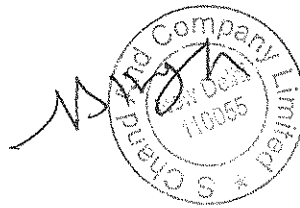


S CHAND AND COMPANY PRIVATE LIMITED
ANNUAL REPORT – 2015-16



S CHAND AND COMPANY PRIVATE LIMITED

CIN: U22219DL1970PTC005400

Registered Office: Ravindra Mansion, Ram Nagar, New Delhi-110055

Phone: +91-11-23672080/81/82

Fax: +91 11 23677446

email - jsingh.del@schandgroup.com

website - www.schandgroup.com

DIRECTORS' REPORT

To the Members,


The Board of Directors of your Company has the pleasure in presenting the 45th Annual Report of the Company on the business and operations together with the Audited Statements of Accounts of your Company for the year ended on 31st March 2016.

1. FINANCIAL RESULTS AND STATE OF COMPANY'S AFFAIRS:

Results of Operations

The table below sets forth a summary of our financial results containing significant items of our income and expenses for Fiscal 2016, 2015 based on Audited Financial Statements.

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	Amount in ₹ million	Amount in ₹ million
Total revenue from operation (net)	2795.56	2348.34
Total other Income	117.43	84.59
Total expenses	2656.39	2313.65
EBITDA	469.89	356.35
Depreciation and amortisation expense	74.03	80.45
Finance costs	139.26	156.62
Profit before tax	256.60	119.28
Total tax expense	93.95	39.04
Profit for the year	162.66	80.24

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Results of Operations for Fiscal 2016 compared with Fiscal 2015

The Results from operations for the Fiscal 2016 were particularly impacted by, a higher realization due to a change in the product mix and value added titles, i.e. hybrid products; the introduction of new titles and revision of key titles; Higher sales of hybrid products; Increase in volume of competition books sold; Decrease in the price of paper in Fiscal 2016 compared to paper prices in Fiscal 2015; Modest increases in selling and distribution expenses as a percentage of total revenue; Increase in employee costs as staffing levels increased;

Total Revenue

Our total revenue increased by 19.73 % to ₹2,913.00 million in Fiscal 2016 from ₹2,432.94 million in Fiscal 2015. This increase was primarily due to increased revenue from our K-12 business and Competition Business.

Revenue from operations

Our revenue from operations increased by 19.04 % to ₹2,795.56 million in Fiscal 2016 from ₹2,348.35 million in Fiscal 2015. This increase was primarily driven by 19.75% increase in our revenue from sale of products (net of turnover discount) to ₹2,742.35 million in Fiscal 2016 from ₹2,290.12 million in Fiscal 2015.

The increase in our revenue from sale of products was primarily on account of an increase in the volume of hybrid books and competition books which we sold in our K-12 and higher education businesses, respectively.

Our revenue from sale of services decreased by 20.62% to ₹22.02 million in Fiscal 2016 from ₹27.74 million in Fiscal 2015.

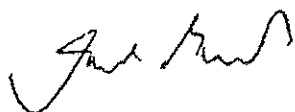
Our other operating revenues decreased by 2.30 % to ₹31.18 million in Fiscal 2016 from ₹30.48 million in Fiscal 2015 due to lower training income.

Other income

Our other income increased by 38.82% to ₹117.43 million in Fiscal 2016 from ₹84.59 million in Fiscal 2015. This was primarily due to an increase in profit on sale of current investments (net) to ₹16.42 million in Fiscal 2016 from ₹0.00 million in Fiscal 2015.

Total Expenses

Our total expenses increased by 8.96% to ₹2,656.39 million in Fiscal 2016 from ₹2,313.66 million in Fiscal 2015. This increase was primarily due to increase in purchase and implementation cost, publication expenses, selling and distribution expenses and employee benefits expense. As a percentage of total revenue, our total expenses declined to 91.19% in Fiscal 2016 from 95.10% in Fiscal 2015.



EBITDA

As a result of the factors mentioned above, our EBITDA increased by 31.86% to ₹469.89 million in Fiscal 2016 from ₹356.35 million in Fiscal 2015.

Depreciation and amortization expense

Our depreciation and amortization expenses decreased by 7.98% to ₹74.03 million in Fiscal 2016 from ₹80.45 million in Fiscal 2015

Finance costs

Our finance costs decreased by 11.08% to ₹139.26 million in Fiscal 2016 from ₹156.62 million in Fiscal 2015. This decrease was on account of the early repayment of a term loan taken earlier for the acquisition of New saraswati House India Private Limited.

Profit before tax

Our Profit before tax increased by 115.12% to ₹256.60 million in Fiscal 2016 from ₹119.28 million in Fiscal 2015. As a percentage of our total revenue, our Profit before tax was 8.81% in Fiscal 2016 and 4.90% in Fiscal 2015.

Total tax expense

Our total tax expense increased by 140.65% to ₹93.95 million in Fiscal 2016 from ₹39.04 million in Fiscal 2015. This increase was primarily a result of our higher revenue from operations in Fiscal 2016 as compared to Fiscal 2015 and lower expense ratio of total expenses to total revenue.

