

INDEPENDENT AUDITOR'S REPORT

To the Members of New Saraswati House (India) Private Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 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 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 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") 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, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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- iv. The Company has provided requisite disclosure in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8 November 2016 and 30 December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer to note 41 to the financial statement.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Yogesh Midha

Partner

Membership Number: 94941

Place of Signature: New Delhi

Date: 09/06/2017



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

Re: New Saraswati House (India) Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) Property, plant and equipment have been physically verified by the management during the previous in accordance with a planned programme of verifying them once in two year, in our opinion, is reasonable having regards to the size of the Company and nature of its business. 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 included in property, plant and equipment 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 interval during the year and no material discrepancies noted on such verification.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provision of clause iii(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (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 product/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' estate insurance, income-tax, service tax, value added tax, cess and other material statutory dues applicable to it. The provisions relating to customs duty and 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 provident fund, employees' estate insurance, income-tax, 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.
- (c) According to the information and explanations given to us, there are no dues of provident fund, employees' estate insurance, income-tax, service tax, value added tax and cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given by the management, the Company has delayed in payment of interest to debenture holders during the year to the extent



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of Rs. 5,167,500 per month (the delay in such payments being for more than 90 days in each individual case) but as on the balance sheet date Company has made the complete payment. The Company has not defaulted in repayment of dues to bank. The Company did not have any outstanding dues in respect of a financial institution or to government during the year.

- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (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) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statement and according to the information and explanations given by the management, we report that the provision of section 197 read with Schedule V of the Companies Act 2013 is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not comment upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) 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

ICAI Firm registration number: 101049W/E300004

Chartered Accountants



per Yogesh Midha

Partner

Membership No.: 94941

Place: New Delhi

Date: 09/06/2017



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NEW SARASWATI HOUSE (INDIA) 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")

To the Members of New Saraswati House (India) Private Limited

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Yogesh Midha

Partner

Membership Number: 94941

Place of Signature: New Delhi

Date: 09/06/2017



New Saraswati House (India) Private Limited
CIN: U22110DL2013PTC262320
Balance sheet as on 31 March 2017

	Notes	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Equity and liabilities			
Shareholders' funds			
Share capital	3	205,000	205,000
Reserves and surplus	4	558,932,227	480,983,878
		<u>559,137,227</u>	<u>481,188,878</u>
Non-current liabilities			
Long-term borrowings	5	552,922,279	520,000,000
Trade payable	7	9,352,695	6,214,635
Deferred tax liability (net)	12	9,246,530	-
Long-term provisions	9	11,781,890	15,218,287
		<u>583,303,394</u>	<u>541,432,922</u>
Current liabilities			
Short-term borrowings	6	232,485,925	117,159,093
Trade payables	7	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		555,174,560	481,136,904
Other current liabilities	8	31,394,635	52,219,302
Short-term provisions	9	4,358,074	39,324,899
		<u>823,413,194</u>	<u>689,840,198</u>
TOTAL		<u>1,965,853,815</u>	<u>1,712,461,998</u>
Assets			
Non-current assets			
Fixed assets			
Property, Plant & Equipement	10	37,447,021	40,261,752
Intangible assets	11	187,598,572	205,275,444
Capital work-in-progress		4,322,952	4,238,823
Deferred tax assets (net)	12	-	10,424,213
Loans and advances	13	13,410,258	11,699,259
Other non-current assets	14	75,000	75,000
		<u>242,853,803</u>	<u>271,974,491</u>
Current assets			
Inventories	15	386,079,559	353,641,666
Trade receivables	16	1,270,732,772	1,016,352,846
Cash and bank balances	17	43,036,016	39,193,442
Loans and advances	13	23,151,665	31,299,553
		<u>1,723,000,012</u>	<u>1,440,487,507</u>
TOTAL		<u>1,965,853,815</u>	<u>1,712,461,998</u>
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

[Signature]

per Yogesh Midha
Partner



Membership No. 94941
Place: Delhi
Date: 09/06/2017

For and on behalf of the Board of Directors of
New Saraswati House (India) Private Limited

[Signature]
Director
DIN: 00054015

[Signature]
Director
DIN: 00054090

New Saraswati House (India) Private Limited
CIN: U22110DL2013PTC262320
Statement of profit and loss for the year ended 31 March 2017

	Notes	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
I Income			
Revenue from operations (net)	18	1,432,579,246	1,293,360,467
Other income	19	17,576	1,129,489
Total revenue (I)		1,432,596,822	1,294,489,956
II Expenses			
Cost of raw materials and components consumed	20	608,194,276	552,687,867
Purchase of traded goods	21	1,242,337	483,183
Publication expenses	22	88,481,651	150,219,869
(Increase)/ decrease in inventories of finished goods and traded goods	23	(40,296,363)	(113,435,209)
Employee benefits expense	24	230,249,764	185,426,987
Selling and distribution expenses	25	106,013,710	96,710,859
Other expenses	26	173,741,768	128,066,173
Total Expenses (II)		1,167,627,143	1,000,159,729
III Earnings before interest, tax, depreciation and amortisation (I-II)		264,969,679	294,330,227
IV Finance cost	27	96,760,419	82,324,997
Depreciation and amortization expense	28	48,527,970	42,115,997
Total (IV)		145,288,389	124,440,994
V Profit before tax (III - IV)		119,681,290	169,889,233
VI Tax expense			
Current tax			
Pertaining to profit for the current year		22,062,198	74,983,627
Adjustment of tax relating to earlier years		-	2,489,352
Deferred tax charge/(credit)		19,670,743	(13,999,281)
Total tax expense (VI)		41,732,941	63,473,698
VII Profit for the year (V-VI)		77,948,349	106,415,535
Earnings per equity share (EPS) [Nominal value of share Rs. 10 (31 March 2016: Rs 10)]	29		
(a) Basic		3,802	5,191
(b) Diluted		3,802	5,191

