S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Nirja Publishers and Printers Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Nirja Publishers and Printers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 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 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 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 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 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 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 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 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 aceount;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Aecounting 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 Mareh 31, 2018, and taken on record by the Board of Direetors, none of the directors is disqualified as on March 31, 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 litigations on its financial position in its Ind AS financial statements – Refer Note 33 to the Ind AS financial statements;

   ii. The Company did not have any long-term contracts including derivate 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 & Assoeiates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP New Delhi

per Yogesh Midha
Partner
Membership Number: 94941
Place of Signature: New Delhi
Date: 18 May 2018

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

Re: Nirja Publisher and Printers 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) All fixed assets were physical verified by the management in the previous year in accordance with the planned programme of verifying them once in two years which, in our opinion, is reasonable having regards to the size of the Company and nature of its assets. No material discrepancies were noticed 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) (a) The Company has granted loan to two companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanation given to us, the term and condition of the loan are not prejudicial to the Company's interest.

(b) In respect of loan granted to the company covered in the register maintained under section 189 of the Companies Act 2013, repayment of the principal amounts as stipulated and receipt of interest has been regular.

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

(iv) In our opinion and according to the information and explanation given to us, there are no loan, investment 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 generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax/goods and 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 income-tax, provident fund, 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.

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(c) According to the records of the Company, no dues outstanding of ineome tax on aecount of any dispute.

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

(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) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approval mandate by the provision of section 197 read with schedule V to the Companies Act 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applieable 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 finaneial 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

per Yogesh Midha
Partner
Membership No.: 949491
Place: New Delhi
Date: 18 May 2018

S.R. Batliboi & Associates LLP
New Delhi

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NIRJA PUBLISHER AND PRINTERS 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 **Nirja Publisher and Printers Private Limited** ("the Company") as of March 31, 2018 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 with reference to these financial statements 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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

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being madc 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of eollusion or improper management override of controls, material misstatements due to error or fraud may occur and not be deteeted. Also, projections of any evaluation of the internal financial controls over financial reporting with referenee to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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 respeets, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2018, based on the internal control ovcr 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**
Charterod Accountants
ICAI Firm Registration Number: 101049W/E300004

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

per Yogesh Midha
Partner
Membership Number: 94941
Place of Signature: New Delhi
Date: 18 May 2018

Nirja Publishers & Printers Private Limited
Balance sheet as at 31 March 2018
CIN: U74899DL1971PTC005776

(Amount in ₹)

	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	66,563,686	18,994,759	20,749,792
Intangible assets	4	-	85,978	330,132
Financial assets				
- Investments	5A	206,718,435	206,750,035	206,690,620
- Loans	5C	287,286,392	235,989,538	214,538,482
- Other financial assets	5E	70,939	70,939	70,939
Other non-current assets	7	80,068,994	81,694,731	66,279,161
Deferred tax assets (net)	8	319,307	1,215,087	2,085,179
Total non-current assets		**641,027,753**	**544,801,067**	**510,744,305**
Current assets				
Inventories	6	13,602,767	9,465,907	8,438,040
Financial assets				
- Trade receivables	5B	168,020,648	192,762,763	262,707,070
- Loans	5C	94,129	152,329	703,925
- Cash and cash equivalents	5D	5,066,553	203,252	491,954
- Other financial assets	5E	6,840,318	-	-
Other current assets	7	5,198,828	4,719,516	8,110,468
Total current assets		**198,823,243**	**207,303,767**	**280,451,457**
Total assets		**839,850,996**	**752,104,834**	**791,195,762**
Equity and liabilities				
Equity				
Equity share capital	9	120,000	120,000	120,000
Other equity				
- Retained earnings	10	664,165,126	631,073,461	592,261,106
- Other reserves	10	54,200,000	54,200,000	54,200,000
Total equity		**718,485,126**	**685,393,461**	**646,581,106**
Non-current liabilities				
Financial liabilities				
Borrowings	11B	7,030,415	-	-
Provisions	14	2,765,932	2,258,721	1,545,833
Total non current liabilities		**9,796,347**	**2,258,721**	**1,545,833**
Current liabilities				
Financial liabilities				
- Borrowings	11A	42,639,207	38,068,946	85,710,957
- Trade payables	12	64,152,391	24,632,160	56,118,574
- Other financial liabilities	13	3,669,585	1,200,000	500,000
Provisions	14	99,220	91,563	90,541
Other current liabilities	15	1,009,120	459,983	648,751
Total current liabilities		**111,569,523**	**64,452,652**	**143,068,823**
Total equity and liabilities		**839,850,996**	**752,104,834**	**791,195,762**
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

Place : New Delhi
Date : 18 May 2018

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

For and on behalf of the Board of Directors of
Nirja Publishers & Printers Private Limited

Savita Gupta
DIN: 00053988

Himanshu Gupta
DIN: 00054015

Nirja Publishers & Printers Private Limited
Statement of Profit and Loss for the year ended 31 March 2018
CIN: U74899DL1971PTC005776

(Amount in ₹)

		Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
I	Revenue from operations	16	151,232,608	253,967,411
II	Other income	17	29,947,864	26,429,104
III	**Total Income (I+II)**		**181,180,472**	**280,396,515**
IV	**Expenses**			
	Cost of raw materials and components consumed	18	78,609,208	153,757,298
	(Increase)/decrease in inventories of finished goods and work in progress	20	(81,601)	(3,968,494)
	Publication expenses	19	12,510,769	19,163,137
	Selling and distribution expenses	21	3,422,620	4,253,164
	Employee benefits expense	22	19,496,624	19,619,642
	Finance cost	24	2,924,688	8,712,538
	Depreciation and amortisation expense	23	2,983,150	3,467,768
	Other expenses	25	20,053,473	19,950,095
	Total expenses		**139,918,931**	**224,955,148**
V	**Profit before tax (III-IV)**		**41,261,541**	**55,441,367**
VI	**Tax expense:**			
	Current tax		7,374,446	15,413,984
	Income tax adjustment related to earlier years		112,051	-
	Deferred tax charge		837,258	989,467
	Total tax expenses		**8,323,755**	**16,403,451**
VII	**Profit for the year (V-VI)**		**32,937,786**	**39,037,916**
VIII	**Other comprehensive income**			
	- Items not be reclassified to profit or loss in subsequent year	26		
	Re-measurement gains/(losses) on defined benefit plans		212,401	(344,937)
	Tax impact on re-measurement gains/(losses) on defined benefit plans		(58,522)	119,376
IX	**Total Comprehensive Income for the year (VII + VIII) (Comprising profit and other comprehensive income for the year)**		**33,091,665**	**38,812,355**
X	**Earnings per equity share:**	27		
	(1) Basic		2,745	3,253
	(2) Diluted		2,745	3,253
	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

Place : New Delhi
Date : 18 May 2018

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

For and on behalf of the Board of Directors of
Nirja Publishers & Printers Private Limited

Savita Gupta
DIN: 00053988

Himanshu Gupta
DIN: 00054015

Nirja Publishers & Printers Private Limited
Cash flow statement for the year ended 31 March 2018
CIN: U74899DL1971PTC005776

(Amount in ₹)

