total
As at 1 April 2016	1,330.08	173.25	140.87	95.51	41.62	**1,781.33**
As at 31 March 2017	1,864.71	139.94	27.60	48.45	47.88	**2,128.58**
As at 31 March 2018	2,553.38	283.88	53.13	61.56	74.92	**3,026.87**

C. 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 objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. The company's approach to managing liquidity to ensure , as far as possible, that it will have sufficient liquidity to meet its liability when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company closely monitors its liquidity position and deploys a robust cash management system. The Company manages liquidity risk by maintaining adequate reserves, borrowing liabilities, by continuously monitoring forecast and actual cash flows, profile of financial assets and liabilities. It maintain adequate sources of financing including loans from banks at an optimised cost. The table below provides the details regarding contractual maturities of financial liabilities.

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
On Demand			
- Borrowings	507.62	798.83	496.82
	507.62	**798.83**	**496.82**
Less than 1 year			
- Borrowings	5.05	1,302.29	24.80
- Trade payables	1,303.00	900.56	1,073.37
- Other financial liabilities	680.06	20.02	0.89
	1,988.11	**2,222.87**	**1,099.06**
More than 1 year			
- Borrowings	4.86	8.05	308.36
	4.86	**8.05**	**308.36**

38. Capital management

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

The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio less than 30%. The Company measures underlying net debt as total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents. For the purpose of capital management, total capital includes issued equity equity capital, share premium and all other reserves attributable to the equity holders of the Company, as applicable.

Company's adjusted net debt to equity ratio as at 31 March 2018 is as follow:

Gearing Ratio	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Borrowings (Note 12A & 12B)	517.53	2,109.18	829.98
Less: cash and cash equivalents (Note 5D)	(389.30)	(143.85)	(93.76)
Adjusted Net debt (A)	**128.23**	**1,965.33**	**736.22**
Equity	8,600.24	5,019.97	4,742.08
Total equity (B)	**8,600.24**	**5,019.97**	**4,742.08**
Total equity and net debt [C = (A+B)]	**8,728.47**	**6,985.30**	**5,478.30**
Gearing Ratio (A/C)	1%	28%	13%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

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39. **Fair Values**

The Carrying values of financial instruments by categories is as under:

Particulars	31 March 2018			31 March 2017			1 April 2016		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Assets									
Non current financial assets									
- Investments	6,066.96	-	-	4,704.06	-	-	3,531.57	-	-
- Loans	652.31	-	-	153.07	-	-	18.36	-	-
- Other financial assets	8.58	-	-	4.76	-	-	4.78	-	-
Financial assets									
- Trade receivables	3,026.87	-	-	2,128.58	-	-	1,781.33	-	-
- Loans	79.93	-	-	26.68	-	-	162.11	-	-
- Investments	64.06	112.36	-	-	1.94	-	-	122.01	-
- Other financial assets	8.95	-	-	4.61	-	-	7.21	-	-
- Cash and cash equivalents	389.30	-	-	143.85	-	-	93.76	-	-
Non Current Financial liabilities									
- Borrowings	4.86	-	-	8.05	-	-	308.36	-	-
- Other financial liabilities	6.04	-	-	4.92	-	-	2.56	-	-
Current Financial liabilities									
- Borrowings	507.62	-	-	798.83	-	-	496.82	-	-
- Trade payables	1,303.00	-	-	900.56	-	-	1,073.37	-	-
- Other financial liabilities	28.11	657.00	-	1,322.31	-	-	25.69	-	-

The fair values of current financial assets like trade receivables, loans and cash & cash equivalents and current financial liabilities like trade payables and other current financial liabilities are considered to be same as their carrying values due to their short term nature.

The carrying amounts of other items carried at amortized cost are reasonable approximation of their fair values.

The Company classifies all its financial assets and financial liabilities to be measured at amortized cost. Hence the company has not classified its financial instruments into three levels of fair value measurement hierarchy in accordance with the relevant accounting standards

The fair value measurement of earn-out consideration is determined using Level 3 inputs. The Company's earn-out consideration represents a component of the total purchase consideration for its acquisition of Chhaya Prakashani Private Limited. The measurement is calculated using unobservable inputs based on the Company's own assessment of achievement of certain performance goals by Chhaya Prakashani Private Limited. The Company estimated the fair value of the earn-out consideration to be ₹ 657 million, based on agreed method of computation.