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

[Signature]

per Yogesh Midha
Partner

Membership No. 94941
Place: Delhi
Date: 09/06/2017



For and on behalf of the Board of Directors of
New Saraswati House (India) Private Limited

[Signature]
Director
DIN: 00054015

[Signature]
Director
DIN: 00054090

	Notes	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Cash flow from operating activities			
Profit before tax		119,681,290	169,889,233
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expenses		48,527,970	42,115,997
Provision for doubtful debts		2,901,204	9,314,275
Loss/(Profit) on sale of fixed assets		1,172,088	(112,261)
Advance written off		-	-
Interest income		(2,189)	(2,186)
Interest expense		95,290,120	82,087,626
Unrealized foreign exchange gain		-	(516,372)
Operating profit before working capital changes		267,570,482	302,776,312
Movements in working capital :			
Increase in trade payable		77,175,716	185,309,442
Increase/(Decrease) in provisions		(3,419,595)	(58,480,080)
Increase in other current liabilities		9,929,365	5,918,974
(Increase) in loans and advances		9,430,020	(13,557,427)
(Increase) in trade receivable		(257,281,129)	(214,046,588)
(Increase) in inventory		(32,437,893)	(90,062,607)
Cash generated/(used in) operations		70,966,966	117,858,026
Direct taxes paid (net of refunds)		(59,140,529)	(50,478,681)
Net cash flow from operating activities (A)		11,826,437	67,379,345
Cash flows from investing activities			
Purchase of fixed assets, including intangible assets, capital work in progress and capital advances		(36,664,606)	(40,023,347)
Proceed from sale of fixed assets		681,319	204,000
Purchase consideration for business purchased under slump sale		-	-
Investments in bank deposits (having original maturity of more than three months)		-	(50,000)
Interest received		2,189	2,186
Net cash flow used in investing activities (B)		(35,981,098)	(39,867,161)
Cash flows from financing activities			
Proceed from issuance of equity share capital including securities premium		-	-
Proceed from short term borrowing		34,599,085	54,106,287
Proceed from long term borrowing		115,326,832	-
Repayment of short term borrowing		-	(1,974,191)
Interest paid		(121,928,685)	(70,344,919)
Net cash flow from financing activities (C)		27,997,232	(18,212,823)
Net increase/(decrease) in cash and cash equivalents (A + B + C)		3,842,570	9,299,361
Cash and cash equivalents at the beginning of the year		39,193,442	29,894,081
Cash and cash equivalents at the end of the year		43,036,016	39,193,442
Components of cash and cash equivalents			
Cash on hand		410,982	2,330,380
With banks- on current account		42,625,034	36,863,062
Total cash and cash equivalents (note 17)		43,036,016	39,193,442

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/E
Chartered Accountants

per Yogesh Midlin
Partner

Membership No. 94941
Place: Delhi
Date: 09/06/2017



For and on behalf of the Board of Directors of
New Saraswati House (India) Private Limited

Director
DIN: 00054015

Director
DIN: 00054090

New Saraswati House (India) Private Limited

CIN: U22110DL2013PTC262320

Notes to financial statements for the year ended 31 March 2017

(Amount in Indian Rupees, unless stated otherwise)

1. Corporate information.

New Saraswati House (India) Private Limited ('the Company') is a private company incorporated on 17 December 2013 under the provisions of the Companies Act, 1956. The Company is primarily engaged in printing and binding of educational books.

2. Basis of preparation.

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

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

2.1 Summary of significant accounting policies

(a) Change in accounting policy

Disclosure of EBITDA

Till the year ended 31 March 2016, the Company had opted not to disclose EBITDA. From current year onwards, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, interest income and tax expense. The same has been elected by the Company to enable better presentation of financial statements and enhance decision making of top management.

(b) Use of estimates

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

(c) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.



New Saraswati House (India) Private Limited

CIN: U22110DL2013PTC262320

Notes to financial statements for the year ended 31 March 2017

(Amount in Indian Rupees, unless stated otherwise)

Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized 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 recognized in the statement of profit or loss as incurred.

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

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The amortization period and the amortization method are reviewed at least at each financial period end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

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

Goodwill recognized as difference between purchase consideration and value of net assets taken over.

Research and development costs

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

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

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



(e) Depreciation and amortization

i. Depreciation on property, plant and equipment

Depreciation is provided using the written down value method as per the useful life of the assets estimated by the management. The company has used the following rates to provide depreciation on its property, plant and equipment.

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

Asset category	Useful lives as per schedule II	Useful lives estimated by the management
Computer (except tablets*)	3 years	6 years
Office equipment	5 years	5 years
Furniture & fixture	10 years	10 years
Vehicle	8 years	10 years

* Tablets are depreciated at an estimated useful life of 3 years.

Leasehold improvement is amortized over the unexpired period of lease or estimated useful life, whichever is lower.

Based on the expected useful life of these assets for the company, the company has considered below useful lives for different classes of assets.

- The useful lives of vehicles and computers are estimated as 10 and 6 years respectively. These lives are higher than those indicated in schedule II.

ii. Amortization of intangible assets

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life.

A summary of amortization policies applied to the company's intangible assets is as below:

Particulars	Useful Lives
Goodwill	10 years
Computer software	3 years
Content development (including In-house Content)*	10 seasons
Copy Rights	10 years

*QR codes are amortized over 6 years as per terms of license.



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Notes to financial statements for the year ended 31 March 2017

(Amount in Indian Rupees, unless stated otherwise)

(f) Leases

Operating lease

Where the Company is lessee

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

(g) Borrowing costs

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

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

(h) Impairment of tangible and intangible 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) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the assets does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering 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.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized 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 recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying



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amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(i) Inventories

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

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First In First out (FIFO) basis.

Cost is determined on the basis of retail method viz. considering the ratio of cost incurred to the MRP value of goods manufactured. However goods purchased for trading are valued at lower of purchase cost and net realizable value.

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

(j) Revenue recognition

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

Sale of goods

Revenue from sale of goods is recognized when all 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.