Profit for the year

Our profit for the year increased by 102.72% to ₹162.66 million in Fiscal 2016 from ₹80.24 million in Fiscal 2015.

2. DIVIDEND:

During the period under review, no dividend was recommended to the shareholders of the Company. However the Company had declared an Interim dividend of Rs 25 per share for FY 2016-17 in its Board meeting held on April 29, 2016. This dividend has been paid to the shareholders whose name appear on Register of members as on April 28, 2016.

3. RESERVES:

The Company did not transferred any amount to any reserves during the year.



4. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY DURING THE END OF RELEVANT FINANCIAL YEAR UP TO THE DATE OF REPORT:

During the period under review , the Company had subdivided its equity shares from Rs 10 per equity share to Rs. 5 per equity share. Post subdivision the Company had allotted 29,441,192 Equity shares as Bonus shares to the shareholders whose name appeared in Register of Members as on April, 28, 2016 .Pursuant to the above subdivision & allotment , the issued subscribed and paid up capital of the Company increased to, as on March 31, 2016 is as follows;

S. No	Particulars	As on March 31, 2016 (Amount in Rs.)	As on Date of signing of Balance sheet (Amount in Rs.)
1	Authorised Share Capital	22,100,000	200,000,000
2	Issued ,Subscribed and Paid up	2,016,520	149,222,480

5. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS:

There were no orders passed by any Regulator/Courts/Tribunals against the Company during the financial year 2015-16 impacting the going concern status and Company's operation in future.

6. INTERNAL SYSTEM CONTROL AND THEIR ADEQUACY:

Your Company has put in place adequate internal financial controls with reference to the Financial statements. During the year, no reportable material weakness in the operation were observed.

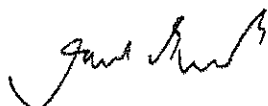
The Company has also put in place adequate systems of internal control to ensure compliance with policies and procedures which is commensurate with the size, scale and complexity of its operations. These systems and procedures have been designed to provide reasonable assurance with regard to maintaining proper accounting controls, monitoring economy and efficiency of operations, protecting assets from unauthorized use and losses and ensuring reliability of financial and operational system.

The Company has appointed Desai Hari Bhakti ,Chartered Accountants to oversee and carry out internal audit to review the internal control systems and processes in consultation with the statutory auditors.

7. DETAILS OF SUBSIDIARY(IES), JOINT VENTURES & ASSOCIATE COMPANIES:

The developments in the operations/performance of each of the subsidiaries & associates included in the consolidated financial statement are presented below ;

1. Nirja Publishers and Printers Pvt. Ltd.



Nirja Publishers & Printers Pvt. Ltd. ("Nirja") has reported increase in revenues to Rs 487.71 million in the current Financial Year as compared to Rs 445.33 million in the previous year. The Company was benefitted by lower raw material prices, which increased the net margins of the Company, thereby leading to a profit(after tax) of Rs. 125.96 million, as compared to a profit (after tax) of Rs. 94.62 million in the previous year.

2. Eurasia Publishing House Pvt. Ltd.

Eurasia Publishing House Pvt.Ltd. ("Eurasia") has reported decrease in revenues to Rs 21.77 million in current financial year as compared to Rs 118.08 million in the previous financial year. The Company has reported a profit(after tax) of Rs.1.35 million in current financial year, as compared to a profit (after tax) of Rs. 23.33 million in the previous year.

3. Blackie and Son (Calcutta) Pvt. Ltd.

Blackie & Son (Calcutta) Pvt.Ltd.("Blackie") has reported decrease in revenues from Rs. 36.98 million in previous financial year to Rs.7.23 million in the current year. Also decrease in profit(after tax) from Rs 4.36 million in the previous financial year to profit (after tax) of Rs 0.59 million in the current year.

4. Safari Digital Education Initiatives Pvt. Ltd.

Safari Digital Education Initiatives Pvt.Ltd.(Safari) has reported increase in revenue from Rs. 13.52 million in the previous financial year to Rs. 28.19 million in current financial year. The Company has reported a loss(after tax) of Rs. 19.87 million in current financial year as compared to the loss (after tax) of Rs. 70.04 million in previous financial year.

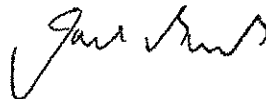
5. S Chand Edutech Pvt. Ltd. (This Company is Subsidiary of Safari Digital Education Initiatives Pvt. Ltd. which is a subsidiary of S Chand And Company Pvt. Ltd.)

S Chand Edutech Pvt.Ltd.("S Chand Edutech") has reported an increase in revenue from Rs. 0.46 million in previous financial year to Rs.6.01 million in current financial year. The Company has reported profit(after tax) of Rs. 7.35 million in current financial year, as against loss (after tax) of Rs. 6.24 million in the previous financial year.

6. Arch Papier Mache Pvt. Ltd. (This Company is Subsidiary of Vikas Publishing House Pvt. Ltd. and which is a subsidiary of S Chand And Company Pvt. Ltd.)

Arch Papier Mache Pvt.Ltd. ("Arch") has reported revenue increased to Rs. 18.36 million in current financial year as compared to revenue of Rs. 7.94 million in previous financial year. The Company has reported increase in profit(after tax) of Rs. 13.86 million in current financial year as against profit (after tax) of Rs. 6.11 million in the previous financial year.