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40. The Company has filed Draft Composite Scheme of Arrangement on January 9, 2018, amongst Blackie & Sons (Calcutta) Private Limited, Nirja Publishers and Printers Private Limited, DS Digital Private Limited ("DS Digital"), Safari Digital Education Initiatives Private Limited ("Safari Digital") and S Chand and Company Limited (Company) and their respective shareholders and creditors (Composite Scheme) with BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) and Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular). The eduction business of DS Digital and Safari Digital shall be demerged from respective Companies and will be merged with the Company as part of Scheme of Arrangement. The Company shall file the Scheme with National Company Law Tribunal (NCLT), post approval from BSE and NSE.

41. Corporate Social Responsibility

During the year, the Company has contributed ₹ 1.82 million (31 March 2017: ₹ 2.72 million) out of the total contributable amount of ₹ 5.34 million (31 March 2017: ₹ 3.44 million) in accordance with section 135 read with schedule VII to the Companies Act, 2013 through various trusts and donation of books. Management has not spent the remaining amount of (31 March 2017: ₹ 0.72 million) as CSR committee is yet to identify the activity.

42. Segment reporting

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations pre-dominantly relate to publishing of books. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business as a single segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

43. Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year			
Principal amount due to micro and small enterprises	6.57	2.49	1.18
Interest due on above	0.04	0.01	0.01
	6.61	**2.50**	**1.19**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of 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 the MSMED Act 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.04	0.01	0.01
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-

44. Imported and indigenous raw materials, components and spare parts consumed

Raw Materials	Imported		Indigenously obtained	
	Percentage (%)	(Amount in ₹)	Percentage (%)	(Amount in ₹)
As at 31 March 2018	0%	-	100%	1,251.01
As at 31 March 2017	0%	-	100%	1,013.41

45. Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain loans the particulars of which are disclosed below as

Name of the loanee	Rate of Interest/ Due Date	Tenure	Secured/ unsecured	31 March 2018	31 March 2017	1 April 2016
Safari Digital Education Initiatives Private Limited	10.75%-12% p.a	3 years	Unsecured	84.56	19.31	17.43
D S Digital Private Limited	10.75% p.a	3 years	Unsecured	43.64	-	-
Eurasia Publishing House Private Limited	12% p.a	3 years	Unsecured	-	113.42	-
New Saraswati House (India) Private Limited	10.75%-11.25% p.a	3 years	Unsecured	28.78	-	-
Vikas Publishing House Private Limited	11.25% p.a	3 years	Unsecured	454.51	-	-
S Chand Edutech Private Limited	10.75% p.a	3 years	Unsecured	20.69	-	-

46 Information about major customers

Revenue from 1 major customers amounted to ₹ 777.98 million aggregating to 20.68% of total revenue (31 March 2017: ₹ 448.55 million aggregating to 14.19% of total revenue)

47 The Company had made an investment in 410 optionally convertible redeemable debentures of ₹ 100,000 each fully paid in Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) during the financial year 2007-08 as per the debenture subscription agreement dated 14 May 2007. The debentures were converted into 512,500 optionally convertible or redeemable preference shares during the financial year 2008-09 as per the debenture conversion agreement dated 03 March 2009. These preference shares were redeemable or convertible at the option of the shareholder as per the debenture conversion agreement. The preference shares were due for redemption or conversion during the financial year 2011-12 and the Company opted for redemption of preference shares which the Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) failed and defaulted in redeeming the preference shares. The Company had filed a case against Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) demanding redemption of the preference shares held by the Company and on March 28, 2018, the Hon'ble Arbitral Tribunal, awarded the case in favour of the Company. The management in consultation with lawyers, has reversed the impairment of ₹ 41 million made in earlier years and recognised the investment at fair value of ₹ 64 million in the current financial year.