(k) Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

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

(ii) Conversion

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



(iii) Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of property, plant and equipment are capitalized and depreciated over the remaining useful life of the asset.
2. All other exchange differences are recognized as income or as expenses in the period in which they arise.

(l) 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 expenditure, 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 plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each period-end. Actuarial valuation is carried at using the projected unit credit method. Actuarial gain and loss for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(m) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

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

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



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The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

(n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(o) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(p) Corporate Social Responsibility

The Company has opted to charge its Corporate Social Responsibility (CSR) expenditure to the Statement of Profit & Loss Account.

(q) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest expense, tax, depreciation and amortization (EBDITA) as a separate line item on the face of the statement of profit and loss. The company measures EBDITA on the basis of profit from operations. In its measurement, the Company does not include depreciation and amortization expenses, finance costs and tax expenses.

(r) Cash and cash equivalents

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



3. Share capital

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Authorised share capital		
100,000 (31 March 2016: 100,000) equity shares of Rs. 10 each	1,000,000	1,000,000
Issued share capital		
20,500 (31 March 2016: 20,500) equity shares of Rs. 10 each	205,000	205,000
Subscribed and fully paid up share capital		
20,500 (31 March 2016: 20,500) equity shares of Rs. 10 each fully paid	205,000	205,000
	205,000	205,000

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

	31 March 2017		31 March 2016	
	No.	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
At the beginning of the year	20,500	205,000	20,500	205,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	20,500	205,000	20,500	205,000

b. Term/right attached to equity share

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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% equity shares in the Company:

	31 March 2017		31 March 2016	
	Number	% Holding	Number	% Holding
Equity shares of Rs. 10 each fully paid-up				
S Chand and Company Limited, the holding company	15,600	76%	15,600	76%
Vikas Publishing House Private Limited, subsidiary of the holding company	4,900	24%	4,900	24%

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

4. Reserve and surplus

		31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Securities premium account			
Balance as per last financial statements		149,895,000	149,895,000
Add : Premium on issue of equity shares		-	-
Closing balance	A	149,895,000	149,895,000
Debenture redemption reserve			
Balance as per the last financial statements		260,000,000	130,000,000
Add: amount transferred from surplus balance in the statement of profit and loss		130,000,000	130,000,000
Closing balance	B	390,000,000	260,000,000
Surplus in the statement of profit and loss			
Balance as per last financial statements		71,088,878	94,673,343
Add : Profit for the year		77,948,349	106,415,535
		149,037,227	201,088,878
Less : Transfer to debenture redemption reserve		130,000,000	130,000,000
Closing balance	C	19,037,227	71,088,878
Total reserves and surplus (A+B+C)		558,932,227	480,983,878



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5. Long term borrowings

	Non Current portion		Current Maturities	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
Debentures*				
5,200 (31 March 2016: 5,200), 13.25% optionally convertible redeemable debentures of Rs.100,000 each issued at par (unsecured) (refer note 1 below)	520,000,000	520,000,000	-	-
Secured				
Term loan:				
from financial institution-Axis Finance Limited (refer note 4 below)	30,000,000	-	-	-
Vehicle loan (refer note 2 & 3 below)	2,922,279	-	1,676,806	-
Total	552,922,279	520,000,000	1,676,806	-
Less: disclosed under current liabilities (refer note 8)	-	-	(1,676,806)	-
Total	552,922,279	520,000,000	-	-

* issued to S Chand and Company Limited (Holding Company)

1. 13.25% Debentures are redeemable at par at the end of 5 years from the date of allotment, viz., 15 May 2014. The debentureholder has an option to convert these debentures earlier; however, no conversion will take place before the end of 18 months from the date of allotment or till the time the original shareholders cease to be shareholders in the Company, whichever is later. The original shareholders ceased to be shareholders in the Company w.e.f. 09 March 2016.

2. Vehicle loan from HDFC bank has taken during the year, secured by way of hypothecation of respective vehicle in favour of the bank. It carries interest rate of 9.36% p.a. The loan is repayable in 60 equal monthly instalments inclusive of interest Rs. 41,860 each beginning from May 2016.

3. Vehicle loan from Daimler Financial Services India Private Limited bank has taken during the year, secured by way of hypothecation of respective vehicle in favour of the bank. It carries interest rate of 9.8% p.a. The loan is repayable in 36 equal monthly instalments inclusive of interest Rs. 128,710 each beginning from May 2016.

4. Term loan from Axis Finance Limited has been taken during the year ended 31 March 2017 and carries interest @ 11.25 % p.a. The facility has been taken for a period of 5 years and is repayable in 14 equal quarterly instalments, 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.

6. Short-term borrowings

	31 March 2017	31 March 2016
	(Amount in Rs.)	(Amount in Rs.)
Loans repayable on demand		
From banks		
Cash credit (refer note 1 & 1A below)	122,485,925	117,159,093
Working capital demand loan (refer note 2 & 3 below)	110,000,000	-
Total	232,485,925	117,159,093

Notes:

1. Cash Credit from HDFC bank is carrying an interest rate of 11.85% p.a. (31 March 2016: 12.50% p.a.) repayable on demand. The loan is secured by way of (i) charge on entire existing and future current assets (ii) exclusive charges over the entire existing and future fixed asset of the Company (iii) personal guarantee of Dinesh Kumar Jhunjhnuwala and Himanshu Gupta and (vi) Corporate Guarantee by S Chand and Company Limited (Holding Company).

1A. Cash Credit from DBS bank taken during the year and carrying an interest rate of 9.5% p.a. repayable on demand. The loan is secured by way of (i) charge on entire existing and future current assets (ii) exclusive charges over the entire existing and future fixed asset of the Company (iii) personal guarantee of Dinesh Kumar Jhunjhnuwala and Himanshu Gupta (iv) Corporate Guarantee by S Chand and Company Limited (Holding Company).