7. BPI(India) Pvt. Ltd. (This Company is Subsidiary of Blackie & Son (Calcutta)Pvt. Ltd. which is a subsidiary of S Chand and Company Pvt. Ltd.)



BPI (India) Pvt.Ltd has reported increase in revenue from Rs. 131.10 million in previous financial year to Rs. 160.03 million in current financial year. The Company has reported a loss (after tax) of Rs. .09 million in current financial year as compared to a profit of Rs. 2.31 million in previous financial year 2014-15.

8. Vikas Publishing House Private Limited.

Vikas Publishing House Pvt.Ltd. ("Vikas") reported increase in revenue from Rs. 1396.41 million in previous financial year to Rs. 2087.19 million in current financial year .The Company has reported a net profit of Rs. 111.19 million,in current financial year as compared to a net profit of Rs.120.16 million in the previous year.

9. DS Digital Pvt. Ltd.(This Company is subsidiary of Safari digital Education Initiatives Pvt. Ltd("Safari"),and S Chand together with Safari holds 99.04%).

DS Digital Pvt.Ltd.("DS Digital") has reported revenue of Rs. 234.03 million as compared to the revenue of Rs. 157.77 million in the previous year. The Company has reported loss (after tax) of Rs. 33.07 million as compared to loss (after tax) of Rs. 52.50 million in previous financial year.

10. New Saraswati House (India) Pvt. Ltd.(S Chand And Company Pvt Ltd together with Vikas Publishing House Pvt Ltd holds more than 100%).

New Saraswati House (India) Pvt.Ltd. ("NSHIPL") has reported an increase in revenue from Rs. 1145.90million in previous financial year to Rs. 1338.96 million in current financial year. There is decrease in profit(after tax) of the Company from Rs. 106.42 million in current financial year , as compared to a profit (after tax) of Rs. 131.87 million in the previous year.

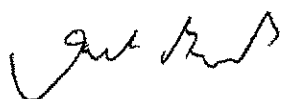
A statement containing the performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended March 31, 2016 is given, pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 and Rule 8 of the Companies (Accounts) Rules, 2014 in AOC-1 in Annexure A to this report.

8. **DEPOSITS:**

During the year under review, your Company has not accepted any Deposit(s) under section 73 of the Companies Act, 2013 and the relevant rules made thereunder.

9. **STATUTORY AUDITORS AND AUDIT REPORT:**

M/s SR Batliboi & Associates LLP, Chartered Accountants, Firm Registration Number 101049W were appointed as Statutory Auditors of the Company for a period of three years in the Annual General Meeting held on September 30, 2014. Their continuance of appointment and payment of remuneration are to be ratified in the ensuing Annual General Meeting. The Company has received



a certificate from the above Auditors to the effect that if their appointment is ratified, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The observations made in the Auditors' Report for the FY 2014-15 read with the relevant Notes thereon are self-explanatory and hence do not call for any comments.

10. SHARE CAPITAL:

During the period under review, there was no change in the Capital structure of the Company.

11. EXTRACTS OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "Annexure-B".

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

Since your Company does not carry any manufacturing activity, Rule 8 of Companies Accounts Rules 2014 is not applicable to the Company, yet wherever possible and feasible, continuous efforts are being put for conservation of energy and minimize energy cost. In line with this use of lights, air conditioners and diesel generator have been optimized. This has resulted a considerable energy saving. The Company has not carried out any R&D activity during the year and there was no technology absorption and adoption during the year under report.

13. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, there were following Foreign Exchange earnings and outgo;

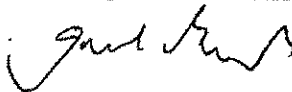
a) Foreign Exchange Earnings	: Rs. 31.91 (PY Rs. 43.09) (Amount in Millions)
b) Foreign Exchange Outgo	: Rs. 3.33 (PY Rs. 9.04) (Amount in Millions)

14. DIRECTORS & KEY MANAGERIAL PERSONNEL:

Changes in Directors & Key Managerial Personnel

During the period under review, on December 30, 2015, Mr. Jagdeep Singh was appointed as Company Secretary and Compliance officer and have been designated as Key Managerial Personnel of the Company pursuant to section 2(51) and section 203 of Companies Act 2013 read with rules framed thereunder and as amended from time to time.

Further, Ms. Nirmala Gupta, Ms. Neerja Jhunjhuwala and Ms. Ankita Gupta have resigned from the Board with effect from May 20, 2016. The Board places on record their appreciation and gratitude for their guidance and contribution during their association with the Company.



Further there was change in designation of Ms. Savita Gupta and Mr. Gaurav Kumar Jhunjhnuwala. Ms. Savita Gupta was designated as Non executive Director from Whole Time director w.e.f May 20, 2016 subject to regularization by the shareholders in the ensuing general meeting. Mr. Gaurav Kumar Jhunjhnuwala was designated as Non Executive from Executive Director in Board meeting held on May 20, 2016.

15. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review, 12 (twelve) Meetings of Board of Directors were duly convened and held on 1st April, 2015, 25th June, 2015, 1st July 2015, 31st July 2015, 27th August, 2015, 22nd September 2015, 28th September 2015, 8th October 2015, 4th November 2015, 30 December 2015, 4th March 2016 and 28th March 2016. The gap between consecutive two Meetings was not more than 120 days as prescribed under section 173 of the Act. The names of the Directors and their attendance at the Board meetings held during Financial Year 2015-16 are as follows:

S.No.	Name of the Director	No. Of Board Meetings held in Financial Year 2015-16	No. Of Board Meetings, Director is entitled to attend in Financial Year 2015-16	No. Of Board Meeting attended in Financial Year 2015-16
1	Nirmala Gupta	12	12	8
2	Savita Gupta	12	12	8
3	Dinesh Kumar Jhunjhnuwala	12	12	12
4	Himanshu Gupta	12	12	12
5	Neerja Jhunjhnuwala	12	12	8
6	Ankita Gupta	12	12	8
7	Gaurav Kumar Jhunjhnuwala	12	12	12
8	Deep Mishra	12	12	5
9	Vishal Sharma	12	12	8

16. PARTICULARS OF INTER-CORPORATE LOANS, GUARANTEES OR INVESTMENTS AS PER SECTION 186:

During the period under review, the Company in compliance of section 186 of Companies Act 2013 has made following intercorporate loans, investments and provided following guarantees.

<u>Particulars</u>	<u>Amount in Millions</u>
<u>Loan & Advances Given to subsidiary</u>	

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Safari Digital Education Initiatives Pvt Ltd	16
<u>Guarantees Given to Banks/Financial Institutions on behalf of subsidiaries:</u>	
DS Digital Pvt.Ltd.	26.55
Vikas Publishing House Private Limited	322.08
<u>Investment in subsidiary:</u>	
New Saraswati House (India) Private Limited	806.94

17. PARTICULARS OF CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES :

The particulars of contracts and arrangements with related parties as entered into during the year under review in Form AOC-2 is annexed herewith as "Annexure C".

18. MANAGERIAL REMUNERATION:

During the year under review, there was no change in managerial remuneration being paid to following Directors;

1. Ms.Nirmala Gupta
2. Ms. Savita Gupta
3. Mr. Dinesh Kumar Jhunjhnuwala
4. Mr. Himanshu Gupta
5. Ms. Neerja Jhunjhnuwala
6. Ms. Ankita Gupta
7. Mr. Gaurav Kumar Jhunjhnuwala

19. BUSINESS RISK MANAGEMENT:

The Company is exposed to inherent uncertainties owing to the sector in which it operates. The Company is engaged in educational books publishing which is exposed to various external risks such as increase in raw material and printing cost, change in curriculum, higher borrowing cost and violation of intellectual property rights of the Company. Your Board has taken various steps and introduced various safeguard to mitigate these external risks. However the Board does not see any risk affecting the existence of the Company.

20. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of the Company for the Financial Year 2015-16 are prepared in compliance with applicable provisions of the Act and Accounting standards. The said financial statements have been prepared on the basis of the audited Financial statements of the Company, its subsidiaries and joint venture companies, as approved by their respective Boards of Directors.

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21. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Corporate Social Responsibility Policy ("CSR Policy") of S Chand And Company Private Limited ("S Chand") is framed to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustainable growth for the society and community in fulfillment of its role as a Socially Responsible Corporate .

During the period under review the Company has contributed Rs 2.15 million out of the total contributable amount of Rs 2.51 million as of March 2016 in accordance with section 135 read with schedule VII to the Companies Act, 2013 to registered Trust & society. A report on CSR activities during the year as per Annexure attached to the companies (Corporate Social responsibility policy) rules 2014 have been appended as Annexure D.

22. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON SEXUAL HARASSMENT

Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the period under review, no complaints were reported to the Board.

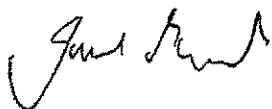
23. ESOP'S :

Pursuant to ESOP scheme 2012, during the Financial year 2015-16, 914 stock options were granted. However, none of the option holders have exercised the vested options during the year. During the period under review no shares were allotted pursuant to the exercise of stock options.

In terms of the approval of the Board of Directors dated December 30, 2015 and shareholders approval dated April 20, 2016, the existing ESOP Scheme 2012 was amended in line new SEBI Guidelines and Companies Act 2013.

24. VIGIL MECHANISM

The Board at its meeting held on July, 31, 2016 approved the Vigil Mechanism that provides a formal mechanism for all Directors & employees of the Company. The Vigil mechanism comprises of Whistle Blower Policy. The Whistle Blower Policy requires every Director or employee to promptly report to the management any actual or possible violation of the code or any event wherein he or she becomes aware of fact , which could affect the business or reputation of the Company. The Whistle Blower policy has been implemented to genuinely blow the whistle on any



misconduct or unethical activity taking place in the Company. Under the Policy every Director & employee has an assured access to Group HR head for the purpose of said reporting.