	31 March 2018 (Amount in Rs.)	31 March 2017 (Amount in Rs.)
Cash flow from operating activities		
Profit before tax	41,261,541	55,441,367
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation & amortisation expenses	2,983,150	3,467,768
Provision for doubtful debts written back	(205,436)	(239,709)
Profit on sale of property, plant and equipment (net)	-	(420,622)
Fair valuation loss/(gain) current investment	31,600	(59,415)
Interest expense	2,488,025	8,707,089
Interest income	(29,525,140)	(25,508,168)
Dividend income	(1,300)	(140)
Operating profit before working capital changes	**17,032,440**	**41,388,171**
Movements in working capital :		
Increase /(decrease) in trade payables	39,520,231	(31,486,414)
Increase /(decrease) in provisions	727,269	368,973
Increase/(decrease) in other current liabilities	549,137	(188,768)
Increase/(decrease) in other financial liabilities	(500,000)	700,000
(Increase)/decrease in trade receivables	24,947,550	70,184,016
(Increase) /decrease in inventories	(4,136,860)	(1,027,868)
(Increase)/ decrease in loans and advances	(238,943)	134,892
(Increase)/decrease in non current assets	(4,737,317)	569,515
Cash generated from operating activities	73,163,508	80,642,518
Direct taxes paid (net of refunds)	(1,602,754)	(28,008,117)
Net cash flow from operating activities (A)	71,560,754	52,634,401
Cash flows from investing activities		
Purchase of fixed assets including work-in-progress and capital advance	(50,466,100)	(7,473,634)
Dividends received	1,300	140
Proceed from sale of fixed assets	-	6,425,675
Investment in fixed deposit having maturity more than 3 months	(6,775,000)	-
Loan given to related parties	(50,999,711)	(21,034,352)
Interest received	29,459,822	25,508,168
Net cash flow from investing activities (B)	(78,779,689)	3,425,997
Cash flows from financing activities		
Proceeds from long-term borrowing	10,000,000	-
Proceed from short-term borrowings	4,570,261	-
Repayment of short term borrowing	-	(47,642,011)
Interest paid	(2,488,025)	(8,707,089)
Net cash used in in financing activities (C)	12,082,236	(56,349,100)
Net increase in cash and cash equivalents (A + B + C)	4,863,301	(288,702)
Cash and cash equivalents at the beginning of the year	203,252	491,954
Cash and cash equivalents at the end of the year	5,066,553	203,252
Components of cash and cash equivalents		
Cash on hand	10,881	5,602
Cheques in hand	4,825,447	-
Balances with banks		
- on current account	230,225	197,650
Total cash and cash equivalents (note 14)	5,066,553	203,252

Reconciliation of liabilities arising from financing activities

Particuars	Long term borrowings (including current maturities)	Short term borrowings
As at 31 March 2017	-	38,068,946
Cash flows	7,030,415	4,570,261
Non cash changes	-	-
As at 31 March 2018	7,030,415	42,639,207

Summary of significant accounting policies 2.1

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

per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 18 May 2018

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

For and on behalf of the Board of Directors of
Nirja Publishers & Printers Private Limited

Savita Gupta
DIN: 00053988

Himanshu Gupta
DIN: 00054015

Nirja Publishers & Printers Private Limited
Statement of changes in equity for the year ended 31 March 2018
CIN: U74899DL1971PTC005776

A. Equity share capital:

	No. of shares	Amount in ₹
Issued, subscribed and fully paid up (share of Rs. 10 each)		
At 1 April 2016	12,000	120,000
At 31 March 2017	12,000	120,000
At 31 March 2018	12,000	120,000

B. Other equity

	Reserve & Surplus		Total
	Retained earnings	General reserve	
As at 1 April 2016	592,261,106	54,200,000	646,461,106
Profit for the year	39,037,916	-	39,037,916
Other comprehensive income for the year	(225,561)	-	(225,561)
Total Comprehensive Income for the year	38,812,355	-	38,812,355
As at 31 March 2017	631,073,461	54,200,000	685,273,461
Profit for the year	32,937,786	-	32,937,786
Other comprehensive income for the year	153,879	-	153,879
Total Comprehensive Income for the year	33,091,665	-	33,091,665
As at 31 March 2018	664,165,126	54,200,000	718,365,126

Summary of significant accounting policies (refer note 2.1)

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 : 18 May 2018

For and on behalf of the Board of Directors of
Nirja Publishers & Printers Private Limited

Savita Gupta
DIN: 00053988

Himanshu Gupta
DIN: 00054015

1. Corporate information

Nirja Publishers and Printers Private Limited (the company) is a private company incorporated under the provisions of the Companies Act, 1956. The company is wholly owned subsidiary of S Chand and Company Limited (Formerly S Chand and Company Private Limited). The registered office of the company is located at 7361, Ram Nagar, Qutab Road, Delhi- 110055. The company is primarily engaged in printing and binding of books for S Chand Group.

These are standalone financial statements and, accordingly, these Indian Accounting Standard (Ind AS) financial statements incorporate amounts and disclosures related to the Company only. These financial statement were authorised for issue in accordance with the resolution of directors on 18 May 2018.

2. Significant accounting policies

2.1 Basis of preparation

The 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 from time to time

For all periods up to and including the year ended 31 March 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 31 March 2018 are the first the Company has prepared in accordance with Ind AS. Reconciliation and description of effect of transition to Ind AS has been summarised in Note 44.

The financial statements have been prepared on a historical cost convention, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR (Indian Rupees).

2.2 Summary of significant accounting policies

a.) Current versus non-current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current.

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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 for the purpose of classification of its assets and liabilities as current and non-current.

b.) 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 profit or loss.

c.) Fair value measurement

The Company measures certain financial instruments 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:

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

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

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

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.

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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 valuer are involved for valuation of significant assets such as valuation of unquoted investments and significant liabilities such as contingent consideration, where ever applicable. Involvement of external valuer 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.

d.) 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 received. 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 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 passed to the buyer. 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, turnover discount and cash discount is primarily made on estimated basis based on historical trends, wherever applicable.

Job Work

Revenue from Job work is recognized when printing and binding job is complete and accepted by the customer and all significant risk and rewards relating to job work are transferred to customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

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Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of profit or loss.

For all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). The 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.

Dividend income

Dividend income is recognized when the company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

e.) Income taxes

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax 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 other comprehensive income (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
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, 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.

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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, associates and interests in joint arrangements, 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.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the period in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

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.

Minimum alternate tax (MAT) paid in a period is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have Convincing evidence that it will pay normal tax during the specified period.

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(Amounts in Indian Rupees, unless otherwise stated)

f.) Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment as at 1st April 2016, were carried in the balance sheet at cost, net of accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, 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, as at 1st April 2016.

Capital work in progress, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. The cost comprises purchase price, 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 profit or loss as incurred.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economie benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably.

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.

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.

Depreciation on property, plant & equipment

Till 31st March 2017, depreciation on property, plant and equipment was being provided on written down value method. W.e.f. 1st April 2017, depreciation is being provided on straight line method.

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 life of the assets.

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	25 years	15 years
Furniture and fixture	10 years	10 years
Office equipment	5 years	5 years
Vehicle	10 years	8 years
Computer	6 years	3 years

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Leasehold improvements are amortised over economic useful life or unexpired period of lease whichever is less. Assets costing ₹ 5,000 or less are depreciated entirely in the year of purchase.

Second hand machinery purchased during the year is depreciated considering its useful life based upon management's assessment is 15 years.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and machinery, vehicles, computers and building 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.

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

g.) 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.

On transition to Ind AS, 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, as at 1st April 2016.

Intangible assets acquired separately are measured on initial recognition at cost. 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

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

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.

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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 years)	Amortized on straight line basis over the period of useful lives	Acquired
Copyrights	Finite (5 years)	Amortized on straight line basis over the period of copyright	Acquired
Goodwill on business combination	In-definite	No amortization	Acquired

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 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. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

h.) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Capitalisation of borrowing costs is suspended and charged to the Statement of profit and loss during extended period when active development activity of the qualifying assets is interrupted.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. It also includes exchanges differences to the extent regarded as an adjustment to the borrowing costs.

i.) 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.