2. Working Capital Loan from HDFC bank taken during the year and carrying an interest rate ranging from 9.9%-10.30% p.a. repayable after 90 days. The loan is secured by way of (i) charge on entire existing and future current assets (ii) exclusive charges over the entire existing and future fixed asset of the Company (iii) personal guarantee of Dinesh Kumar Jhunjhnuwala and Himanshu Gupta (iv) Corporate Guarantee by S Chand and Company Limited (Holding Company).

3. Working Capital Loan from DBS bank taken during the year and carrying an interest rate of 9.5% p.a. repayable after 120 and 150 days. The loan is secured by way of (i) charge on entire existing and future current assets (ii) exclusive charges over the entire existing and future fixed asset of the Company (iii) personal guarantee of Dinesh Kumar Jhunjhnuwala and Himanshu Gupta (iv) Corporate Guarantee by S Chand and Company Limited (Holding Company).



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7. Trade payable

	Non- Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
Total outstanding dues of micro enterprises and small enterprises (refer note 32)	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,352,695	6,214,635	230,576,793	293,190,191
Trade payables to related entities(refer note-30)	-	-	324,597,767	187,946,713
Total	9,352,695	6,214,635	555,174,560	481,136,904

8. Other current liabilities

	31 March 2017	31 March 2016
	(Amount in Rs.)	(Amount in Rs.)
Current maturities of long term borrowing (refer note 5)	1,676,806	-
Interest accrued and due on short-term borrowings	606,642	1,407,707
Interest accrued and due on debentures	-	25,837,500
Creditors for capital expenditure *	1,832,850	7,625,123
Statutory dues payable	14,235,149	10,956,252
Advance from customers	13,043,188	6,392,720
Total	31,394,635	52,219,302

* Consists of Rs. 1,832,850 (31 March 2016: Rs. 6,517,000) payable to related party, refer note 30 for details.

9. Provisions

	Long term		Short term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
Provision for employee benefits	-	-	-	-
Provision for gratuity (refer note 31)	11,781,890	15,218,287	-	172,106
Provision for leave encashment	-	-	4,358,074	4,169,166
Others	-	-	-	-
Provision for taxation (net of advance tax)	-	-	-	34,983,627
Total	11,781,890	15,218,287	4,358,074	39,324,899



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10 Property, plant & equipment

(Amount in Rs)						
Description	Computer	Furniture & Fixtures	Vehicles	Leasehold Improvement	Office Equipment	Total
Gross block						
At 31 March 2015	5,458,340	15,808,894	2,962,561	13,321,453	10,027,343	47,578,591
Additions	5,148,620	1,543,917	664,192	2,723,607	3,090,075	13,170,411
Disposals	-	-	97,734	-	45,000	142,734
At 31 March 2016	10,606,960	17,352,811	3,529,019	16,045,060	13,072,418	60,606,268
Additions	1,580,406	2,009,011	7,646,122	-	1,392,705	12,628,244
Disposals	1,015,050	885,923	-	1,136,307	71,668	3,108,948
At 31 March 2017	11,172,316	18,475,899	11,175,141	14,908,753	14,393,455	70,125,564
Depreciation						
At 31 March 2015	1,574,505	1,834,491	588,291	896,696	1,766,011	6,659,994
Charge for the year	2,951,061	3,857,497	697,464	1,789,086	4,440,409	13,735,517
Disposals	-	-	31,985	-	19,010	50,995
At 31 March 2016	4,525,566	5,691,988	1,253,770	2,685,782	6,187,410	20,344,516
Charge for the year	2,846,473	3,135,253	2,389,960	1,927,385	3,290,497	13,589,568
Disposals	685,708	354,170	-	168,853	46,810	1,255,541
At 31 March 2017	6,686,331	8,473,071	3,643,730	4,444,314	9,431,097	32,678,543
Net block						
At 31 March 2016	6,081,394	11,660,823	2,275,249	13,359,278	6,885,008	40,261,752
At 31 March 2017	4,485,985	10,002,828	7,531,411	10,464,439	4,962,358	37,447,021



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Notes to financial statement for the year ended 31 March 2017

11 Intangible assets

					(Amount in Rs.)
Description	Goodwill	Computer software	Content development (including In-house Content)	Copy Rights	Total
At 31 March 2015	76,203,922	4,592,881	-	166,684,501	247,481,304
Addition	-	2,199,061	23,385,105	-	25,584,166
At 31 March 2016	76,203,922	6,791,942	23,385,105	166,684,501	273,065,470
Addition	-	5,372,317	11,889,214	-	17,261,531
Disposals	-	-	-	-	-
At 31 March 2017	76,203,922	12,164,259	35,274,319	166,684,501	290,327,001
Amortization					
At 31 March 2015	11,853,943	1,626,903	-	25,928,700	39,409,546
Charge for the year	7,620,392	2,118,659	1,972,979	16,668,450	28,380,480
At 31 March 2016	19,474,335	3,745,562	1,972,979	42,597,150	67,790,026
Charge for the year	7,620,392	6,699,938	3,949,623	16,668,450	34,938,403
Disposals	-	-	-	-	-
At 31 March 2017	27,094,727	10,445,500	5,922,602	59,265,600	102,728,429
Net block					
At 31 March 2016	56,729,587	3,046,380	21,412,126	124,087,351	205,275,444
At 31 March 2017	49,109,195	1,718,759	29,351,717	107,418,901	187,598,572



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12. Deferred tax liabilities (net)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
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	8,822,499	26,936,218
Provision for doubtful debts	1,004,049	3,223,486
Total	9,826,548	30,159,704
Deferred tax liabilities		
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	19,073,077	19,735,491
Total	19,073,077	19,735,491
Net deferred tax (liability)/assets	(9,246,530)	10,424,213

13. Loans and advances

	Non Current		Current	
	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Capital advances				
Unsecured, considered good	1,198,429	300,000	-	-
"A"	1,198,429	300,000	-	-
Security deposits				
Unsecured, considered good *	12,211,829	11,399,259	930,526	2,143,816
"B"	12,211,829	11,399,259	930,526	2,143,816
Advances recoverable in cash and kind				
Unsecured, considered good	-	-	16,693,636	25,622,093
"C"	-	-	16,693,636	25,622,093
Loans & advances to related parties				
Unsecured, considered good (refer note 30)	-	-	161,256	237,274
"D"	-	-	161,256	237,274
Other loans & advances				
Unsecured, considered good	-	-	4,466,300	2,371,598
Advance income-tax (net of provision for taxation)	-	-	899,947	924,772
Prepaid expenses	-	-	5,366,247	3,296,370
"E"	-	-	5,366,247	3,296,370
Total	"A+B+C+D+E"	13,410,258	23,151,665	31,299,553

* Consists of Rs. 4,389,000 (31 March 2016: Rs. 4,389,000) given to related parties, refer note 30 for details.