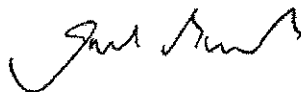
25. CODE OF CONDUCT AND OTHER POLICIES/CORPORATE GOVERNANCE:

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and society at large. Your Company has strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its Board members and senior management personnel of the Company. The Company's corporate governance philosophy has been further strengthened through Anti corruption and Bribery policy. The purpose of policy is to ensure that all employees take Zero tolerance approach to bribery and corruption and stay committed to act professionally, fairly and with integrity in all our business relationships.

26. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, and based on the representations received from the management, the Directors hereby confirm that:

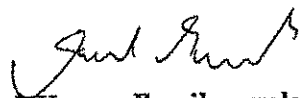
- a. in the preparation of the Annual Accounts for the financial year ended March 31, 2016, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b. such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the Profit and Loss of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Annual Accounts for the Financial Year ended 31st March, 2016 have been prepared on a going concern basis;
- e. systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.




27. ACKNOWLEDGEMENT:

Your Directors would like to place on record their sincere appreciation for the bankers, business associates and employees of the Company, who have been a part of the team and made their best efforts during this year under review.

**For and on behalf of Board of Directors
S CHAND AND COMPANY PVT. LTD.**


Dinesh Kumar Jhunjhuwala
Whole-time Director
DIN: 00282988
B-414 Ground Floor,
New Friends Colony,
New Delhi, 110065


Himanshu Gupta
Managing Director
DIN: 00054015
89, Old Ishwar Nagar,
Panchwati, Okhla More,
New Delhi, 110065

Date : August 23, 2016
Place: New Delhi

ANNEXURE "A" TO THE BOARD REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars			
1	Sl.No.	1	2	3
2	Name of the subsidiary	S. Chand Edutech Pvt. Ltd.	Safari Digital Education Initiatives Pvt. Ltd.	DS Digital Pvt. Ltd.
3	The date since when subsidiary was acquired	30/03/2011	07/02/2011	03/07/2014
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A.	N.A.	N.A.
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.
6	Share capital	212,700	443,692,680	408,993,200
7	Reserves & surplus	(28,196,604)	(31,535,297)	(253,663,814)
8	Total assets	5,096,105	172,249,458	482,432,485
9	Total Liabilities	33,080,009	245,754,837	327,103,099
10	Investments	Nil	485,662,561	Nil
11	Turnover	60,14,678	32,162,052	234,330,334
12	Profit before taxation	7,348,691	(19,869,923)	(33,071,217)
13	Provision for taxation	Nil	Nil	Nil
14	Profit after taxation	7,348,691	(19,869,923)	(33,071,217)
15	Proposed Dividend	Nil	Nil	Nil
16	Extent of shareholding (in percentage)	74%	100%	99.95%

Sl. No.	Particulars			
1	Sl.No.	4	5	6
2	Name of the subsidiary	Nirja Publishers & Printers Pvt. Ltd.	Eurasia Publishing House Pvt. Ltd.	Blackie & Son (Calcutta) Pvt. Ltd.
3	The date since when subsidiary was acquired	30/03/2010	25/09/2012	25/09/2012
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting	N.A.	N.A.	N.A.
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case	N.A.	N.A.	N.A.
6	Share Capital	1,20,000	1,06,000	1,49,000
7	Reserves & Surplus	64,72,99,498	17,35,23,017	6,62,24,657
8	Total assets	5854,41,989	1801,51,068	225,65,396
9	Total Liabilities	14,46,14,656	73,21,303	15,25,953
10	Investments	20,65,92,165	7,99,252	4,53,34,214
11	Turnover	50,12,40,700	221,93,114	82,59,905
12	Profit Before Taxation	1656,81,544	18,15,430	8,27,566
13	Provision for taxation	397,25,844	4,67,381	2,37,111
14	Profit after taxation	1259,55,700	13,48,049	5,90,454
15	Proposed Dividend	N.A.	N.A.	N.A.
16	Extent of Shareholding (in percentage)	100%	100%	100%

Just

Sl. No.	Particulars			
1.	Sl.No.	7	8	9
2.	Name of the subsidiary	BPI (India) Pvt. Ltd.	Arch Papler-Mache Private Limited	New Saraswati House (India) Private Limited
3.	The date since when subsidiary was acquired	25/09/2012	25/09/2012	17/05/2014
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A.	N.A.	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.
6.	Share capital	11250000	13,00,000	2,05,000
7.	Reserves & surplus	53235255	3,72,13,409	48,09,83,878
8.	Total assets	258904214	8,02,76,651	1,75,80,63,050
9.	Total Liabilities	194418959	4,17,63,241	1,75,80,63,050
10.	Investments	NIL	6,61,477	NIL
11.	Turnover	166866565	1,83,60,453	1,33,89,61,520
12.	Profit before taxation	222907	1,82,25,319	16,98,89,233
13.	Provision for taxation	314898	43,64,662	6,34,73,698
14.	Profit after taxation	(91991)	1,38,60,657	10,64,15,535
15.	Proposed Dividend	NIL	NIL	NIL
16.	Extent of shareholding (in percentage)	51%	100%	76% . With Vikas Publishing House it holds 100%