48 Capital and other commitment

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Capital commitment (net of advance)	74.33	0.09	16.70
b. For commitment relating to lease arrangement, please refer note 34			

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49 Contingent liabilities

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Corporate guarantee (refer note 'a' below)	1,206.00	1,748.82	1,051.18
Stamp duty (refer note 'b' below)	95.01	95.01	95.01
Registration fee (refer note 'b' below)	9.15	9.15	-
Income Tax demand (refer note 'c' and 'd' below)	0.67	0.67	0.57

a Corporate guarantee includes guarantees given by the Company to banks and financial institutions against loans taken by the subsidiaries and associates.

b During the year 2015-16, the Company received notice under Indian Stamp Act, 1899 for non-payment of stamp duty on transfer of property on amalgamation and demerger held in the financial year 2011-12. The district registrar contested that order of Hon'ble High Court for amalgamation and demerger does not grants exemption in respect of payment of stamp duty.

The Company has also received a demand notice from the Sub-Registrar under section 80A of the Registration Act, 1908 wherein the authority has directed the Company to pay additional registration fee of ₹ 9.15 million (31 March 2017: 9.15 million and 1 April 2016: ₹ Nil)

As per the legal opinion obtained, management is of the view that no liability would accrue on the Company on account of such case. Accordingly, no provision has been made in the books of account for the same.

c In respect of Assessment Year 2006-2007, demand was raised due to disallowance of certain expenses under section 14A of the Income Tax Act and also certain penalty proceedings on the above issue. The matter is pending with the Assessing officer. The amount involved is ₹ 0.67 million (31 March 2017: ₹ 0.67 million and 1 April 2016: ₹ 5.68 million).

d In respect of Assessment Year 2015-16 a disallowance under section 36(1)(va) read with section 2(24)(x) of the act, a demand has been raised on account of disallowance of payment made towards employee's contribution to PF after the due date of payment but before the due date of filling return. The matter is pending with CIT(A). The amount involved is ₹ 0.72 million

50. **Standard issued but not yet effective**

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 April 2018. The Company will adopt the new standard on the required effective date using the modified retrospective method. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.

Amendments to Ind 112 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in Ind AS 112

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

Changes in accounting policies and disclosures

New and amended standards and interpretations

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1 April 2017. The nature and the impact of each amendment is described below:

Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for both the current and the comparative period in Cash Flow Statement.

Amendments to Ind AS 102 Classification and Measurement of Share-based Payment Transactions

The amendments to Ind AS 102 Share-based Payment addresses three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled.

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51. First-time adoption of Ind AS

i.) These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS.

This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Optional Exemptions Applied:
Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

a.) Deemed cost of Property, plant and equipment and Intangible assets
Ind AS 101 permits a first-time adopter, where there is no change in functional currency, to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.
Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

b.) Investments in subsidiaries*
As per the requirements of Ind AS 27, company has opted to record its investment in subsidiary at cost. Ind AS 101 provides that while measuring investment at cost, an entity shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:
(i) cost determined in accordance with Ind AS 27; or
(ii) deemed cost. The deemed cost of such an investment shall be its:-
(a) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
(b) previous GAAP carrying amount at that date.
Accordingly, company has opted to record its investment in subsidiary at previous GAAP carrying amount at transition date.
(*Investment in subsidiaries includes investment in subsidiary of holding company)

c.) Share based payments
Ind AS 102 Share based payment has not been applied to equity instruments in share based payment transactions that vested before the the date of transition

d.) Business Combination
The Company has elected not to apply Ind AS 103 retrospectively to past business combinations i.e. to business combinations that occurred before the date of transition to Ind AS.

ii.) Reconciliations
Following reconciliations along with foot notes for the GAAP adjustments is inserted:
- Reconciliation of equity as at 1 April 2016 (the date of transition to Ind AS) **(Annexure I)**
- Reconciliation of equity as at 31 March 2017 **(Annexure IIa)**
- Reconciliation of profit and loss for year ended 31 March 2017 **(Annexure IIb)**

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Annexure I - Reconciliation of equity as at 1 April 2016 (the date of transition to Ind AS)

(₹ in millions)

