

INDEPENDENT AUDITOR'S REPORT

To the Members of Nirja Publisher and Printers Private Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



S.R. BATLIBOI & ASSOCIATES LLP

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- iv. The Company has provided requisite disclosure in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8 November 2016 and 30 December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer to note 36 to the financial statement.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Yogesh Midha

Partner

Membership Number: 94941

Place of Signature: New Delhi

Date: 06/06/2017



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) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in 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 loans to one company 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 company covered in the register maintained under section 189 of the Companies Act 2013, repayment of the principal amount as stipulated and receipt of interest has been regular.
- (c) The are no loans granted to 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 explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' estate insurance, income-tax, service tax, value added tax, cess and other material statutory dues applicable to it. The provisions relating to customs duty and excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' estate insurance, income-tax, service tax, value added tax cess and other undisputed statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.



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

Name of the statutes	Nature of dues	Amount (Rs.)	Period to which the amount relate	Forum where the amount is dispute
Income Tax Act, 1961	Disallowance of deduction claimed u/s 80IC and turnover discount	39,472,967*	AY 2011-12	ITAT
Income Tax Act, 1961	Disallowance of deduction claimed u/s 80IC and turnover discount	35,438,380	AY-2012-13	CIT(A)

*Amount paid under protest against such demand is Rs. 8,000,000.

- (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 financial 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) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statement and according to the information and explanations given by the management, we report that the provision of section 197 read with Schedule V of the Companies Act 2013 is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not comment upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants



per Yogesh Midha
Partner

Membership No.: 94941

Place: New Delhi

Date: 06/06/2017



ANNEXURE 2 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")

To the Members of Nirja Publisher and Printers Private Limited

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Yogesh Midha

Partner

Membership Number: 94941

Place of Signature: New Delhi

Date: 06/06/2017



Nirja Publishers & Printers Private Limited
Balance sheet as at 31 March 2017
CIN No:- U74899DL1971PTC005776

	Notes	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Equity and liabilities			
Shareholders' funds			
Share capital	3	120,000	120,000
Reserves and surplus	4	685,893,464	647,299,498
		686,013,464	647,419,498
Non-current liabilities			
Long term provisions	6	2,258,721	1,545,833
		2,258,721	1,545,833
Current liabilities			
Short term borrowings	5	38,068,946	85,710,957
Trade payables			
• Total outstanding dues of micro enterprises and small enterprises		-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	7	24,632,160	56,118,574
Other current liabilities	7	1,659,983	1,148,751
Short term provisions	6	91,563	90,541
		64,452,652	143,068,823
TOTAL		752,724,837	792,034,154
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	8	18,994,759	20,749,792
Intangible assets	9	85,978	330,132
Non-current investments	10	206,592,165	206,592,165
Deferred tax assets (net)	11	1,027,753	1,814,439
Loans and advances	12	317,832,034	279,782,091
Other non-current assets	13	70,939	70,939
		544,603,628	509,339,558
Current assets			
Inventories	14	9,465,907	8,438,040
Trade receivables	15	193,715,449	263,899,466
Cash and bank balances	16	203,252	491,954
Loans and advances	12	4,736,601	9,865,136
		208,121,209	282,694,596
TOTAL		752,724,837	792,034,154

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

Firm registration number : 101049W/E300004

Chartered Accountants



per Yogesh Midha

Partner


Membership No: 94941


Date: 06/06/2017

Place: New Delhi



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


Director
DIN - 00053988



Director
DIN - 00054015

Nirja Publishers & Printers Private Limited
Statement of profit and loss for the year ended 31 March 2017
CIN No:- U74899DL1971PTC005776