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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.

j.) 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 (FIFO) 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 (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.

k.) 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.

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

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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.

l.) 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.

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.

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual eash 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 effeetive 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.

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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.

Debt instruments at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, 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 debt instrument, 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').

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

Equity investments
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 company 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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit & loss.

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 standalone 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.

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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 company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company 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 measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that 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.

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.

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- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of profit & loss. 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.

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.

Financial guarantee, issued in relation to obligation of subsidiaries are initially recognised at their fair value (as a part of cost of investment in the subsidiary)

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 statement profit or loss.

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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

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.

m.) 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.

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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 i.e. gratuity. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation at each reporting date.

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.

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.

n.) Provisions

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. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow would be require to settle the obligation the provision is reversed.

o.) Contingent liability

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

p.) Decommissioning liability

The Company records a provision for decommissioning costs of a leased facility. Decommissioning costs are provided at the present value of expected costs to the settle the obligation using estimated cash flow and recognised as part of the cost of the particular asset. The cash flow are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added or deducted from the cost of the asset.

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q.) 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 statement of cash flows, cash and cash equivalents consist of cash at bank and in hand and short term investments with an original maturity of three months or less.

r.) Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the net profit or loss for the period attributable to equity shareholders of the eompany by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are ealeulated by dividing the profit or loss attributable to equity shareholders as adjusted for interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares.

s.) Standard issued but not yet effective

Ind AS 115 was issued on 29 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. This standard is applicable for accounting periods beginning on or after 1 April 2018. 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 presentation and disclosure requirements in Ind AS 115 are more detailed than under current Ind AS guidance. The presentation requirements represent a significant change from current practice and significantly increases the volume of disclosures required in the company's financial statements.

The new revenue recognition standard will supersede all current revenue recognition requirements under Ind AS.
The new standard permits two methods of adoption: (a) full retrospective method (retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors), or (b) Cumulative catch - up approach (retrospectively with the cumulative effect of initially applying the guidance recognized at the date of initial application).

The Company is still in the process of considering the appropriate method of adoption.

Amendment to Ind AS 7 'Statement of Cash Flows': Disclosure initiative

The amendment requires entities to provide the diselosure of changes in their liabilities arising from finaneing activities, including both changes arising from cash flows and non-cash changes (such an exchange foreign exchange gain/loss). The Company has provided the information for both the current and the comparative period in the Cash Flow Statements.

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3. Property, plant and equipment

(Amount in ₹)

	Plant & equipment	Furniture & Fixtures	Vehicles	Office equipment	Computer	Leasehold Improvement	Total
Cost^							
As at 1 April 2016	17,582,435	533,378	-	1,262,828	71,922	1,299,229	20,749,792
Additions	6,974,281	14,625	-	363,228	121,500	-	7,473,634
Disposals	(6,081,665)	-	-	-	-	-	(6,081,665)
At 31 March 2017	**18,475,051**	**548,003**	**-**	**1,626,056**	**193,422**	**1,299,229**	**22,141,761**
Additions	31,161,122		18,400,933	904,045	-	-	50,466,100
Disposals	-	-	-	-	-	-	-
At 31 March 2018	**49,636,173**	**548,003**	**18,400,933**	**2,530,101**	**193,422**	**1,299,229**	**72,607,861**
Accumulated depreciation							
As at 1 April 2016	-	-	-	-	-	-	-
Charge for the year	2,078,233	158,095	-	609,298	46,966	331,022	3,223,614
Disposals	(76,612)	-	-	-	-	-	(76,612)
At 31 March 2017	**2,001,621**	**158,095**	**-**	**609,298**	**46,966**	**331,022**	**3,147,002**
Charge for the year	1,736,149	54,950	515,652	229,143	23,947	337,331	2,897,172
Disposals	-	-	-	-	-	-	-
At 31 March 2018	**3,737,770**	**213,045**	**515,652**	**838,441**	**70,913**	**668,353**	**6,044,174**
Net block							
As at 1 April 2016	**17,582,435**	**533,378**	**-**	**1,262,828**	**71,922**	**1,299,229**	**20,749,792**
As at 31 March 2017	**16,473,430**	**389,908**	**-**	**1,016,758**	**146,456**	**968,207**	**18,994,759**
As at 31 March 2018	**45,898,403**	**334,958**	**17,885,281**	**1,691,660**	**122,509**	**630,876**	**66,563,687**

Note: Cost as at April 1, 2016 is calculated as shown below:

I.	Plant & equipment	Furniture & Fixtures	Vehicles	Office equipment	Computer	Leasehold Improvement	Total
Gross block	28,551,175	1,220,083	-	5,561,253	1,155,855	1,471,878	**37,960,244**
Accumulated depreciation	(10,968,740)	(686,705)	-	(4,298,425)	(1,083,933)	(172,649)	**(17,210,452)**
Deemed Cost as at 1 April 2016	**17,582,435**	**533,378**	**-**	**1,262,828**	**71,922**	**1,299,229**	**20,749,792**

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

Particular	Amount in INR
Depreciation as per written down value	6,766,075
Depreciation as per straight line method	2,897,172
Profit increased by	**3,868,903**

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4. **Intangible assets**

(Amount in ₹)

	License Fees for Publication Rights	Total
Cost^		
As at 1 April 2016	330,132	330,132
At 31 March 2017	**330,132**	**330,132**
At 31 March 2018	**330,132**	**330,132**
Accumulated amortization		
As at 1 April 2016	-	-
Charge for the year	244,154	244,154
Disposals	-	-
At 31 March 2017	**244,154**	**244,154**
Charge for the year	85,978	85,978
Disposals		-
At 31 March 2018	**330,132**	**330,132**
Net block		
As at 1 April 2016	**330,132**	**330,132**
As at 31 March 2017	**85,978**	**85,978**
As at 31 March 2018	**-**	**-**

Note: Cost as at April 1, 2016 is calculated as shown below:

II.	License Fees for Publication Rights	Total
Gross block	5,761,252	5,761,252
Accumulated amortization	(5,431,120)	(5,431,120)
Deemed Cost as at 1 April 2016	**330,132**	**330,132**

^ The Company has availed the deemed cost exemption and used the previous GAAP carrying amount of property, plant and equipment as deemed cost.

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5. **Financial assets**

5A. **Non- current investments**

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Trade investments (valued at cost unless stated otherwise)			
Investments in equity shares (Unquoted)			
Investments in subsidiary of holding company			
17,785,000 (31 March 2017: 17,785,000 and 1 April 2016: 17,785,000) equity shares in Safari Digital Education Initiative Private Limited	177,850,000	177,850,000	177,850,000
801 (31 March 2017: 801 and 1 April 2016: 801) equity shares in Vikas Publishing House Private Limited	28,695,165	28,695,165	28,695,165
	206,545,165	206,545,165	206,545,165
b. Investments at Fair value through profit and loss			
i. Investments in equity shares (Quoted)			
500 (31 March 2017: 500 and 1 April 2016: 500) shares of Rs. 10 each fully paid up in State Bank of India	124,950	146,700	97,125
200 ((31 March 2017: 200 and 1 April 2016: 200) shares of Rs. 10 each fully paid up in Oriental Bank of Commerce	18,320	28,170	18,330
	143,270	174,870	115,455
ii Investments in Government and Trust securities (Unquoted)			
National Savings Certificates	30,000	30,000	30,000
	30,000	30,000	30,000
Net investments	206,718,435	206,750,035	206,690,620
Aggregate amount of quoted investments	143,270	174,870	115,455
Aggregate amount of unquoted investments	206,575,165	206,575,165	206,575,165
Aggregate amount of impairment in value of investments	-	-	-

5B. **Trade receivables**

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade receivables			
Unsecured, considered good	-	-	-
Receivable from related parties (refer note 32)	168,020,648	192,762,763	262,707,070
Doubtful	747,250	952,686	1,192,395
	168,767,898	193,715,449	263,899,465
Less: Allowance for expected credit loss			
Unsecured considered good			
Doubtful	(747,250)	(952,686)	(1,192,395)
	(747,250)	(952,686)	(1,192,395)
Net trade receivables			
Unsecured considered good	168,020,648	192,762,763	262,707,070
Trade receivables from related parties (refer note 32)	168,767,898	193,358,318	263,898,043

The movement in impairment of trade receivables is as follows:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Opening balance	952,686	1,192,395	-
Additions/ (Reversals)	(205,436)	(239,709)	1,192,395
Closing balance	747,250	952,686	1,192,395

No trade receivables are due from director or other officer of the Company either severally or jointly with any other person.