Particulars	Foot notes	Indian GAAP*	Ind AS Adj	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	4	140.32	-	140.32
Intangible assets		115.94	-	115.94
Capital work in progress		0.10	-	0.10
Financial assets				
- Investments	1	3,530.41	1.16	3,531.57
- Loans	3	33.96	(15.60)	18.36
- Other financial assets		4.78	-	4.78
Other non-current assets	3	48.20	11.08	59.28
Deferred tax assets (net)	7	10.89	51.37	62.26
Total non-current assets		**3,884.60**	**48.01**	**3,932.61**
Current assets				
Inventories		596.25	24.34	620.59
Financial assets				
- Investments	1	162.31	(40.30)	122.01
- Loans	3	162.11	-	162.11
- Trade receivables	5	1,913.81	(132.48)	1,781.33
- Cash and cash equivalents		93.76	-	93.76
- Other financial assets		7.21	-	7.21
Other current assets	3	34.82	2.53	37.35
Total current assets		**2,970.27**	**(145.91)**	**2,824.36**
Total assets		**6,854.87**	**(97.90)**	**6,756.97**
Equity and liabilities				
Equity				
Equity share capital		2.02	-	2.02
Other equity				
- Retained earnings		1,193.39	(100.34)	1,093.05
- Other reserves	2	3,644.57	2.44	3,647.01
Total equity		**4,839.98**	**(97.90)**	**4,742.08**
Non-current liabilities				
Financial liabilities				
- Borrowings		308.36	-	308.36
- Other financial liabilities		-	-	-
Net employee defined benefit liabilities		7.68	-	7.68
Other non-current liabilities		2.56	-	2.56
Total non current liabilities		**318.60**	**-**	**318.60**
Current liabilities				
Financial liabilities				
- Borrowings		496.82	-	496.82
- Trade payables		1,073.37	-	1,073.37
- Other financial liabilities		25.69	-	25.69
Other current liabilities		51.22	-	51.22
Other provisions		49.19	-	49.19
Total current liabilities		**1,696.29**	**-**	**1,696.29**
Total equity and liabilities		**6,854.87**	**(97.90)**	**6,756.97**

*(*Indian Gaap numbers have been regrouped to conform to classifications as per Ind AS)*

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Annexure IIa - Reconciliation of equity as at 31 March 2017

(₹ in millions)

Particulars	Foot notes	Indian GAAP*	Ind AS Adj	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		111.70	-	111.70
Intangible assets	4	138.24	7.49	145.73
Capital work in progress		-	-	-
Financial assets				
- Investments	1	4,700.46	3.60	4,704.06
- Loans	3	167.05	(13.98)	153.07
- Other financial assets		4.76	-	4.76
Other non-current assets	3	18.94	8.50	27.44
Deferred tax assets (net)	7	20.17	48.94	69.11
Total non-current assets		**5,161.32**	**54.55**	**5,215.87**
Current assets				
Inventories		527.55	49.54	577.09
Financial assets				
- Investments	1	42.72	(40.78)	1.94
- Loans	3	26.06	0.62	26.68
- Trade receivables	5	2,286.25	(157.67)	2,128.58
- Cash and cash equivalents		143.85	-	143.85
- Other financial assets		4.61	-	4.61
Other current assets	3	132.44	2.56	135.00
Total current assets		**3,163.48**	**(145.73)**	**3,017.75**
Total assets		**8,324.80**	**(91.18)**	**8,233.62**
Equity and liabilities				
Equity				
Equity share capital		149.22	-	149.22
Other equity				
- Retained earnings		1,452.24	(98.83)	1,353.41
- Other reserves	2	3,509.69	7.65	3,517.34
Total equity		**5,111.15**	**(91.18)**	**5,019.97**
Non-current liabilities				
Financial liabilities				
- Borrowings		8.05	-	8.05
- Other financial liabilities		-	-	-
Net employee defined benefit liabilities		8.46	-	8.46
Other non-current liabilities		4.92	-	4.92
Total non current liabilities		**21.43**	**-**	**21.43**
Current liabilities				
Financial liabilities				
- Borrowings		798.83	-	798.83
- Trade payables		900.56	-	900.56
- Other financial liabilities		1,322.31	-	1,322.31
Other current liabilities		60.29	-	60.29
Other provisions		110.23	-	110.23
Total current liabilities		**3,192.22**	**-**	**3,192.22**
Total equity and liabilities		**8,324.80**	**(91.18)**	**8,233.62**