14. Other Non- Current assets

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Non- current bank balances (refer note 17)	75,000	75,000
Total	75,000	75,000



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15. Inventories (valued at lower of cost or net realizable value)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Raw materials (refer note 20)	2,828,095	10,686,565
Finished goods (refer note 23)		
Manufactured goods	383,251,464	338,880,219
Traded goods	-	4,074,882
Total	386,079,559	353,641,666

16. Trade receivables

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	89,658,949	57,319,849
Unsecured, considered doubtful	2,901,204	9,314,275
	92,560,153	66,634,124
Less: Provision for doubtful debts	(2,901,204)	(9,314,275)
	89,658,949	57,319,849
Other receivables		
Unsecured, considered good	1,181,073,823	959,032,997
	1,181,073,823	959,032,997
Total	1,270,732,772	1,016,352,846

17. Cash and bank balance

	Non- Current		Current	
	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Cash and cash equivalents				
Balances with banks				
-On current accounts		-	42,625,034	36,863,062
Cash on hand		-	410,982	2,330,380
	-	-	43,036,016	39,193,442
Other bank balances				
Margin money deposits*	75,000	75,000		
	75,000	75,000		-
Amount disclosed under other non- current assets (refer note 14)	(75,000)	(75,000)		-
	-	-	43,036,016	39,193,442

*Margin money deposits are under lien with banks towards bank guarantees issued by them.



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18. Revenue from operations (net)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Sale of products		
Finished goods	1,451,669,293	1,318,578,837
Traded goods	1,309,640	1,293,485
	<u>1,452,978,933</u>	<u>1,319,872,322</u>
Less: turnover discount	(22,467,484)	(30,079,360)
	<u>1,430,511,449</u>	<u>1,289,792,962</u>
Other operating revenues		
Scrap sales	2,067,797	3,567,505
Revenue from operations (net)	<u>1,432,579,246</u>	<u>1,293,360,467</u>
Details of products sold		
Finished goods sold		
Books (published titles)	1,451,669,293	1,318,578,837
	<u>1,451,669,293</u>	<u>1,318,578,837</u>
Traded goods sold		
Books (titles not published)	1,309,640	1,293,485
	<u>1,309,640</u>	<u>1,293,485</u>

19. Other income

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Interest income from bank deposits	2,189	2,186
Exchange differences (net)	-	957,384
Duty drawback	15,387	57,658
Profit on theft of car	-	112,261
	<u>17,576</u>	<u>1,129,489</u>



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20. Cost of raw materials consumed

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Inventory at the beginning of the year	10,686,565	34,059,167
Add : Purchases of published goods	561,047,247	432,020,439
Add : Purchases of CD	28,581,897	29,505,863
Add : Purchases of raw material	10,706,662	67,788,963
	611,022,371	563,374,432
Less: Inventory at the end of the year	2,828,095	10,686,565
Cost of raw material consumed	608,194,276	552,687,867
Details of raw material purchased		
Books	561,047,247	432,020,439
CD	28,581,897	29,505,863
Paper	10,706,662	67,788,963
	600,335,806	529,315,265

21 Purchase of traded books

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Traded books	1,242,337	483,183
	1,242,337	483,183

22. Publication expenses

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Royalty	60,248,053	68,903,190
Printing, binding and processing charges	16,727,272	73,112,723
Freight and cartage expenses	11,506,326	8,203,956
	88,481,651	150,219,869

23. (Increase) / Decrease in inventories

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Inventories at the end of the year		
Finished goods	383,251,464	342,955,101
	383,251,464	342,955,101
Inventories at the beginning of the year		
Finished goods	342,955,101	229,519,892
	342,955,101	229,519,892
(Increase) in inventories	(40,296,363)	(113,435,209)
Details of inventory:		
Finished goods		
Manufactured goods		
Books	383,251,464	338,880,219
Traded goods		
Books	-	4,074,882
	383,251,464	342,955,101



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24. Employee benefits expense			
	31 March 2017	31 March 2016	
	(Amount in Rs.)	(Amount in Rs.)	
Salaries, wages and bonus	201,717,408	166,755,608	
Contribution to provident and other funds	13,139,336	11,001,868	
Gratuity expense (refer note 31)	7,160,809	1,317,095	
Staff welfare expenses	8,232,211	6,352,416	
	230,249,764	185,426,987	
25. Selling and distribution expenses			
	31 March 2017	31 March 2016	
	(Amount in Rs.)	(Amount in Rs.)	
Advertisement, publicity and exhibition	38,479,250	30,749,233	
Freight and distribution	19,225,897	20,613,440	
Travelling and conveyance	40,253,025	33,137,390	
Packing and dispatch expenses	5,622,751	8,449,601	
Vehicle running and maintenance	2,432,787	3,761,195	
	106,013,710	96,710,859	
26. Other expenses			
	31 March 2017	31 March 2016	
	(Amount in Rs.)	(Amount in Rs.)	
Rent	38,748,534	38,016,987	
Lease rent-vehicles	1,068,800	240,000	
Repairs & maintenance			
-Plant & machinery	279,337	541,274	
-Building	1,189,323	3,026,310	
-Others	3,385,800	1,610,714	
Insurance	1,658,274	788,065	
Rates and taxes	568,150	1,260,495	
Communication cost	13,085,072	8,962,810	
Printing and stationery	1,937,860	2,079,338	
Legal and professional fee	10,826,610	11,525,702	
Payment to auditor (refer note below)	1,817,244	1,725,000	
Water and electricity charges	4,095,932	4,048,766	
Provision for doubtful debts	2,901,204	9,314,275	
Advances/bad debts written-off	5,590,296	-	
Cash discount & additional discount	57,058,970	30,556,394	
Office expenses	18,374,256	7,795,425	
Security charges	3,098,267	2,616,086	
Membership and subscription	170,809	142,784	
Website design charges	307,932	576,038	
Recruitment charges	351,522	331,912	
Commission and brokerage	-	164,051	
Provision for employee advance	639,678	-	
Loss of stock due to flood	270,371	-	
Loss on sale of assets (net)	1,172,088	-	
Corporate social responsibility (refer note 35)	1,011,335	1,476,721	
Miscellaneous expenses	4,134,104	1,267,026	
	173,741,768	128,066,173	
Payment to auditor			
	31 March 2017	31 March 2016	
	(Amount in Rs.)	(Amount in Rs.)	
As auditor:			
Audit fee	1,817,244	1,725,000	
	1,817,244	1,725,000	