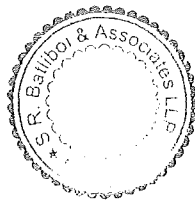
	Notes	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Income			
Revenue from operations	17	253,967,411	487,709,070
Other income	18	542,291	221,227
Total revenue (I)		254,509,702	487,930,297
Expenses			
Cost of raw material and component consumed	19	153,757,298	240,630,187
Publication expenses	20	19,163,137	28,334,254
Increase in inventories of work in progress and stores and spares	21	(3,968,494)	(268,209)
Selling and distribution expenses	22	4,253,164	4,837,063
Employee benefit expenses	23	19,964,579	23,173,431
Other expenses	26	19,873,246	21,041,379
Total expenses (II)		213,042,930	317,748,106
Profit before interest, tax, depreciation and amortization (EBITDA) (I-II)		41,466,772	170,182,191
Depreciation and amortization expense	24	3,467,768	3,947,052
Finance costs	25	8,712,538	13,863,999
Interest income	18.1	(25,508,168)	(13,310,403)
Profit before tax		54,794,634	165,681,543
Tax expense			
Current tax			
Pertaining to profit for the current year		11,171,996	35,350,187
Adjustment of tax relating to earlier years		-	(739,903)
Mat credit utilized		4,241,988	7,096,611
Deferred tax charge/(credit)		786,684	(1,981,051)
Total tax expense		16,200,668	39,725,845
Profit for the year		38,593,966	125,955,699
Earnings per equity share [Nominal value of share Rs. 10]	27		
Basic			
Computed on the basis of total profit for the year		3,216.16	10,496
Diluted			
Computed on the basis of total profit for the year		3,216.16	10,496
Summary of significant accounting policies	2.1		

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

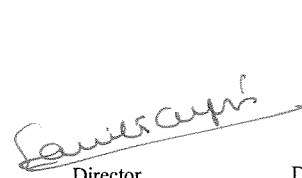
As per our report of even date
For S.R. Batliboi & Associates LLP
Firm registration number : 101049W/E300004
Chartered Accountants



per Yogesh Midha
Partner
Membership No: 94941

Date: 06/06/2017
Place: New Delhi



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


Director
(DIN: 00053988)


Director
(DIN:00054015)

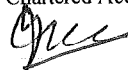
Nirja Publishers & Printers Private Limited
Cash flow statement for the year ended 31 March 2017
CIN No:- U74899DL1971PTC005776

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Cash flow from operating activities		
Profit before tax	54,794,634	165,681,544
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	3,467,768	3,947,052
Interest expense	8,709,964	13,836,361
Profit on sale of current investment	-	(220,567)
(Profit)/loss on sale of fixed assets	(420,622)	779,801
Interest income	-	(4,332)
Dividend received	(140)	(660)
Operating profit before working capital changes	66,551,604	184,019,199
Movements in working capital :		
(Decrease)/increase in trade payables	(31,486,414)	7,267,835
Increase in provisions	713,910	1,028,307
(Decrease)/increase in other current liabilities	511,232	22,171
Decrease in trade receivables	70,184,016	72,168,928
Increase in inventories	(1,027,867)	(4,034,337)
Increase in loans and advances	(20,327,275)	(208,567,868)
Cash generated from operating activities	85,119,206	51,904,235
Direct taxes paid (net of refunds)	(28,008,118)	(35,153,261)
Net cash flow from operating activities (A)	57,111,088	16,750,974
Cash flows from investing activities		
Purchase of fixed assets, including capital work in progress and capital advances	(7,473,634)	(6,716,686)
Proceed from sale of fixed assets	6,425,676	1,382,338
Purchase of non-current investments	-	(15,500,000)
Proceed from sale of current investment	-	3,265,791
Dividends received	140	660
Net cash used in investing activities (B)	(1,047,818)	(17,567,897)
Cash flows from financing activities		
Repayment of long-term borrowings	-	(374,639)
Repayment of short term borrowings	(47,642,008)	15,279,331
Interest paid	(8,709,964)	(13,836,361)
Net cash (used in)/flow from financing activities (C)	(56,351,972)	1,068,331
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(288,702)	251,408
Cash and cash equivalents at the beginning of the year	491,954	240,546
Cash and cash equivalents at the end of the year	203,252	491,954
Components of cash and cash equivalents		
Cash on hand	5,602	9,458
Balances with banks		
- on current account	197,650	482,496
Total cash and cash equivalents (note 16)	203,252	491,954

Summary of significant accounting policies

2.1

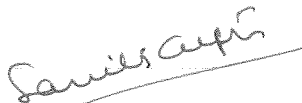
The accompanying notes are an integral part of the financial statements.


As per our report of even date
For S.R. Batliboi & Associates LLP
Firm registration number : 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No: 94941



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

Nirja


Director
DIN - 00053988


Director
DIN - 00054015

Date: 06/06/2017
Place: New Delhi

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 company is primarily engaged in printing and binding of books for S Chand Group.