*(*Indian Gaap numbers have been regrouped to conform to classifications as per Ind AS)*

S.R. Batliboi & Associates LLP * New Delhi *

S Chand and Company Limited
Notes to financial statement as at 31 March 2018
CIN: L22219DL1970PLC005400

Annexure IIb - Reconciliation of profit and loss for year ended 31 March 2017

(₹ in millions)

Particulars	Foot notes	Indian GAAP	Ind AS Adj	Ind AS
I Revenue from Operations		3,013.50	(87.48)	2,926.02
II Other Income	1	91.63	1.86	93.49
III Total Income (I+II)		**3,105.13**	**(85.62)**	**3,019.51**
IV Expenses				
Cost of published goods/materials consumed		1,013.41	-	1,013.41
Purchases of traded goods		52.52	-	52.52
(Increase)/decrease in inventories of finished goods and work in progress		72.82	(49.54)	23.28
Publication expenses		317.00	-	317.00
Selling and distribution expenses		244.33	(37.94)	206.39
Employee benefits expense	6	478.09	3.18	481.27
Finance cost		149.05	-	149.05
Depreciation and amortisation expense	4	72.62	(7.49)	65.13
Other expenses	3	271.08	2.66	273.74
Total expenses		**2,670.92**	**(89.13)**	**2,581.79**
V Profit/(loss) before tax (III-IV)		**434.21**	**3.51**	**437.72**
VI Tax expense:				
Current tax		171.00		171.00
Income tax adjustment related to earlier years		1.50		1.50
Deferred tax (credit)/ charge	7	(9.27)	2.28	(6.99)
Total tax expenses		**163.23**	**2.28**	**165.51**
VII Profit for the period		**270.98**	**1.23**	**272.21**
VIII Other Comprehensive Income				
- Items that will not be reclassified to profit or loss	7			
Re-measurement gains/(losses) on defined benefit plans		-	0.42	0.42
Tax impact on re-measurement gains/(losses) on defined benefit plans		-	(0.15)	(0.15)
IX Total Comprehensive Income for the period (VII + VIII)		**270.98**	**1.50**	**272.48**

Footnotes to the reconciliation of equity as at 1 April 2016 and 31 March 2017 and profit or loss for the year ended 31 March 2017 are as below:-

1. Under previous GAAP, quoted equity investments and mutual funds were valued at lower of cost and fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition and fair value changes after the date of transition has been recognized in the statement of profit and loss.

2. Under previous GAAP, the Company was accounting employee stock option plans as per intrinsic value method. Under Ind AS, these have been accounted for at fair value as per Ind AS 102. Further, compensation cost of options granted to employees of subsidiary companies have been capitalized with the cost of investments in such subsidiary companies as per Ind AS 102.

3. Under previous GAAP, security deposits given by the Company against lease agreements for office premises at various locations were measured at transaction value ignoring the time value of money. Under Ind AS, these deposits were considered as financial assets and has been valued at amortised cost.

4. Under previous GAAP, goodwill was amortised on straight line basis over a period of 10 years. Under Ind AS, Goodwill is required to be tested for impairment at each reporting date, hence, amount of amortisation made for goodwill under IGAAP has been reversed in the statement of profit and loss or retained earnining.

5. Under previous GAAP, provision was being made on financial assets on incurred loss model. Under Ind AS, provision on financial assets is required to be made as per expected credit loss model considering the expected cash shortfalls from such financial assets and delay in expected realization from such financial assets.

6 Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit and loss. Under Ind-AS, re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

7 Under Indian GAAP, deferred tax was accounted using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Under Ind AS, entities need to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

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

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

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

per Yogesh Midha
Partner
Membership No.: 94941

S.R. Batliboi & Associates LLP * New Delhi *

Place: New Delhi
Date: 30 May 2018

For and on behalf of the Board of Directors of
S Chand and Company Limited

Himanshu Gupta
Director
DIN: 00054015

Dinesh Kumar Jhunjhunwala
Director
DIN: 00282988

Saurabh Mittal
Chief Financial Officer

Jagdeep Singh
Company Secretary