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27. **Finance cost**

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Interest expense		
- On debentures	68,900,004	68,900,004
- On cash credit and working capital demand loan	24,645,699	12,358,685
- On vehicle loan	475,355	80,282
- On others	159,473	748,655
- On term loan	1,109,589	-
Processing fees - bank loan	1,322,875	109,552
Bank charges	147,424	127,819
	96,760,419	82,324,997

28. **Depreciation and amortization expenses**

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Depreciation on property, plant and equipment	13,589,568	13,735,517
Amortization of intangible assets	34,938,402	28,380,480
	48,527,970	42,115,997

29. **Earning per share (EPS)**

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

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Total operations for the year		
Profit after tax	77,948,349	106,415,535
Net profit for calculation of Basic EPS	77,948,349	106,415,535
Net profit as above	77,948,349	106,415,535
Add: Interest on debentures (net of tax)	45,055,091	45,055,091
Net profit for calculation of Diluted EPS	123,003,440	151,470,626
Weighted average number of equity shares in calculating Basic EPS	20,500	20,500
Weighted average number of equity shares in calculating Diluted EPS	27,000	27,000
Earnings per equity share (EPS)		
(a) Basic	3,802	5,191
(b) Diluted	3,802	5,191

There are potential equity shares as on 31 March 2017 and 31 March 2016 in the form of debenture issued. As these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.



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30 Related party disclosures

a) Names of related parties and related party relationships

Related parties where control exists
Holding Company

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Related parties under AS 18 with whom transactions have taken place during the year
Enterprises under same control

Nirja Publishers & Printers Private Limited
Vikas Publishing House Private Limited
Safari Digital Education Initiatives Private Limited
DS Digital Private Limited
BPI (India) Private Limited
Shyam Lal Nursing Home & MR Centre Private Limited
SC Hotel Tourist Deluxe Private Limited (formerly known as Hotel Tourist Deluxe Private Limited)
Hotel Tourist

Key management personnel

Love Kumar Kathuria, Director (till 31 July 2016)
Kuldeep Chand Ganiwal, Director
Ratna Mehta, Director
Dinesh Kumar Jhumhauwala, Director (w.e.f 31 July 2016)
Himanshu Gupta (W.e.f. 20 May 2016)
Ankita Gupta (W.e.f. 20 May 2016)
Archana Kapoor (W.e.f. 20 May 2016)
Anil Nishchal (W.e.f. 20 May 2016)

b) Related party transactions

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

(Amount in Rs.)							
Transaction during the year	Year ended	Holding company	Enterprise under same control	Enterprise over which Key Management Personnel exercise significant influence	Key managerial personnel	Relative of key managerial personnel	Total
Sale of books Safari Digital Education Initiatives Private Limited	31 March 2017 31 March 2016	- -	88,543 -	- -	- -	- -	88,543 -
Sale of paper Vikas publishing House Private Limited	31 March 2017 31 March 2016	- -	1,925,760 -	- -	- -	- -	1,925,760 -
Purchase of books S Chand and Company Limited	31 March 2017 31 March 2016	83,131 274,101	- -	- -	- -	- -	83,131 274,101
Nirja Publishers & Printers Private Limited	31 March 2017 31 March 2016	- -	44,455,725 16,336,442	- -	- -	- -	44,455,725 16,336,442
Vikas publishing House Private Limited	31 March 2017 31 March 2016	- -	384,623,319 267,622,291	- -	- -	- -	384,623,319 267,622,291
BPI (India) Private Limited	31 March 2017 31 March 2016	- -	- 1,836	- -	- -	- -	- 1,836

(Amount in Rs.)							
Transaction during the year	Year ended	Holding company	Enterprise under same control	Enterprise over which Key Management Personnel exercise significant influence	Key managerial personnel	Relative of key managerial personnel	Total
Printing & Stationery charges Vikas publishing House Private Limited	31 March 2017 31 March 2016	- -	14,595 -	- -	- -	- -	14,595 -
Staff welfare expenses Hotel Tourist	31 March 2017 31 March 2016	- -	1,678,816 1,674,532	- -	- -	- -	1,678,816 1,674,532
Tour & Travel Expenses Hotel Tourist	31 March 2017 31 March 2016	- -	8,472 16,666	- -	- -	- -	8,472 16,666
SC Hotel Tourist Deluxe Private Limited	31 March 2017 31 March 2016	- -	- 353,390	- -	- -	- -	- 353,390
Legal and professional Safari Digital Education Initiatives Private Limited	31 March 2017 31 March 2016	- -	6,870,000 6,836,100	- -	- -	- -	6,870,000 6,836,100
Interest paid S Chand and Company Limited	31 March 2017 31 March 2016	68,900,004 68,900,004	- -	- -	- -	- -	68,900,004 68,900,004
Miscellaneous expenses - books and periodicals S Chand and Company Limited	31 March 2017 31 March 2016	- 43,120	- -	- -	- -	- -	- 43,120
Nirja Publishers & Printers Private Limited	31 March 2017 31 March 2016	- -	- 251,997	- -	- -	- -	- 251,997
Vikas publishing House Private Limited	31 March 2017 31 March 2016	- -	- 67,025	- -	- -	- -	- 67,025
Advertisement, publicity and exhibition SC Hotel Tourist Deluxe Private Limited	31 March 2017 31 March 2016	- -	- 2,136	- -	- -	- -	- 2,136
Hotel Tourist	31 March 2017 31 March 2016	- -	- 45,380	- -	- -	- -	- 45,380
Vikas publishing House Private Limited	31 March 2017 31 March 2016	- -	6,048,000 6,102,318	- -	- -	- -	6,048,000 6,102,318