5C. **Loans**

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security deposits - Non- current	1,084,467	787,324	370,620
Security deposits - Current	53,870	114,999	667,925
Loan to related parties (refer note 32)	286,201,925	235,202,214	214,167,862
Loans to employees	40,259	37,330	36,000
Total	287,380,521	236,141,867	215,242,407
Current	94,129	152,329	703,925
Non-Current	287,286,392	235,989,538	214,538,482

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5D. Cash and cash equivalents

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balances with banks			
- In current accounts	230,225	197,650	482,496
Cash in hand	10,881	5,602	9,458
Cheques in hand	4,825,447	-	-
Total	5,066,553	203,252	491,954
Current	5,066,553	203,252	491,954
Non-Current	-	-	-

5E. Other financial assets

(Amount in ₹)

	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	6,775,000	-	-
Deposits with original maturity for more than 12 months	50,200	50,200	50,200
Interest accrued but not due on fixed deposits (on short term deposits)	65,318	-	-
Interest accrued but not due on fixed deposits (on long term deposits)	20,739	20,739	20,739
Total	6,911,257	70,939	70,939
Current	6,840,318	-	-
Non-Current	70,939	70,939	70,939

6. Inventories

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Raw materials and components	5,971,421	1,916,162	4,856,789
Stores and spares	4,046,542	4,354,092	3,581,251
Semi finished goods	3,584,804	3,195,653	-
Total	13,602,767	9,465,907	8,438,040
Current	13,602,767	9,465,907	8,438,040
Non-Current	-	-	-

7. Other assets

7A. Prepaid expenses

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Prepaid expenses (Non current)	96,500	80,483	113,669
Prepaid expenses (Current)	533,165	247,565	800,240
Total	629,665	328,048	913,909

7B. Other assets

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances recoverable in cash or kind	1,931,124	229,963	213,617
MAT credit entitlement (Non current)	69,278,510	62,836,835	64,224,201
MAT credit entitlement (Current)	-	4,241,988	7,096,610
Income tax recoverable (net of provision for tax)	10,693,984	18,777,413	1,941,292
Balance with statutory / government authorities	2,734,539	-	-
Total	84,638,157	86,086,199	73,475,720
Current	5,198,828	4,719,516	8,110,468
Non-Current	80,068,994	81,694,731	66,279,161

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8. Deferred taxes

(Amount in ₹)

	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	1,170,739	613,670	1,252,931
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	-	708,674	856,099
Others	35,128	-	-
Total deferred tax assets	1,205,867	1,322,344	2,109,030
Items leading to creation of deferred tax liabilities			
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	886,560	-	-
Others	-	107,257	23,851
Total deferred tax liabilities	886,560	107,257	23,851
Net deferred tax assets	319,307	1,215,087	2,085,179

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9. Share Capital

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised			
100,000 (31 March 2017: 100,000 and 1 April 2016: 100,000) equity shares of Rs 10/- each	1,000,000	1,000,000	1,000,000
Issued, subscribed and fully paid up			
12,000 (31 March 2017: 12,000 and 1 April 2016: 12,000) equity shares of Rs 10/- each	120,000	120,000	120,000
	120,000	**120,000**	**120,000**

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

	Numbers	(Amount in ₹)
Issued, subscribed and fully paid up		
As at 1 April 2016	12,000	120,000
Issued during the year	-	-
As at 31 March 2017	12,000	120,000
Issued during the year	-	-
As at 31 March 2018	**12,000**	**120,000**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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. Shares held by holding company and their subsidiaries

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
S Chand and Company Limited (formerly S Chand and Company Private Limited)	120,000	120,000	120,000

600 (31 March 2017: 600) shares held in the name of Mr. Dinesh Kumar Jhunjhnuwala as nominee or beneficial interest of S Chand and Company Limited (Formerly S Chand and Company Private Limited) (31 March 2016: 600) shares held in the name of Mrs. Nirmala Gupta as nominee or beneficial interest of S Chand and Company Limited (Formerly S Chand and Company Private Limited))

d. Details of shareholders holding more than 5% equity shares in the Company:

	No. of shares held	% of holding
S Chand and Company Limited, the Holding Company (formerly S Chand and Company Private Limited)		
As at 1 April 2016	12,000	100%
As at 31 March 2017	12,000	100%
As at 31 March 2018	12,000	100%

10. Other equity

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017
Retained earning		
Balance as per last financial statements	631,073,461	592,261,106
Add: Surplus during the year	33,091,665	38,812,355
Balance as the end of reporting year	664,165,126	631,073,461
General reserve		
Balance as per last financial statements	54,200,000	54,200,000
Increase/(decrease) during the year	-	-
Balance as the end of reporting year	54,200,000	54,200,000

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11. Borrowings

11A. Current borrowings

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Vehicle loans			
Indian rupee loan from bank (secured) (refer note 'c' below)	2,969,585	-	-
Cash credit			
Indian rupee loan from HDFC Bank (secured) (refer note 'a' below)	-	38,068,946	85,710,957
Indian rupee loan from State Bank of India (secured) (refer note 'b' below)	37,146,069	-	-
Bank overdraft	5,493,138	-	-
Total	45,608,792	38,068,946	85,710,957
Less: Amount presented under "other financial liabilities"	2,969,585	-	-
Total	42,639,207	38,068,946	85,710,957
Secured	42,639,207	38,068,946	85,710,957
Unsecured	-	-	-

a. Cash credit from HDFC Bank and carries interest rate ranging from 11.25% to 11.30% p.a. The loan is repayable on demand. The loan is secured by (i) hypothecation of current assets (present and future) (ii) hypothecation of fixed assets (present and future, except financed by other bank and financial institutions) (iii) Corporate guarantee of S Chand and Company Limited (Formerly S Chand and Company Private Limited) and (iv) personal guarantee of Mr. Dinesh Kumar Jhujhunwala and Mr. Himanshu Gupta. This facility has been repaid during the year.

b. Cash credit from State Bank of India taken during the year and carries interest rate ranging from 8.35% to 10.75% p.a. The loan is repayable on demand. The loan is secured by (i) hypothecation of current assets (present and future) (ii) hypothecation of fixed assets (present and future, except financed by other bank and financial institutions) (iii) Corporate guarantee of S Chand and Company Limited (Formerly S Chand and Company Private Limited).

c. Vehicle Loan from HDFC Bank taken during the year and carries interest rate @ 8.26% p.a. The loan is repayable in 37 monthly installments of Rs. 307,072. The loan is secured by hypothecation of the respective vehicles.