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Sl. No.	Particulars	
1.	Sl.No.	10
2.	Name of the subsidiary	Vikas Publishing House Pvt. Ltd.
3.	The date since when subsidiary was acquired	10/10/2012
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
6.	Share capital	40,14,000/-
7.	Reserves & surplus	1,03,11,02,725/-
8.	Total assets	2,65,85,06,782/-
9.	Total Liabilities	2,65,85,06,782/-
10	Investments	8,42,01,000/-
11	Turnover	2,08,71,85,945/-
12	Profit before taxation	14,60,35,709/-
13	Provision for taxation	3,48,50,148/-
14	Profit after taxation	11,11,85,561/-
15	Proposed Dividend	NIL
16	Extent of shareholding (in percentage)	98%(With Nirja Publishers it holds 100%)

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ANNEXURE "B" TO BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

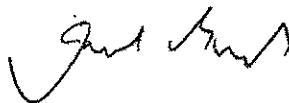
I. REGISTRATION AND OTHER DETAILS:

CIN	U22219DL1970PTC005400
Registration Date	09/09/1970
Name of the Company	S Chand And Company Private Limited
Category/ Sub-Category of the Company	Company Limited by Shares
Address of the Registered Office and contact details	7361, Ram Nagar, Paharganj, New Delhi-110055 011-23672080
Whether Listed Company (Yes/No)	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt Ltd C-13,Pannalal silk Mills Compound,L.B.S Marg,Bhandup(West) Mumbai400078

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

SL. NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1.	Publishing of Educational Books	5811	98.09%



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	NAME & ADDRESS OF THE COMPANY	CIN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Safari Digital Education Initiatives Pvt. Ltd.	U80904DL2010PTC204512	Subsidiary Company	100%	Sec 2(87)(ii)
2	Nirja Publishers & Printers Pvt Ltd	U74899DL1971PTC005776	Subsidiary Company	100%	Sec 2(87)(ii)
3	Eurasia Publishing House Pvt. Ltd.	U74899DL1961PTC003552	Subsidiary Company	100%	Sec 2(87)(ii)
4	Blackie and Son (Calcutta) Pvt. Ltd.	U74899DL1979PTC014517	Subsidiary Company	100%	Sec 2(87)(ii)
5	S Chand Edutech Pvt. Ltd.	U80302DL2010PTC206251	Subsidiary Company	74%	Sec 2(87)(ii)
6	Arch Papier Mache Pvt. Ltd.	U74950DL2004PTC123799	Subsidiary Company	100%	Sec 2(87)(ii)
7	BPI(India) Pvt. Ltd	U22190MH1999PTC122464	Subsidiary Company	51%	Sec 2(87)(ii)
8	Vikas Publishing House Private Limited	U74899DL1971PTC005766	Subsidiary Company	100%	Sec 2(87)(ii)
9	DS Digital Pvt. Ltd.	U72200DL2008PTC173250	Subsidiary Company	99.04%	Sec 2(87)(ii)
10	New Saraswati House (India) Pvt. Ltd	U22110DL2013PTC262320	Subsidiary Company	100%	Sec 2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	84146		84146	48.82%	84146		84146	41.73%	7.09%
b) Central Govt.	-		-	-	-		-	-	-

June 2015

c) State Govt(s)	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-
Sub-total (A) (1):-	84146	84146	48.82%	84146	84146	41.73%	7.09%
(2) Foreign							
a) NRIs –	-	-	-	-	-	-	-
b) Other –	-	-	-	-	-	-	-
Individuals							
c) Bodies Corp.	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=A1 + A2	84146	84146	48.82%	84146	84146	41.73%	7.09%

B. Public Shareholding							
Institutions							
a) Mutual Funds	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others	-	-	-	18958	18958	9.40	9.40%
(specify)(International Multilateral Financial Institution)							
Sub-total (B)(1):-	-	-	-	18958	18958	9.40	9.40%
2. Non-Institutions							
a) Bodies Corp.							

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i) Indian	-	-	-	-	-	-	-
ii) Overseas	54723	54723	31.76%	65064	65064	32.26%	0.5%
b) Individuals							
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	33484	33484	19.42%	33484	33484	16.60%	2.80%
c) Others (specify)	-	-	-	-	-	-	-
Sub-total (B)(2):-	88207	88207	51.18	98548	98548	48.87	2.31%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	88207	88207	51.18	117506	117506	58.27%	7.09%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-
Grand Total (A+B+C)	172353	172353	100%	201652	201652	100%	-

(ii) Shareholding of Promoters :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Dinesh Kumar Jhunjhnuwala	23465	13.61%	-	23465	11.64%	-	1.97%
2	Himanshu Gupta	36674	21.28%	-	36674	18.19%	-	3.09%
3	Neerja Jhunjhnuwala	24007	13.93%	-	24007	11.90%	-	2.03%

Janet

(Signature)

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year				
	Dinesh Kumar Jhunjhnuwala	23465	13.61%	23465	13.61%
	Himanshu Gupta	36,674	21.28%	36,674	21.28%
	Neerja Jhunjhnuwala	24,007	13.93%	24,007	13.93%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	There is no change in the no. of shares being held by promoters. There is change in % because of allotments made to the investors during the year.			
3.	At the End of the year				
	Dinesh Kumar Jhunjhnuwala	23465	11.64%	23465	11.64%
	Himanshu Gupta	36,674	18.19%	36,674	18.19%
	Neerja Jhunjhnuwala	24,007	11.90%	24,007	11.90%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Everstone Capital Partners II LLC	54,723	31.75%	54,723	31.75%
	International Finance Corporation	-	-	-	-