2. Basis of preparation

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

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

2.1 Summary of significant accounting policies

(a) Change in accounting policy

Disclosure of EBITDA

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

(b) Use of estimates

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

(c) Property, Plant and Equipment

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

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on



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Nirja Publishers & Printers Private Limited
Notes to financial statements for the year ended 31 March 2017

existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred. Items of stores and spares that meet the definition of plant, property and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

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

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

(d) Intangible assets

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

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

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

(e) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a written down value basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its property, plant and equipment.

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

Asset category	Useful lives as per schedule II	Useful lives as estimated by the management
Plant and equipment	15 years	25 years
Furniture and fixture	10 years	10 years
Office equipment	5 years	5 years
Vehicle	8 years	10 years
Computer	3 years	6 years
Leasehold improvement	Over the lease period	Over the lease period

- The useful lives of plant and equipment, vehicle and computers are estimated as 25 years, 10 years and 6 years, respectively. These lives are higher than those indicated in schedule II.



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Nirja Publishers & Printers Private Limited
Notes to financial statements for the year ended 31 March 2017

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

(f) Leases

Where the company is lessee

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

(g) Borrowing costs

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

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

(h) Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued property, plant and equipment, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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



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Nirja Publishers & Printers Private Limited
Notes to financial statements for the year ended 31 March 2017

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior periods. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(j) Inventories

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

Work In Progress is valued at lower of cost and net realizable value. The cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost is determined on First in first out (FIFO) basis.

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

(k) Revenue recognition

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods to carrier of transportation. Sales are net of turnover discounts and sales returns.

Job Work



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Nirja Publishers & Printers Private Limited
Notes to financial statements for the year ended 31 March 2017

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.

Interest Income

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

Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

(l) Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

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

(ii) Conversion

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

(iii) Exchange differences

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

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

(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 expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.



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Nirja Publishers & Printers Private Limited
Notes to financial statements for the year ended 31 March 2017

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

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

(n) Income taxes

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

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

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

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 timing differences which reverse after the tax holiday period is recognized in the period in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

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

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

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



Nirja Publishers & Printers Private Limited
Notes to financial statements for the year ended 31 March 2017

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.

(o) Segment reporting

Identification of segments

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

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(p) Earnings Per Share

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

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

(q) Provisions

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



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Nirja Publishers & Printers Private Limited
Notes to financial statements for the year ended 31 March 2017

(r) Contingent liabilities

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.

(s) Cash and cash equivalents

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



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3. Share capital

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Authorised shares:		
100,000 (31 March 2016: 100,000) equity shares of Rs. 10 each	1,000,000	1,000,000
Issued, subscribed and fully paid-up shares:		
12,000 (31 March 2016: 12,000) equity shares of Rs. 10 each fully paid up	120,000	120,000
	<u>120,000</u>	<u>120,000</u>

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:

	31 March 2017		31 March 2016	
	Number	(Amount in Rs.)	Number	(Amount in Rs.)
Shares outstanding at the beginning of the year	12,000	120,000	12,000	120,000
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>12,000</u>	<u>120,000</u>	<u>12,000</u>	<u>120,000</u>

(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:

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

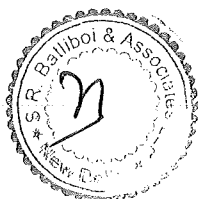
	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
S Chand and Company Limited (Formerly S Chand and Company Private Limited), the Holding company	120,000	120,000
12,000 (31 March 2016: 12,000) equity shares of Rs. 10 each fully paid up		
600 shares held in the name of Mr. Dinesh Kumar Jhunjhnuwala 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:

Name of the shareholder	31 March 2017		31 March 2016	
	Number	% holding	Number	% holding
Equity shares of Rs. 10 each fully paid up				
S. Chand and Company Limited (Formerly S Chand and Company Private Limited), the Holding company	12,000	100%	12,000	100%
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))				

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

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4. Reserves & surplus

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
General reserve		
Balance as per the last financial statements	54,200,000	54,200,000
Surplus in the statement of profit and loss		
Balance as per last financial statements	593,099,498	467,143,798
Profit for the year	38,593,966	125,955,700
Net surplus in the statement of profit and loss	631,693,464	593,099,498
Total reserves and surplus	685,893,464	647,299,498

5. Short term borrowings

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Secured		
Loans repayable on demand		
From banks		
Cash credit (refer note 'a' below)	38,068,946	85,710,957
Total	38,068,946	85,710,957

- a. Cash credit is 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 Jhujhnuwala and Mr. Himanshu Gupta.