11B. Non-current borrowings

(Amount in ₹)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Vehicle loans			
Indian rupee loan from bank (secured) (refer note 'c' above)	7,030,415	-	-
Total	7,030,415	-	-
Secured	7,030,415	-	-
Unsecured	-	-	-

12. Trade payables

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
Trade payables of micro enterprises and small enterprises (refer note 34)	-	-	-
Trade payables of related entities (refer note 32)	22,281,975	-	2,512,418
Trade payables other than micro enterprises and small enterprises	41,870,416	24,632,160	53,606,156
Total Trade payables	64,152,391	24,632,160	56,118,574
Current	64,152,391	24,632,160	56,118,574
Non current	-	-	-

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13. Other financial liabilities

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security deposit payable	700,000	1,200,000	500,000
Current maturity of long term loans (refer note 11A)	2,969,585	-	-
Total	3,669,585	1,200,000	500,000
Current	3,669,585	1,200,000	500,000
Non current	-	-	-

14. Provisions

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for gratuity (Non current)	2,765,932	2,258,721	1,545,833
Provision for gratuity (Current)	48,619	40,425	26,229
Provision for leave encashment	50,601	51,138	64,312
Total	2,865,152	2,350,284	1,636,374
Current	99,220	91,563	90,541
Non current	2,765,932	2,258,721	1,545,833

15. Other liabilities

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other payables:			
Statutory dues	1,009,120	459,983	648,751
Total	1,009,120	459,983	648,751
Current	1,009,120	459,983	648,751
Non current	-	-	-

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16. Revenue from operations

(Amount in ₹)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products		
Finished books	110,606,945	250,753,216
Other operating revenues		
Job work	38,791,631	-
Sale of raw materials	-	1,375,035
Scrap sales	1,834,032	1,839,160
	151,232,608	253,967,411

17. Other income

a. Finance income

(Amount in ₹)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on .		
Bank deposits	72,576	-
Others	29,452,564	25,508,168
Income tax refund	358,892	-
Unwinding of discount on security deposit paid	(111,304)	79,521
	29,772,728	25,587,689

b. Other income

(Amount in ₹)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividend income on non-current investments	1,300	140
Fair value gain/(loss) on financial instrument at fair value through profit and loss	(31,600)	59,415
Profit on sale of property, plant and equipment (net)	-	420,622
Provision for doubtful debts written back	205,436	239,709
Miscellaneous income	-	121,529
	175,136	841,415
Total other income (a+b)	29,947,864	26,429,104

18. Cost of raw materials and components consumed

(Amount in ₹)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Raw materials consumed		
Inventory at the beginning of the year	1,916,162	4,856,789
Add : purchases during the year	82,664,467	150,816,671
	84,580,629	155,673,460
Less: inventory at the end of the year	5,971,421	1,916,162
Cost of raw materials and components consumed	78,609,208	153,757,298

Details of raw material and components purchased

	For the year ended 31 March 2018	For the year ended 31 March 2017
Raw material (paper)	73,917,918	136,224,663
Glue (hot melt)	3,466,173	5,015,722
PS Plates	1,049,074	3,310,891
Ink	1,311,985	1,951,704
Chemicals	871,338	2,238,377
Packing Material	2,047,979	2,075,314
	82,664,467	150,816,671
Details of inventory		
Raw materials		
Paper	5,971,421	1,916,162

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19. Publication expenses

(Amount in ₹)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Royalty	364,290	125,377
Printing charges	4,753,790	8,805,091
Power and fuel	2,751,012	1,898,238
Repairs and maintenance - machinery	1,072,887	1,768,368
Consumption of stores and spares	3,568,790	6,566,063
	12,510,769	19,163,137

20. Increase in inventories of finished goods and work in progress

	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventories at the end of the year		
Semi finished goods (refer note 6)	3,584,804	3,195,653
Stores and spares (refer note 6)	4,046,542	4,354,092
	7,631,346	7,549,745
Inventories at the beginning of the year		
Semi finished goods	3,195,653	-
Stores and spares	4,354,092	3,581,251
	7,549,745	3,581,251
Increase in inventories	(81,601)	(3,968,494)

21. Selling and distribution expenses

	For the year ended 31 March 2018	For the year ended 31 March 2017
Freight and cartage expenses	3,172,620	3,343,343
Business promotion expenses	250,000	909,821
	3,422,620	4,253,164

22. Employee benefits expense

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	16,760,476	16,731,551
Contribution to provident and other funds	1,288,838	1,255,709
Gratuity expense (refer note 30)	871,398	619,503
Staff welfare expenses	575,912	1,012,879
	19,496,624	19,619,642

23. Depreciation and amortization expense

	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	2,897,172	3,223,614
Amortization of intangible assets	85,978	244,154
	2,983,150	3,467,768

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24. Finance cost

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest - others	2,488,025	8,707,089
Bank charges	158,815	2,574
Loan processing fee	277,848	2,875
	2,924,688	8,712,538

25. Other expenses

	For the year ended 31 March 2018	For the year ended 31 March 2017
Outsource services	9,640,934	8,861,527
Rent	2,711,031	2,900,129
Repairs and maintenance - building	1,365,329	1,211,411
Insurance	371,620	461,870
Travelling and conveyance	889,384	2,341,512
Communication cost	139,618	160,914
Security charges	1,139,192	1,214,796
Printing and stationery	429,144	45,012
Legal and professional fee	968,581	524,738
Corporate social responsibility (refer note 39)	1,250,000	1,000,000
Payment to auditors (refer details below)	879,308	875,984
Miscellaneous expenses	269,332	352,202
	20,053,473	19,950,095

Payment to auditor

	For the year ended 31 March 2018	For the year ended 31 March 2017
As auditor:		
Audit fee	826,000	817,302
Out of pocket expense	53,308	58,682
	879,308	875,984

26. 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 31st March 2018

	Retained earnings	Total
Re-measurment gains/(losses) on defined benefit plans	212,401	212,401
Tax impact on re-measurement gains/(losses) on defined benefit plans	(58,522)	(58,522)
	153,879	153,879

During the year ended 31st March 2017

	Retained earnings	Total
Re-measurment gains/(losses) on defined benefit plans	(344,937)	(344,937)
Tax impact on re-measurement gains/(losses) on defined benefit plans	119,376	119,376
	(225,561)	(225,561)

27. Earning per share (EPS)

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	32,937,786	39,037,916
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	12,000	12,000
Basic EPS (absolute value in INR)	2,745	3,253
Diluted EPS (absolute value in INR)	2,745	3,253

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28a. Income taxes

	For the year ended 31 March 2018	For the year ended 31 March 2017
Income tax charged to statement of profit and loss		
Current income tax charge	7,374,446	15,413,984
Income tax adjustment related to earlier year	112,051	-
Deferred tax charge	837,258	989,467
	8,323,755	**16,403,451**
Income tax charged to other comprehensive income		
Expenses (benefit) on re-measurement gain/(loss) on defined benefit plans	58,522	(119,376)
	58,522	**(119,376)**

28b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Accounting profit before tax	41,261,541	55,441,367
Accounting profit before income tax	**41,261,541**	**55,441,367**
At statutory income tax rate of 27.55% (31 March 2017: 33.06%)	11,367,555	18,328,916
Exempt income under section 80IC	(3,184,986)	(2,991,271)
Non-deductible expenses	344,375	330,600
Basis difference that will reverse during tax holiday period	(98,177)	166,108
Others	(105,012)	569,098
Income tax expense reported in the statement of profit and loss	8,323,755	16,403,451

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29 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 managment 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 30

Provision for decommissioning

In measuring the provision for site restoration obligation, the Company uses the technical estimates to determine the expected cost of dismantling and removing the improvement or infrastructure for properties under lease. Discount rate are determined based on the government bond rate of a similar period as the liability.