Santhosh

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Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc)	On 04.11.2015, 29299 shares were allotted to aforesaid mentioned parties				
At the End of the year (or on the date of separation, if separated during the year)					
Everstone Capital Partners II LLC	65064	32.27%	65064	32.27%	
International Finance Corporation	18958	9.40%	18958	9.40%	

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
1	Nirmala Gupta	12866	7.46%	12866	7.46%
2	Savita Gupta	16867	9.79%	16867	9.79%
3	Dinesh Kumar Jhunjnuwala	23,465	13.61%	23,465	13.61%
4	Himanshu Gupta	36,674	21.28%	36,674	21.28%
5	Neerja Jhunjnuwala	24,007	13.93%	24,007	13.93%
6	Ankita Gupta	2331	1.35%	2331	1.35%
7	Gaurav Kumar Jhunjnuwala	100	0.06%	100	0.06%
8	Savita Gupta, Himanshu Gupta, & Ankita Gupta (Joint Shareholding)	1320	0.77%	1320	0.77%

Joint Share

(10)

	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	There is no change in the no. of shares being held by promoters. There is change in % because of allotments made during the year.			
	At the end of the year				
1	Nirmala Gupta	12866	6.38%	12866	6.38%
2	Savita Gupta	16867	8.36%	16867	8.36%
3	Dinesh Kumar Jhunjhuwala	23,465	11.64%	23,465	11.64%
4	Himanshu Gupta	36,674	18.19%	36,674	18.19%
5	Neerja Jhunjhuwala	24,007	11.90%	24,007	11.90%
6	Ankita Gupta	2331	1.16%	2331	1.16%
7	Gaurav Kumar Jhunjhuwala	100	0.05%	100	0.05%
8	Savita Gupta, Himanshu Gupta, & Ankita Gupta (Joint Shareholding)	1320	0.65%	1320	0.65%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the Financial year				
Principal Amount	815,082,326	-	-	815,082,326
Interest due but not paid	564,384	-	-	564,384

Sanjiv Kumar

(Signature)

Interest accrued but not due	435,325	-	-	435,325
Total (i)+(ii)+(iii)	816,082,034	-	-	816,082,034
Change in indebtedness during the Financial year		-	-	
Addition	3,696,000	-	-	3,696,000
Reduction	(485,617,456)	-	-	(485,617,456)
Net Change	(481,921,456)	-	-	(481,921,456)
Indebtedness at the end of the financial year		-	-	
Principal Amount	333,160,870	-	-	333,160,870
Interest Due but not paid		-	-	
Interest accrued but not due	264,028	-	-	264,028
Total (i)+(ii)+(iii)	333,424,898	-	-	333,424,898

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. no.	Particulars of Remuneration	Name of MD/WTD/Manager			
		Nirmala Gupta (1)	Savita Gupta (2)	Dinesh Kumar Jhunjhnuwala (3)	Himanshu Gupta (4)
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 b) Value of	1200,000 P.A	24,00,000 P.A	36,00,000 P.A	36,00,000 P.A

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	Perquisites u/s 17(2) of Income Tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - As % of profit - Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	12,00,000	24,00,000	36,00,000	36,00,000
	Ceiling as per the Act	NA	NA	NA	NA

Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. no	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		(5)	(6)	(7)	
		Neerja Jhunjhuwala	Ankita Gupta	Gaurav kumar Jhunjhuwala	(8)
1.	Gross Salary d) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 e) Value of Perquisites u/s 17(2) of Income Tax Act, 1961 f) Profits in lieu of salary under	Rs.1200,000 P.A	Rs.1200,000 P.A	Rs.1200,000 P.A	Rs.14,400,000 P.A

Jan Kumar

(11)

	section 17(3) Income Tax Act, 1961				
2.	Stock Option	-	-	-	
3.	Sweat Equity	-	-	-	
4.	Commission - As % of profit - Others, specify				
5.	Others, please specify	-	-	-	
	Total (A)	Rs.1200,000	Rs.1200,000	Rs.1200,000	Rs 14,400,000
	Ceiling as per the Act	NA	NA	NA	NA

B. Remuneration to other directors: Not Applicable

S. no.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors					
	• Fee for attending Board / Committee Meeting	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, Please Specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors					
	• Fee for attending Board / Committee Meeting	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, Please Specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = 1 + 2	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. no.	Particulars of Remuneration	Key Managerial Personnel (in Rs.)			Total
		CEO	Company Secretary (Mr. Jagdeep Singh)	CFO (Mr. Saurabh Mittal)	


Jagdeep Singh

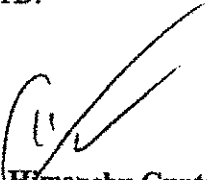
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1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	Rs.956,468 P.A.	Rs 7,950,620 P.A	Rs. 8,907,088 P.A.
2.	Stock Option	-	50	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	Rs .956,468 P.A. and 50 Stock options	Rs 7,950,620 P.A	Rs.8,907,088 P.A.