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6. Provisions

	Long term		Short term	
	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Provision for employee benefits				
Provision for gratuity (refer note 28)	2,258,721	1,545,833	40,425	26,229
Provision for leave encashment	-	-	51,138	64,312
	<u>2,258,721</u>	<u>1,545,833</u>	<u>91,563</u>	<u>90,541</u>

7. Other current liabilities

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Trade payables		
• total outstanding dues of micro enterprises and small enterprises (refer note 32 for details of dues to micro and small enterprises)	-	-
• total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 32)	24,632,160	53,606,156
• total outstanding dues to related entities	-	2,512,418
	<u>24,632,160</u>	<u>56,118,574</u>
Others		
Security deposit	1,200,000	500,000
Tax deducted at source payable	247,409	361,837
Value added tax payable	10,807	57,071
Provident fund and employee state insurance payable	190,555	198,488
Service tax payable	11,212	31,355
	<u>1,659,983</u>	<u>1,148,751</u>
	<u>26,292,143</u>	<u>57,267,325</u>

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8. Property, plant and equipment

							(Amount in Rs.)
Tangible Assets	Plant & equipment	Furniture & Fixtures	Vehicles	Office equipment	Computer	Leasehold Improvement	Total
Cost							
At 01 April 2015	25,536,533	1,082,083	1,529,360	4,857,906	1,113,855	435,352	34,555,089
Additions	5,664,201	138,000	-	703,347	42,000	1,036,526	7,584,074
Disposals	(2,649,559)	-	(1,529,360)	-	-	-	(4,178,919)
At 31 March 2016	28,551,175	1,220,083	-	5,561,253	1,155,855	1,471,878	37,960,244
Additions	6,974,281	14,625	-	363,228	121,500	-	7,473,634
Disposals	(7,579,171)	-	-	-	-	-	(7,579,171)
At 31 March 2017	27,946,285	1,234,708	-	5,924,481	1,277,355	1,471,878	37,854,707
Depreciation							
At 01 April 2015	9,668,205	492,970	988,878	3,545,716	1,060,298	50,255	15,806,322
Charge for the year	2,299,471	193,735	28,966	752,709	23,635	122,394	3,420,910
Disposals	(998,936)	-	(1,017,844)	-	-	-	(2,016,780)
At 31 March 2016	10,968,740	686,705	-	4,298,425	1,083,933	172,649	17,210,452
Charge for the year	2,078,233	158,095	-	609,298	46,966	331,022	3,223,614
Disposals	(1,574,118)	-	-	-	-	-	(1,574,118)
At 31 March 2017	11,472,855	844,800	-	4,907,723	1,130,899	503,671	18,859,948
Net Block							
At 31 March 2016	17,582,435	533,378	-	1,262,828	71,922	1,299,229	20,749,792
At 31 March 2017	16,473,430	389,908	-	1,016,758	146,456	968,207	18,994,759

9. Intangible assets

			(Amount in Rs.)
	License Fees for Publication Rights	Total	
Cost			
At 01 April 2015	5,761,252	5,761,252	
At 31 March 2016	5,761,252	5,761,252	
At 31 March 2017	5,761,252	5,761,252	
Amortization			
At 01 April 2015	4,904,978	4,904,978	
Charge for the year	526,142	526,142	
Disposals	-	-	
At 31 March 2016	5,431,120	5,431,120	
Charge for the year	244,154	244,154	
Disposals	-	-	
At 31 March 2017	5,675,274	5,675,274	
At 31 March 2016	330,132	330,132	
At 31 March 2017	85,978	85,978	



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10. Non current investments

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (Quoted)		
500 (31 March 2016: 500) equity shares of Rs. 1 each fully paid up in State Bank Of India	5,000	5,000
200 (31 March 2016: 200) equity shares of Rs. 10 each fully paid up in Oriental Bank Of Commerce	12,000	12,000
Government and trust securities (Unquoted)		
National Savings Certificates	30,000	30,000
Unquoted equity instruments in subsidiary of holding company		
801 (31 March 2016: 801) equity shares in Vikas Publishing House Private Limited	28,695,165	28,695,165
Unquoted equity instruments in subsidiary of holding company		
17,785,000 (31 March 2016 :17,785,000) equity shares in Safari Digital Education Initiative Private Limited	177,850,000	177,850,000
Total	206,592,165	206,592,165
Aggregate amount of quoted investments (Market value: Rs. 174,490 (31 March 2016: Rs. 115,490))	17,000	17,000
Aggregate amount of unquoted investments	206,575,165	206,575,165
Aggregate provision for diminution in value of investment	-	-