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 5B.

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.

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30. Gratuity and other post- employment benefits plan

The Company has an unfunded defined benefit gratuity plan. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The following tables summarize the components of net benefit expense recognised in the statement of profit and loss 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	270,218	264,108
Past service cost	434,818	-
Interest cost on defined obligation	166,362	103,190
Acquisition/Business Combination/Divestiture (Refer note 'a' below)	-	252,205
	871,398	619,503

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	(212,401)	344,937
	(212,401)	344,937

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	2,299,146	1,572,062
Current service cost	270,218	264,108
Past service cost	434,818	-
Interest cost	166,362	103,190
Benefits paid	(143,592)	(237,356)
Acquisition/Business Combination/Divestiture (Refer note 'a' below)	-	252,205
Actuarial (gains) / losses on obligation	(212,401)	344,937
Closing defined benefit obligation	**2,814,551**	**2,299,146**
Current Portion	**48,619**	**40,425**
Non - Current Portion	**2,765,932**	**2,258,721**

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%	7.30%
Expected rate of return on assets	N.A.	N.A.
Expected rate of salary increase	6%	6%
Retirement age (in years)	60 years	60 years
Employee turnover:-		
Service upto 5 years	5%	5%
Service above 5 years	1%	1%
Mortality rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

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

The expected contribution for next annual reporting period is Rs. Nil (31 March 2017: Rs. Nil)

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
Present value of obligation at the end of the reporting period			
Impact of changes in discount rate			
Impact due to increase	+ 1%	3,062,831	2,540,964
Impact due to decrease	- 1%	2,600,661	2,093,358
Impact of changes in salary rate			
Impact due to increase	+ 1%	3,064,560	2,503,695
Impact due to decrease	- 1%	2,595,538	2,125,278

The sensitivity analysis above has 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.

Note :

a. Gratuity liability of Rs. 252,205/- of Neerja Jhunjhunwala as on March 31, 2016 has been shown as a transfer in to Nirja Publishers and Printers Private Limited from S Chand and Company Limited.

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31. Leases

Operating lease: company as lessee

a. The Company has taken machinery 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. Nil (31 March 2017: Rs 337,500; 1 April 2016: Rs 2,025,000). There are no restrictions imposed by the lease agreements. There are no sub leases.

b. The Company has taken premises for factory use under operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to Rs 2,711,0311 (31 March 2017: Rs 2,900,129; 1 April 2016: Rs 3,101,707). 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 :

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within one year	1,355,656	1,355,656	1,355,656
After one year but not more than five years	1,468,627	2,824,283	4,179,939
After five years	-	-	-

32. Related party disclosure

a) Names of related parties and related party relationship

Related parties where control exists	
Holding Company	S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Related parties with whom transactions have taken place during the year	
Fellow subsidiaries	Vikas Publishing House Private Limited Safari Digital Education Initiatives Private Limited New Saraswati House (India) Private Limited D S Digital Private Limited
Enterprise over which KMP or their relatives exercise	Smartivity Labs Private Limited
Key Management Personnel	Mr Himanshu Gupta, Director Mrs Savita Gupta, Director Mr Dinesh Kumar Jhunjhunuwala, Director Mrs Neerja Jhunjhunuwala, Whole time Director

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b) Transactions with the related parties (Amount in Rs.)

Nature of transactions	Year Ended	Holding Company	Fellow subsidiaries	Enterprise over which KMP or their relatives exercise significant influence	Key management personnel	Total
Printing charges paid						
Vikas Publishing House Private Limited	31 March 2018	-	4,753,790	-	-	4,753,790
	31 March 2017	-	8,805,091	-	-	8,805,091
Rent paid						
S Chand and Company Limited	31 March 2018	-	-	-	-	-
	31 March 2017	337,500	-	-	-	337,500
Loan given during the year						
D S Digital Pvt Ltd	31 March 2018	-	25,000,000	-	-	25,000,000
	31 March 2017	-	-	-	-	-
Interest income						
D S Digital Private Limited	31 March 2018	-	1,228,298	-	-	1,228,298
	31 March 2017	-	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2018	-	28,224,266	-	-	28,224,266
	31 March 2017	-	25,508,168	-	-	25,508,168
Remuneration to directors						
Nirmala Gupta	31 March 2018				-	-
	31 March 2017	-	-	-	800,000	800,000
Himanshu Gupta	31 March 2018	-	-	-	-	-
	31 March 2017	-	-	-	250,000	250,000
Gaurav Kumar Jhunjhnuwala	31 March 2018	-	-	-	-	-
	31 March 2017	-	-	-	200,000	200,000
Neerja Jhunjhnuwala	31 March 2018	-	-	-	3,600,000	3,600,000
	31 March 2017	-	-	-	3,000,000	3,000,000
Sales/ Job Work						
S Chand and Company Limited	31 March 2018	132,544,551	-	-	-	132,544,551
	31 March 2017	206,297,499	-	-	-	206,297,499
New Saraswati House (India) Private Limited	31 March 2018	-	16,696,574	-	-	16,696,574
	31 March 2017	-	44,455,717	-	-	44,455,717
Vikas Publishing House Private Limited	31 March 2018	-	157,451	-		157,451
	31 March 2017	-	-	-	-	-
Sale of paper/consumables						
Vikas Publishing House Private Limited	31 March 2018	-	-	-	-	-
	31 March 2017	-	1,375,035	-	-	1,375,035
Purchase of paper/consumables						
Vikas Publishing House Private Limited	31 March 2018	-	20,256,340	-	-	20,256,340
	31 March 2017	-	-	-	-	-
Sale of fixed assets						
Vikas Publishing House Private Limited	31 March 2018	-	-	-	-	-
	31 March 2017	-	6,025,676	-	-	6,025,676
Purchase of fixed assets						
Vikas Publishing House Private Limited	31 March 2018	-	3,100,000	-	-	3,100,000
	31 March 2017	-	6,974,281	-	-	6,974,281
Corporate Guarantee taken						
S Chand and Company Limited	31 March 2018	37,146,069	-	-	-	37,146,069
	31 March 2017	38,068,946	-	-	-	38,068,946
Corporate Guarantee given						
S Chand and Company Limited	31 March 2018	150,257,300	-	-	-	150,257,300
	31 March 2017	71,704,884	-	-	-	71,704,884

c) Balance outstanding (Amount in Rs.)

	Year Ended	Holding Company	Fellow subsidiaries	Enterprise over which KMP or their relatives exercise significant influence	Key management personnel	Total
Trade receivable						
S Chand and Company Limited*	31 March 2018	153,004,622	-	-	-	153,004,622
	31 March 2017	152,672,544	-	-	-	152,672,544
	1 April 2016	247,309,604	-	-	-	247,309,604
New Saraswati House (India) Private Limited*	31 March 2018		15,763,276	-	-	15,763,276
	31 March 2017	-	40,213,127	-	-	40,213,127
	1 April 2016	-	16,588,439	-	-	16,588,439
Vikas Publishing House Private Limited*	31 March 2018	-	-	-	-	-
	31 March 2017	-	472,648	-	-	472,648
	1 April 2016	-	-	-	-	-
Loan and advances						
Smartivity Labs Private Limited	31 March 2018	-	-	-	-	-
	31 March 2017	-	-	-	-	-
	1 April 2016	-	-	1,500,000	-	1,500,000
D S Digital Private Limited	31 March 2018	-	26,105,471	-	-	26,105,471
	31 March 2017	-	-	-	-	-
	1 April 2016	-	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2018	-	260,096,454	-	-	260,096,454
	31 March 2017	-	235,202,214	-	-	235,202,214
	1 April 2016	-	212,667,862	-	-	212,667,862
Trade payable						
Vikas Publishing House Private Limited	31 March 2018	-	22,281,975	-	-	22,281,975
	31 March 2017	-	-	-	-	-
	1 April 2016	-	2,512,418	-	-	2,512,418
Remuneration to directors payable						
Neerja Jhunjhnuwala	31 March 2018	-	-	-	300,000	300,000
	31 March 2017	-	-	-	300,000	300,000
	1 April 2016	-	-	-	-	-

*Gross up of provision for impairment allowance.