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(Amount in Rs.)							
Transaction during the year	Year ended	Holding company	Enterprise under same control	Enterprise over which Key Management Personnel exercise significant influence	Key managerial personnel	Relative of key managerial personnel	Total
Rent expenses							
Shivam Lal Nursing Home & MR Centre Private Limited	31 March 2017	-	598,000	-	-	-	598,000
	31 March 2016	-	-	-	-	-	-
SC Hotel Tourist Deluxe Private Limited	31 March 2017	-	9,618,000	-	-	-	9,618,000
	31 March 2016	-	9,567,040	-	-	-	9,567,040
Oransee Education Private Limited	31 March 2017	-	-	-	-	-	-
	31 March 2016	-	13,483	-	-	-	13,483
Oransee Associates Private Limited	31 March 2017	-	-	8,957,000	-	-	8,957,000
	31 March 2016	-	-	8,139,430	-	-	8,139,430
Ankita Gupta	31 March 2017	-	-	-	-	369,900	369,900
	31 March 2016	-	-	-	-	392,175	392,175
Other expenses paid (reimbursement)							
S Chand and Company Limited	31 March 2017	476,521	-	-	-	-	476,521
	31 March 2016	2,118,662	-	-	-	-	2,118,662
Ankita Gupta	31 March 2017	-	-	-	-	547,768	547,768
	31 March 2016	-	-	-	-	-	-
Fixed assets purchased							
Vikas publishing House Private Limited	31 March 2017	3,450,000	-	-	-	-	3,450,000
	31 March 2016	-	-	-	-	-	-
Safari Digital Education Initiatives Private Limited (Intangible assets - Content development)	31 March 2017	-	-	-	-	-	-
	31 March 2016	-	270,953	-	-	-	270,953
DS Digital Private Limited (Intangible assets - Content development)	31 March 2017	-	-	-	-	-	-
	31 March 2016	-	2,575,504	-	-	-	2,575,504
Fixed assets sold							
Chhava Prakashani Private Limited	31 March 2017	-	210,000	-	-	-	210,000
	31 March 2016	-	-	-	-	-	-
Director remuneration							
Ankita Gupta	31 March 2017	-	-	-	3,000,000	-	3,000,000
	31 March 2016	-	-	-	-	-	-
Love Kumar Kadhuria	31 March 2017	-	-	-	-	-	-
	31 March 2016	-	-	-	320,000	-	320,000
Kuldeep Chand Ganjwal	31 March 2017	-	-	-	106,935	-	106,935
	31 March 2016	-	-	-	780,000	-	780,000



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c) Outstanding balances at the year end

(Amount in Rs.)

Outstanding balance at the year end	Year ended	Holding company	Enterprise under same control	Enterprise over which Key Management Personnel exercise significant influence	Key managerial personnel	Relative of key managerial personnel	Total
Trade payable							
S Chand and Company Limited	31 March 2017	8,089,714	-	-	-	-	8,089,714
	31 March 2016	13,355,368	-	-	-	-	13,355,368
Nirja Publishers & Printers Private Limited	31 March 2017	-	40,213,127	-	-	-	40,213,127
	31 March 2016	-	16,588,439	-	-	-	16,588,439
Vikas Publishing House Private Limited	31 March 2017	-	275,399,977	-	-	-	275,399,977
	31 March 2016	-	154,706,661	-	-	-	154,706,661
Hotel Tourist	31 March 2017	-	294,947	-	-	-	294,947
	31 March 2016	-	208,694	-	-	-	208,694
SC Hotel Tourist Deluxe Private Limited	31 March 2017	-	4,000	-	-	-	4,000
	31 March 2016	-	104,458	-	-	-	104,458
Safari Digital Education Initiatives Private Limited	31 March 2017	-	436,457	-	-	-	436,457
	31 March 2016	-	2,828,218	-	-	-	2,828,218
Ankur Gupta	31 March 2017	-	-	-	-	-	-
	31 March 2016	-	-	-	-	62,500	62,500
Atul Gupta	31 March 2017	-	-	-	-	-	-
	31 March 2016	-	-	-	62,500	-	62,500
Shyam Lal Nursing Home & MR Centro Private Limited	31 March 2017	-	159,545	-	-	-	159,545
	31 March 2016	-	95,575	-	-	-	95,575
Kuldeep Chand Ganjwal	31 March 2017	-	-	-	-	-	-
	31 March 2016	-	-	-	59,300	-	59,300
Other liabilities - Creditors for capital expenditure							
DS Digital Private Limited	31 March 2017	-	1,832,850	-	-	-	1,832,850
	31 March 2016	-	6,517,000	-	-	-	6,517,000
Loans & advances to related parties							
BPI (India) Private Limited	31 March 2017	-	161,256	-	-	-	161,256
	31 March 2016	-	237,274	-	-	-	237,274
Orange Associates Private Limited	31 March 2017	-	14,549	-	-	-	14,549
	31 March 2016	-	-	-	-	-	-
Security deposit							
SC Hotel Tourist Deluxe Private Limited	31 March 2017	-	4,200,000	-	-	-	4,200,000
	31 March 2016	-	4,200,000	-	-	-	4,200,000
Orange Associates Private Limited	31 March 2017	-	-	1,950,000	-	-	1,950,000
	31 March 2016	-	-	1,950,000	-	-	1,950,000
Audita Gupta	31 March 2017	-	-	-	-	189,000	189,000
	31 March 2016	-	-	-	-	189,000	189,000
Borrowing							
S Chand and Company Limited	31 March 2017	520,000,000	-	-	-	-	520,000,000
	31 March 2016	520,000,000	-	-	-	-	520,000,000
Interest accrued and due on borrowings							
S Chand and Company Limited	31 March 2017	-	-	-	-	-	-
	31 March 2016	25,837,500	-	-	-	-	25,837,500