11. Deferred tax assets (net)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Deferred tax assets		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	708,674	856,099
Impact of expenditure charged to the statement of profit and loss in current year but allowed for tax purposes on payment basis	319,079	958,340
Deferred tax assets	1,027,753	1,814,439
Net deferred tax asset	1,027,753	1,814,439

12. Loans and advances

	Non-current		Current	
	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Security deposit				
Unsecured, considered good	1,015,572	948,735	25,000	295,000
	1,015,572	948,735	25,000	295,000
Loan and advances to related parties				
Unsecured, considered good (refer note 30)	235,202,214	212,667,863	-	1,500,000
	235,202,214	212,667,863	-	1,500,000
Advance recoverable in cash or kind				
Unsecured, considered good	-	-	229,963	213,617
	-	-	229,963	213,617
Other loans and advances				
Unsecured, considered good				
Loans to employees	-	-	37,330	36,000
Prepaid expenses	-	-	202,320	723,909
MAT credit entitlement	62,836,835	64,224,201	4,241,988	7,096,610
Advance income tax (net of provision for taxation of Rs. 92,877,650 (31 March 2016: Rs. 85,326,373))	18,777,413	1,941,292	-	-
	81,614,248	66,165,493	4,481,638	7,856,519
Total	317,832,034	279,782,091	4,736,601	9,865,136

13. Other non-current assets

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Unsecured, considered good (unless stated otherwise)		
Non-current bank balance (refer note 16)	50,200	50,200
	50,200	50,200
Others		
Interest accrued on fixed deposit	20,739	20,739
	20,739	20,739
	70,939	70,939



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14. Inventories

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Finished goods (refer note 21)	3,195,653	-
Raw materials and components (refer note 19)	1,916,162	4,856,789
Stores and spares (refer note 21)	4,354,092	3,581,251
	<u>9,465,907</u>	<u>8,438,040</u>

15. Trade receivables

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Outstanding for period exceeding six months from the date they are due for payment		
Unsecured, considered good	68,105,313	42,675,600
Other receivables		
Unsecured, considered good	125,610,136	221,223,866
	<u>193,715,449</u>	<u>263,899,466</u>
Trade receivables include:		
Due from Holding Company		
S Chand and Company Limited (Formerly S Chand and Company Private Limited)	152,672,544	247,309,604
Due from a companies under same management		
New Saraswati House (India) Private Limited	40,213,127	16,588,439
Vikas Publishing House Private Limited	472,648	-

16. Cash and bank balances

	Non-current		Current	
	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Cash and cash equivalents				
Balances with banks				
On current accounts	-	-	197,650	482,496
Cash on hand	-	-	5,602	9,458
			<u>203,252</u>	<u>491,954</u>
Other bank balances				
Deposits with remaining maturity for more than 12 months	-	50,200	-	-
	-	<u>50,200</u>	-	-
Amount disclosed under non-current assets (refer note 13)	-	(50,200)	-	-
	-	-	<u>203,252</u>	<u>491,954</u>

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17. Revenue from operations

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Sale of products		
Finished goods	250,753,216	484,809,314
Other operating revenues		
Job work	-	12,564
Sale of raw materials (consumables and paper)	1,375,035	-
Scrap sales	1,839,160	2,887,192
	<u>253,967,411</u>	<u>487,709,070</u>

Details of products sold

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Books	250,753,216	484,809,314
	<u>250,753,216</u>	<u>484,809,314</u>

18. Other income

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Dividend income on current investments	140	660
Profit on sale of current investment	-	220,567
Profit on sale of property, plant and equipment	420,622	-
Miscellaneous income	121,529	-
	<u>542,291</u>	<u>221,227</u>

18.1 Interest income

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Interest income on Bank deposits	-	4,332
Others	25,508,168	13,306,071
	<u>25,508,168</u>	<u>13,310,403</u>