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33. **Contingent liabilities (to the extent not provided for)**

	31 March 2018	31 March 2017
Corporate Guarantee against cash credit facility availed by Holding company (refer no 'a' below)	150,257,300	71,704,884
Income tax demand (refer note 'b' below)	-	66,911,797

a. The Company has given guarantee to certain banks in respect of credit facility availed by holding company

Guarantee given to	In respect to credit facility granted to	Maturity date	Interest rate	31 March 2018	31 March 2017
HDFC Bank	S Chand and Company Limited	On demand	11.25% to 11.30%	150,257,300	71,704,884

b. Net of tax deposited by the Company of Rs. Nil (31 March 2017: Rs. 8,000,000) against the above demand. During the year, the Company got favourable outcome in respect of above demand in appellate process. The department is in appeal before the Income Tax Appellate Tribunal (ITAT).

34. **Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006**
The Company has requested its various suppliers, who may be the enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006, to furnish the relevant registration certificate under that Act, but the said information is yet to be received till date; and hence, in absence of the same, no specific amount of outstanding on account of purchases made / services obtained from such suppliers can be ascertained.

35. **Imported and indigenous raw materials, components and spare parts consumed**

Raw Materials	Imported		Indigenously obtained	
	Percentage (%)	Amount (Rs.)	Percentage (%)	Amount (Rs.)
As at 31 March 2018	0%	-	100%	78,609,208
As at 31 March 2017	0%	-	100%	153,757,298

36. **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 required by Sec 186(4) of Companies Act 2013:

Name of the loanee	Rate of Interest/ Due Date	Secured/ unsecured	31 March 2018	31 March 2017
Safari Digital Education Initiatives Private Limited	12% p.a./ 3 years	Unsecured	260,096,454	235,202,214
D S Digital Private Limited	10.75% p.a./ 3 years	Unsecured	26,105,471	-

The loans have been utilized for meeting their working capital requirements.

37. **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 binding 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.

38. **Information about major customers**
Revenue from 2 major customers amounted to Rs 149,241,125 aggregating to 98.68% of total revenue (Rs 25,0753,216 aggregating to 98.73% during the year ended 31 March 2017).

39. **Corporate Social Responsibility (CSR)**
The Company has contributed Rs 1,250,000 (31 March 2017: Rs. 1,000,000) out of the total contributable amount of Rs 2,300,894 (31 March 2017: Rs 2,689,329) as of 31 March 2018 in accordance with section 135 read with schedule VII to the Companies Act, 2013 to a society involved in promoting education, including special education, employment enhancement and vocational skill specially among children and students. Unspent amount has not been provided in books.

40. **Amalgamation Scheme Information**

The Holding Company, S Chand and Company Limited had 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 Safari Digital Education Initiatives Private Limited 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 S Chand and Company Limited shall file the Scheme with National Company Law Tribunal (NCLT), post approval from BSE and NSE.

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41 Financial Instruments:- Financial risk management objectives and policies

The Company's principal financial liabilities, comprises 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 analysis in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The sensitivity analysis 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. 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
31 March 2018		
Borrowings in Rs.	+0.5%	263,196
	-0.5%	(263,196)
31 March 2017		
Borrowings in Rs.	+0.5%	190,345
	-0.5%	(190,345)
1 April 2016		
Borrowings in Rs.	+0.5%	428,555
	-0.5%	(428,555)

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 have any foreign currency exposure as on the reporting date other than the company's functional currency.

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	Current	0-180 days past due	181-365 days past due	366-730 days past due	More than 730 days	Total
As at 31 March 2018	140,579,296	14,238,368	13,202,985	-	-	**168,020,648**
As at 31 March 2017	125,610,136	67,151,204	-	-	1,423	**192,762,763**
As at 1 April 2016	221,222,444	41,483,204	-	1,423	-	**262,707,070**

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	42,639,207	38,068,946	85,710,957
	42,639,207	**38,068,946**	**85,710,957**
Less than 1 year			
- Trade payables	64,152,391	24,632,160	56,118,574
- Other financial liabilities	3,669,585	1,200,000	500,000
	67,821,976	**25,832,160**	**56,618,574**
More than 1 year			
- Borrowings	7,030,415	-	-
	7,030,415	**-**	**-**

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42 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 between 5% and 12%. 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 11)	49,669,622	38,068,946	85,710,957
Less: Cash and cash equivalents (Note 5D)	(5,066,553)	(203,252)	(491,954)
Adjusted Net debt (A)	44,603,069	37,865,694	85,219,003
Equity	718,485,126	685,393,461	646,581,106
Total equity (B)	718,485,126	685,393,461	646,581,106
Total equity and net debt [C = (A+B)]	763,088,195	723,259,155	731,800,109
Gearing Ratio (A/C)	5.85%	5.24%	11.65%

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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43 Fair value of financial assets and liabilities

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financials instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	31 March 2018			31 March 2017			1 April 2016		
	FVTPL	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI
Assets									
Non current financial assets									
- Investments	143,270	206,718,435	-	174,870	206,750,035	-	115,455	206,690,620	-
- Loans	-	287,286,392	-		235,989,538		-	214,538,482	-
- Other financial assets	-	70,939	-		70,939		-	70,939	-
Current financial assets									
- Trade receivables	-	168,020,648	-	-	192,762,763	-	-	262,707,070	-
- Loans	-	94,129	-	-	152,329	-	-	703,925	-
- Cash and cash equivalents	-	5,066,553	-	-	203,252	-	-	491,954	-
- Other financial assets	-	6,840,318	-	-	-	-	-	-	-
Liabilities									
Non Current Financial liabilities									
- Borrowings		7,030,415	-	-	-	-	-	-	-
Current financial liabilities									
- Borrowings	-	42,639,207	-	-	38,068,946	-	-	85,710,957	-
- Trade payables	-	64,152,391	-	-	24,632,160	-	-	56,118,574	-
- Other financial liabilities	-	3,669,585	-	-	1,200,000	-	-	500,000	-

The following assumptions/ methods were used to estimate the fair values:

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

ii.) Fair value of quoted financial instruments is based on quoted market price at the reporting date.

iii.) The carrying amount of other items carried at amortized cost are reasonable approximation of their fair value.

iv.) The Company classifies all its financial assets and financial liabilities to be measured at amortised cost. Hence the Company has not classified its financial instruments into three levels of fair value measurements hierarchy in accordance with the relevant Indian Accounting Standard.

44 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 as deemed cost at the transition date.

b.) Investments in subsidiaries

Ind AS 101 permits a first time adopter to measure its investment in subsidiaries, associates and joint venture, at the date of transition, at cost determined in accordance with Ind AS 27 or deemed cost. The deemed cost of such investment shall be it's fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date.