31. Gratuity

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 Rs. 1,000,000. 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 and loss

Net employee benefit expense recognised in the employee cost

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Current service cost	4,812,132	4,596,857
Interest cost	1,080,413	1,142,110
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	1,268,264	(4,421,872)
Net benefit expense	7,160,809	1,317,095

Balance sheet

Benefit assets / (liabilities)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Present value of defined benefit obligation	21,776,877	15,390,393
Fair value of plan assets	9,994,987	-
Plan asset/(liability)	(11,781,890)	(15,390,393)

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

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Opening defined benefit obligation	15,390,393	15,025,048
Current service cost	4,812,132	4,596,857
Interest cost	1,080,413	1,142,110
Benefits paid	(769,312)	(951,750)
Actuarial (gains) / losses on obligation	1,263,251	(4,421,872)
Closing defined benefit obligation	21,776,877	15,390,393

Movement of Assets

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Opening planned assets	-	-
Less: Contribution made during the year	10,000,000	-
Less: Actuarial loss	(5,013)	-
Closing balance	9,994,987	-

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

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Discount Rate	7.35%	8.10%
Salary escalation*	10.00%	10.00%
Employee turnover		
Age upto 30 years	3.00%	3.00%
Age between 31 - 44 years	2.00%	2.00%
Age above 44 years	1.00%	1.00%
Expected rate of return on assets	8.00%	N.A.

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

Amounts for the current and previous three years are as follows:

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2014 (Amount in Rs.)
Defined benefit obligation	21,776,877	15,390,393	15,025,048	7,400,019
Plan assets	-	-	-	-
Surplus / (deficit)	21,776,877	15,390,393	15,025,048	7,400,019

This is being the fourth year of the Company, therefore figures for previous one year is not furnished.



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32. Dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

	31 March 2017 (Amount Rs.)	31 March 2016 (Amount Rs.)
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	-	-
Interest due on above	-	-
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	-	-
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	-	-

33. Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.456,352 (31 March 2016: Rs. 6,563,956).

For commitments relating to lease arrangements, please refer note 34.

34. Leases

The Company has taken premises for office use under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to Rs.38,748,534 (31 March 2016: Rs.38,016,987). There are no restrictions imposed by the lease agreements. There are no sub leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Minimum lease payment		
Within one year	26,276,961	26,476,794
After one year but not more than five years	130,287,136	102,898,983
More than five years	15,849,140	54,214,807
	<u>172,413,237</u>	<u>183,590,584</u>

35. Corporate Social Responsibility (CSR)

During the year, CSR committee has been formed by the Company to monitor CSR related activities. The Company has contributed Rs 1,011,335 out of the total contributable amount of Rs 3,291,207 as of 31 March 2017 in accordance with section 135 read with schedule VII to the Companies Act, 2013 through Read India. Management has not spent the remaining amount of Rs. 2,279,872 as CSR committee is yet to identify the activity. Unspent amount has not been provided in books.

36. Unhedged foreign currency exposure

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risks associated with foreign currency fluctuations or for trading/speculation purpose.

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

Particulars	Currency	31 March 2017		31 March 2016	
		foreign currency amount	Amount in Rs.	foreign currency amount	Amount in Rs.
Trade receivable	USD	29,584	1,915,491	32,824	2,175,738



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37 Expenditure in foreign currency (accrual basis)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Advertising and sales promotion	1,931,629	1,343,460
	<u>1,931,629</u>	<u>1,343,460</u>

38 Imported and indigenous raw materials consumed

	31 March 2017		31 March 2016	
	Percentage (%)	(Amount in Rs.)	Percentage (%)	(Amount in Rs.)
Raw Materials				
Imported	-	-	-	-
Indigenously obtained	100%	10,706,662	100%	67,788,963
	<u>100%</u>	<u>10,706,662</u>	<u>100%</u>	<u>67,788,963</u>

39 Earnings in foreign currency (accrual basis)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Sale of products	1,366,000	2,013,840
	<u>1,366,000</u>	<u>2,013,840</u>



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40 Segment reporting

The Company has only one reportable business segment, which is publishing of books and operates in a single business segment based on the nature of the services, the risk and returns, the organization structure and the internal financial reporting systems. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

41 Discloser on Specified Bank Note

During the year the Company had specified Bank Notes (SBNs) or other denomination notes are defined in the MCA notification, GSR 308(E), dated 31 March 2017. The detail of SBNs held and transacted during the period from 08 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	646,500	17,913	664,413
Add: Permitted receipt	-	495,808	495,808
Add: Withdrawl from bank	-	582,000	582,000
Less: Permitted payment	-	(976,360)	(976,360)
Less: Cash deposited in banks	(646,500)	-	(646,500)
Closing cash in hand as on 30 December 2016	-	119,361	119,361

42 Previous year Figures

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

As per our report of even date

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

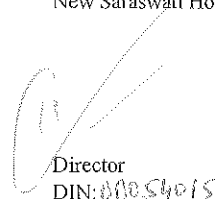


per Yogesh Midha
Partner



Membership No. 94941
Place: Delhi
Date: 09/06/2017

For and on behalf of the Board of Directors of
New Saraswati House (India) Private Limited



Director
DIN: 00054015



Director
DIN: 00054070