19. Cost of raw materials and components consumed

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Raw materials consumed		
Inventory at the beginning of the year	4,856,789	1,090,661
Add : purchases during the year	150,816,671	244,396,315
	<u>155,673,460</u>	<u>245,486,976</u>
Less: inventory at the end of the year	1,916,162	4,856,789
Cost of raw materials and components consumed	<u>153,757,298</u>	<u>240,630,187</u>

Details of raw material and components purchased

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Raw material (paper)	136,224,663	221,489,841
Glue (hot melt)	5,015,722	8,463,274
PS Plates	3,310,891	6,992,824
Ink	1,951,704	2,723,769
Chemicals	2,238,377	2,540,844
Packing Material	2,075,314	2,185,763
	<u>150,816,671</u>	<u>244,396,315</u>

Details of inventory

Raw materials

Paper	1,916,162	4,856,789
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20. Publication expenses

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Royalty	125,377	244,036
Printing charges	8,805,091	19,287,457
Power and fuel	1,898,238	2,577,704
Repairs and maintenance - machinery	1,768,368	1,011,510
Consumption of stores and spares	6,566,063	5,213,547
	<u>19,163,137</u>	<u>28,334,254</u>

21. Increase in inventories

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Inventories at the end of the year		
Finished goods	3,195,653	-
Stores and spares	4,354,092	3,581,251
	<u>7,549,745</u>	<u>3,581,251</u>
Inventories at the beginning of the year		
Work-in-progress	-	70,202
Stores and spares	3,581,251	3,242,840
	<u>3,581,251</u>	<u>3,313,042</u>
Increase in inventories	(3,968,494)	(268,209)

22. Selling and distribution expenses

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Freight and cartage expenses	3,343,343	4,837,063
Business promotion expenses	909,821	-
	<u>4,253,164</u>	<u>4,837,063</u>

23. Employee benefits expense

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Salaries, wages and bonus	16,731,551	19,276,518
Contribution to provident and other funds	1,255,709	1,276,799
Gratuity expense (refer note 28)	964,440	1,198,293
Staff welfare expenses	1,012,879	1,421,821
	<u>19,964,579</u>	<u>23,173,431</u>

24. Depreciation and amortization expense

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Depreciation of property, plant and equipment	3,223,614	3,420,910
Amortization of intangible assets	244,154	526,142
	<u>3,467,768</u>	<u>3,947,052</u>



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25. Finance cost

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Interest - others	8,707,089	13,665,361
Bank charges	2,574	27,638
Loan processing fees	2,875	171,000
	8,712,538	13,863,999

26. Other expenses

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Outsource services	8,861,527	8,903,384
Rent	2,823,280	5,126,707
Repairs and maintenance - building	1,211,411	1,687,549
Insurance	461,870	280,417
Travelling and conveyance	647,690	347,442
Communication cost	160,914	195,252
Security charges	1,214,796	1,151,373
Printing and stationery	45,012	72,589
Legal and professional fee	524,738	688,050
Lease rent-vehicles	1,693,822	-
Corporate social responsibility (refer note 37)	1,000,000	700,000
Payment to auditors (refer details below)	875,984	857,461
Loss on sale of fixed assets (net)	-	779,801
Miscellaneous expenses	352,202	251,354
	19,873,246	21,041,379

Payment to auditor

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
As auditor:		
Audit fee	817,302	801,500
Out of pocket expense	58,682	55,961
	875,984	857,461

27. Earning per share (EPS)

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

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Profit after tax	38,593,966	125,955,699
Net profit for calculation of basic and diluted EPS	38,593,966	125,955,699
Number of equity shares at the beginning of the year	12,000	12,000
Total number of average equity shares outstanding at the end of the year for basic EPS	12,000	12,000
Total number of average equity shares outstanding at the end of the year for diluted EPS	12,000	12,000
Basic EPS	3,216.16	10,496
Diluted EPS	3,216.16	10,496

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28. Gratuity and other post-employment benefit plans

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

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

Statement of profit & loss

Net employee benefit expense recognized in the employee cost

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Current service cost	264,108	178,037
Interest cost on benefit obligation	103,190	108,859
Expected return on plan assets	-	-
Acquisition/Business Combination/Divestiture (Refer note 'a' below)	252,205	916,717
Net actuarial (gains)/losses recognized in the period/year	344,937	(5,320)
Net benefit expense	964,440	1,198,293

Balance sheet

Benefit asset/(liability)