The Company has elected to measure its investment in subsidiaries at the previous GAAP carrying amount as its deemed cost on the transition date.

ii.) Reconciliation between Previous GAAP and Ind AS

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

(Amount in ₹)

	Foot notes	Indian GAAP*	IndAs Adjustment	IndAS
Assets				
Non-current assets				
Property, plant and equipment		20,749,792	-	20,749,792
Intangible assets		330,132	-	330,132
Financial assets				
- Investments	1	206,592,165	98,455	206,690,620
- Loans	2	215,141,597	(603,115)	214,538,482
- Other financial assets		70,939	-	70,939
Other non-current assets	2	66,165,493	113,668	66,279,161
Deferred tax assets (net)	5	1,814,439	270,740	2,085,179
Total non-current assets		**510,864,557**	**(120,252)**	**510,744,305**
Current assets				
Inventories		8,438,040	-	8,438,040
Financial assets				
- Trade receivables	4	263,899,466	(1,192,396)	262,707,070
- Loans	2	306,000	397,925	703,925
- Cash and cash equivalents		491,954	-	491,954
Other current assets		8,034,137	76,331	8,110,468
Total current assets		**281,169,597**	**(718,140)**	**280,451,457**
Total assets		**792,034,154**	**(838,392)**	**791,195,762**
Equity and liabilities				
Equity				
Equity share capital		120,000	-	120,000
Other equity				
- Retained earnings		593,099,498	(838,392)	592,261,106
- Other reserves		54,200,000	-	54,200,000
Total equity		**647,419,498**	**(838,392)**	**646,581,106**
Non-current liabilities				
Financial liabilities				
Borrowings		-	-	-
Provisions		1,545,833	-	1,545,833
Total non current liabilities		**1,545,833**	**-**	**1,545,833**
Current liabilities				
Financial liabilities				
- Borrowings		85,710,957	-	85,710,957
- Trade payables		56,118,574	-	56,118,574
- Other financial liabilities		500,000	-	500,000
Provisions		90,541	-	90,541
Other current liabilities		648,751	-	648,751
Total current liabilities		**143,068,823**	**-**	**143,068,823**
Total equity and liabilities		**792,034,154**	**(838,392)**	**791,195,762**

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

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Notes to financial statements for the year ended 31 March 2018
CIN: U74899DL1971PTC005776

Annexure IIa - Reconciliation of equity as at 31 March 2017

(Amount in ₹)

	Foot notes	Indian GAAP*	IndAs Adjustment	IndAS
Assets				
Non-current assets				
Property, plant and equipment		18,994,759	-	18,994,759
Intangible assets		85,978	-	85,978
Financial assets				
- Investments	1	206,592,165	157,870	206,750,035
- Loans	2	236,242,786	(253,248)	235,989,538
- Other financial assets		70,939	-	70,939
Other non-current assets	2	81,614,248	80,483	81,694,731
Deferred tax assets (net)	5	1,027,753	187,334	1,215,087
Total non-current assets		544,628,628	172,439	544,801,067
Current assets				
Inventories		9,465,907	-	9,465,907
Financial assets				
- Trade receivables	4	193,715,449	(952,686)	192,762,763
- Loans	2	37,330	114,999	152,329
- Cash and cash equivalents		203,252	-	203,252
Other current assets	2	4,674,271	45,245	4,719,516
Total current assets		208,096,209	(792,442)	207,303,767
Total assets		752,724,837	(620,003)	752,104,834
Equity and liabilities				
Equity				
Equity share capital		120,000	-	120,000
Other equity				
- Retained earnings		631,693,464	(620,003)	631,073,461
- Other reserves		54,200,000	-	54,200,000
Total equity		686,013,464	(620,003)	685,393,461
Non-current liabilities				
Financial liabilities				
Borrowings		-	-	-
Provisions		2,258,721	-	2,258,721
Total non current liabilities		2,258,721	-	2,258,721
Current liabilities				
Financial liabilities				
- Borrowings		38,068,946	-	38,068,946
- Trade payables		24,632,160	-	24,632,160
- Other financial liabilities		1,200,000	-	1,200,000
Provisions		91,563	-	91,563
Other current liabilities		459,983	-	459,983
Total current liabilities		64,452,652	-	64,452,652
Total equity and liabilities		752,724,837	(620,003)	752,104,834

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

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

		Foot notes	Indian GAAP*	IndAs Adjustment	IndAS
I	Revenue from operations		253,967,411	-	253,967,411
II	Other income	1,2	26,050,459	378,645	26,429,104
III	**Total Income (I+II)**		280,017,870	378,645	280,396,515
IV	Expenses				
	Cost of raw materials and components consumed		153,757,298	-	153,757,298
	(Increase)/decrease in inventories of finished goods and work in progress		(3,968,494)	-	(3,968,494)
	Publication expenses		19,163,137	-	19,163,137
	Selling and distribution expenses		4,253,164	-	4,253,164
	Employee benefits expense	3	19,964,579	(344,937)	19,619,642
	Finance cost		8,712,538	-	8,712,538
	Depreciation and amortisation expense		3,467,768	-	3,467,768
	Other expenses	2	19,873,246	76,849	19,950,095
	Total expenses		225,223,236	(268,088)	224,955,148
V	**Profit before tax (III-IV)**		54,794,634	646,733	55,441,367
VI	**Tax expense:**				
	Current tax		15,413,984	-	15,413,984
	Deferred tax charge		786,684	202,783	989,467
	Total tax expenses		16,200,668	202,783	16,403,451
VII	**Profit for the year (V-VI)**		38,593,966	443,950	39,037,916
VIII	**Other Comprehensive Income**				
	- Items that will not be reclassified to profit or loss				
	Re-measurement gains/(losses) on defined benefit plans		-	(344,937)	(344,937)
	Tax impact on re-measurement gains/(losses) on defined benefit plans		-	119,376	119,376
IX	**Total Comprehensive Income for the year (VII+VIII)**		38,593,966	218,389	38,812,355

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) **Investments**
Under previous GAAP, current investments were measured at lower of Cost or fair value. Under Ind AS these financials assets are classified as FVTPL and the changes in fair value are recognised in statement of profit and loss. On the transition date, these financial assets have been measured at their fair value which is higher/lower than its cost as per previous GAAP, resulting in an increase/decrease in carrying value of the investments with corresponding increase/decrease being recognised in equity.

2) **Non current financial assets/ financial liabilities**
Under previous GAAP, certain non-current financial assets/ liabilities which were measured at cost/ best estimate of the expenditure required to settle the obligation, at the balance sheet date without considering the effect of discounting where as these are measured at the present value on the balance sheet date under Ind AS. Accordingly the Company has recognised the adjustments to the respective carrying amount and the consequent impact on finance cost/ finance income due to unwinding of the discounting impact. The corresponding impact on the date of transition has been recognised in equity.

3) **Remeasurment differences**
Under previous GAAP, there was no concept of other comprehensive income and hence, previous GAAP profit is reconciled to total comprehensive income as per Ind AS. Under previous GAAP, the remeasurments of the net defined benefit liability were recognised in the statement of profit and loss however under Ind AS, said remeasurment differences net of the related tax impact are recognised in the other comprehensive income.

4) **Trade receivables**
Under previous GAAP, the Company had created provision for impairment of receivables only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Due to the ECL model, the Company impaired its trade receivables as on 1 April 2016 and 31 March 2017, which has been recognised in the statement of profit and loss.

5) **Deferred Tax**
Under Ind AS, the Company has recognised the consequential tax implications on the impact on account of adjustments explained above.

45 **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

Place : New Delhi
Date : 18 May 2018

S.R. Batliboi & Associates LLP New Delhi

For and on behalf of the Board of Directors of
Nirja Publishers & Printers Private Limited

Savita Gupta
DIN: 00053988

Himanshu Gupta
DIN: 00054015