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Present value of defined benefit obligation	2,299,146	1,572,062
Fair value of plan assets	-	-
Plan liability	(2,299,146)	(1,572,062)

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

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Opening defined benefit obligation	1,572,062	566,283
Current service cost	264,108	178,037
Interest cost	103,190	108,859
Benefits paid	(237,356)	(192,514)
Acquisition/Business Combination/Divestiture (Refer note 'a' below)	252,205	916,717
Actuarial (gains) / losses on obligation	344,937	(5,320)
Closing defined benefit obligation	2,299,146	1,572,062

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

	31 March 2017	31 March 2016
Discount rate	7.30%	8%
Expected rate of return on assets	N.A.	N.A.
Employee turnover	Service upto 5 years: 5%	Service upto 5 years: 5%
	Service above 5 years: 1%	Service above 5 years: 1%
Mortality	IALM (2006-08) Ultimate	IALM (2006-08)

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

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

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2014 (Amount in Rs.)	31 March 2013 (Amount in Rs.)
Defined benefit obligation	2,299,146	1,572,062	566,283	360,460	232,228
Plan assets	-	-	-	-	-
Deficit	2,299,146	1,572,062	566,283	360,460	232,228
Experience adjustments - plan liabilities	197,541	20,043	5,711	44,163	3,117

Note:

- a. In 31 March 2016, 12 employees have been transferred from Rajendra Ravindra Printers Private Limited (merged with Vikas Publishing House Private Limited w.e.f. appointed date 01 April 2014) to the Company on 1 April 2015. A liability of Rs. 1,017,757 w.r.t. transfer of these employees has been shown as an acquisition cost. Further, 6 employees have been transferred from the Company to S Chand and Company Limited (Formerly S Chand and Company Private Limited) on 1 April 2015. A liability of Rs. 101,040 w.r.t. transfer of these employees has been shown as an acquisition gain. Therefore, net acquisition cost of Rs. 916,717 has been shown as acquisition cost.



See

29. 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. 337,500 (31 March 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. 2,485,780 (31 March 2016: 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 :

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Within one year	1,355,656	1,355,656
After one year but not more than five years	2,824,283	4,179,939

30. Related party disclosure

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
Enterprise over which KMP or their relatives exercise significant influence	Smartivity Labs Private Limited (w.e.f. 5 Aug 2015)
Key Management Personnel	Mrs Nirmala Gupta, Whole time Director (till 20 May 2016) Mr Himanshu Gupta, Whole time Director (till 20 May 2016) Mr Himanshu Gupta, Director (w.e.f. 20 May 2016) Mr Gaurav Kumar Jhunjhnuwala, Whole time Director (till 20 May 2016) Mrs Savita Gupta, Director Mr Dinesh Kumar Jhunjhnuwala, Director Mrs Neerja Jhunjhnuwala, Director (till 20 May 2016) Mrs Neerja Jhunjhnuwala, Whole time Director (w.e.f. 20 May 2016) Mrs Ankita Gupta, Director

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Related party transactions

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

b) Transactions with the related parties

(Amount in Rs.)

Nature of transactions	Period/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 2017	-	8,805,091	-	-	8,805,091
	31 March 2016	-	19,287,457	-	-	19,287,457
Rent paid						
S Chand and Company Limited	31 March 2017	337,500	-	-	-	337,500
	31 March 2016	2,025,000	-	-	-	2,025,000
Investment made during the year						
Safari Digital Education Initiatives Private Limited	31 March 2017	-	-	-	-	-
	31 March 2016	-	15,500,000	-	-	15,500,000
Advance given during the year						
Safari Digital Education Initiatives Private Limited	31 March 2017	-	-	-	-	-
	31 March 2016	-	196,500,000	-	-	196,500,000
Smartivity Labs Private Limited	31 March 2017	-	-	-	-	-
	31 March 2016	-	-	1,500,000	-	1,500,000
Interest income						
Safari Digital Education Initiatives Private Limited	31 March 2017	-	25,508,168	-	-	25,508,168
	31 March 2016	-	13,306,071	-	-	13,306,071
Remuneration to directors						
Nirmala Gupta	31 March 2017	-	-	-	800,000	800,000
	31 March 2016	-	-	-	4,800,000	4,800,000
Himanshu Gupta	31 March 2017	-	-	-	250,000	250,000
	31 March 2016	-	-	-	1,500,000	1,500,000
Gaurav Kumar Jhunjhunwala	31 March 2017	-	-	-	200,000	200,000
	31 March 2016	-	-	-	1,200,000	1,200,000
Neerja Jhunjhunwala	31 March 2017	-	-	-	3,000,000	3,000,000
	31 March 2016	-	-	-	-	-
Sales/ Job Work						
S Chand and Company Limited	31 March 2017	206,297,499	-	-	-	206,297,499
	31 March 2016	468,220,875	-	-	-	468,220,875
New Saraswati House (India) Private Limited	31 March 2017	-	44,455,716	-	-	44,455,716
	31 March 2016	-	16,588,439	-	-	16,588,439
Vikas Publishing House Private Limited	31 March 2017	-	-	-	-	-
	31 March 2016	-	12,564	-	-	12,564
Sale of paper/consumables						
Vikas Publishing House Private Limited	31 March 2017	-	1,375,035	-	-	1,375,035
	31 March 2016	-	-	-	-	-
Sale of fixed assets						
Vikas Publishing House Private Limited	31 March 2017	-	6,025,676	-	-	6,025,676
	31 March 2016	-	-	-	-	-
Purchase of fixed assets						
Vikas Publishing House Private Limited	31 March 2017	-	6,974,281	-	-	6,974,281
	31 March 2016	-	-	-	-	-

c) Balance outstanding

(Amount in Rs.)

Particulars	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 2017	152,672,544	-	-	-	152,672,544
	31 March 2016	247,309,604	-	-	-	247,309,604
New Saraswati House (India) Private Limited	31 March 2017	-	40,213,127	-	-	40,213,127
	31 March 2016	-	16,588,439	-	-	16,588,439
Vikas Publishing House Private Limited	31 March 2017	-	472,648	-	-	472,648
	31 March 2016	-	-	-	-	-
Loan and advances						
Smartivity Labs Private Limited	31 March 2017	-	-	-	-	-
	31 March 2016	-	-	1,500,000	-	1,500,000
Safari Digital Education Initiatives Private Limited	31 March 2017	-	235,202,214	-	-	235,202,214
	31 March 2016	-	212,667,863	-	-	212,667,863
Trade payable						
Vikas Publishing House Private Limited	31 March 2017	-	-	-	-	-
	31 March 2016	-	2,512,418	-	-	2,512,418
Remuneration to directors payable						
Neerja Jhunjhunwala	31 March 2017	-	-	-	300,000	300,000
	31 March 2016	-	-	-	-	-



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31. Contingent liabilities

	31 March 2017 (Amount in Rs.)	31 March 2016 (Amount in Rs.)
Corporate Guarantee against cash credit facility availed by Holding company	71,704,884	238,859,021
Income tax demand*	66,911,797	66,911,797

*Net of tax deposited by the Company of Rs. 8,000,000 against the above demand. The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

32. 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.

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

	31 March 2017		31 March 2016	
	Percentage (%)	Amount (Rs.)	Percentage (%)	Amount (Rs.)
Raw Materials				
Imported	-	-	-	-
Indigenously obtained	100%	153,757,298	100%	240,630,187
	100%	153,757,298	100%	240,630,187

34. 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 2017	31 March 2016
Safari Digital Education Initiatives Private Limited	12% p.a.	3 years	Unsecured	235,202,214	212,667,863

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

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

36. Discloser on Specified Bank Note

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

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	10,500	17,047	27,547
Add: Permitted receipt	-	-	-
Less: Permitted payment	-	-	-
Less: Cash deposited in banks	(10,500)	-	(10,500)
Closing cash in hand as on 30 December 2016	-	17,047	17,047

37. Corporate Social Responsibility (CSR)

In case of Nirja, the Company has contributed Rs 1,000,000 out of the total contributable amount of Rs 2,689,329 (31 March 2016: Rs 2,185,436) as of 31 March 2017 in accordance with section 135 read with schedule VII to the Companies Act, 2013 to a society involved in promoting education, including special education and employment enhancement vocational skill specially among children and students. Unspent amount has not been provided in books.

38. Previous period figures

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

As per our report of even date
For S.R. Batliboi & Associates LLP
Firm registration number : 101049W/E300004
Chartered Accountants

Per Yogesh Midha
Partner
Membership No: 94941

Date: 06/06/2017
Place: New Delhi



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

Director
DIN-00053988

Director
DIN-00054015