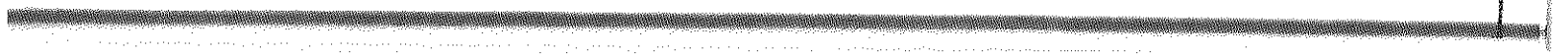
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A.

**For and on behalf of Board of Directors
S CHAND AND COMPANY PVT. LTD.**


Dinesh Kumar Jhunjhuwala
Whole-time Director
DIN: 00282988
B-414 Ground Floor,
New Friends Colony,
New Delhi, 110065


Himanshu Gupta
Managing Director
DIN: 00054015
89, Old Ishwar Nagar,
Panchwati, Okhla More,
New Delhi, 110065

Date : August 23, 2016
Place: New Delhi



Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis Not applicable

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts / arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) date(s) of approval by the Board

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

1. Related party Transaction with Nirja Publishers & Printers Pvt Ltd. ("NIRJA")

(a) Name(s) of the related party and nature of relationship- Nirja Publishers & Printers Pvt Ltd, Subsidiary Company

(b) Nature of contracts/arrangements/transactions-Purchase of Books, Lease rent

(c) Duration of the contracts / arrangements/transactions-5 years ,3 Years.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt Ltd, had Purchased books form Nirja on unit cost basis and has also leased machinery to Nirja Publishers & Printers Pvt Ltd. Value of Contracts for Financial year ending March 31,2016 are as follows

Purchase of Books-Rs. 468,220,877, Lease of Machinery-Rs 18,00,000.

(e) Date(s) of approval by the Board, if any: Sale Purchase of Books-31.07.2015, Leasing of Machinery-15.04.2012.

(f) Amount paid as advances, if any: NIL

2. Related party Transaction with Blackie & Son (Calcutta) Pvt Ltd. ("BLACKIE")

- (a) Name(s) of the related party and nature of relationship- Blackie & Son (Calcutta) Pvt Ltd, Subsidiary Company
- (b) Nature of contracts/arrangements/transactions- Royalty Agreement
- (c) Duration of the contracts / arrangements/transactions- N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: The Company has acquired exclusive publishing rights for inhouse titles of Blackie on royalty basis. Value of transactions are Rs.4,035,634 for Financial year ending March 31,2016.
- (e) Date(s) of approval by the Board, if any: 04.03.2016
- (f) Amount paid as advances, if any NIL

3. Related party Transaction with Vikas Publishing House Pvt Ltd. ("VIKAS")

Purchase of Books


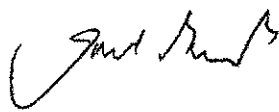
- (a) Name(s) of the related party and nature of relationship- Vikas publishing House Pvt. Ltd., Subsidiary Company
- (b) Nature of contracts/arrangements/transactions- Purchase of Books.
- (c) Duration of the contracts / arrangements/transactions- 3 Years w.e.f 27.07.2015
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt Ltd has done transactions of Sale Purchase of Books on unit cost basis .Total value of transactions for Financial year ending March 31,2016 for purchase of books is Rs 890,382,620.
- (e) Date(s) of approval by the Board, if any: 31.07.2015
- (f) Amount paid as advances, if any: NIL

Other purchases, Sale of paper , sale of fixed assets.

- (a) Name(s) of the related party and nature of relationship- Vikas publishing House Pvt. Ltd., Subsidiary Company
- (b) Nature of contracts/arrangements/transactions- Other purchases , sale of paper , sale of fixed assets.
- (c) Duration of the contracts / arrangements/transactions- Not applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt Ltd has made some other purchases, Total value of transactions for Financial year ending March 31,2016 for other purchases Rs 4,782,387, for Sale of paper Rs 30,314,334, Sale of fixed assets 15,588,123 .
- (e) Date(s) of approval by the Board, if any: Since the transactions were done in ordinary course of business and on arm's length , no approval of board was sought for these transactions.
- (f) Amount paid as advances, if any: NIL

4. Related party Transaction with Eurasia Publishing House Pvt Ltd.

- (a) Name(s) of the related party and nature of relationship- Eurasia Publishing House Pvt Ltd, Subsidiary Company
- (b) Nature of contracts/arrangements/transactions- Royalty Expense
- (c) Duration of the contracts / arrangements/transactions- 5 years w.e.f 01.04.2015



- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: The Company has acquired exclusive publishing rights for inhouse titles of Blackie on royalty basis . Value of transaction for Financial year ending March 31,2016 is Rs 19,691,245.
(e) Date(s) of approval by the Board, if any:04.03.2016
(f) Amount paid as advances, if any: NIL

5. Related party Transaction with BPI(India)Pvt Ltd.

Sale purchase of Books, Purchase of CD & Toys, other purchases

- (a) Name(s) of the related party and nature of relationship- BPI(India)Pvt Ltd, Subsidiary Company
(b) Nature of contracts/arrangements/transactions- Sale/ purchase of Books,Purchase of CDs and Toys, other purchases.
(c) Duration of the contracts / arrangements/transactions- N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt Ltd purchased & sold Books, CDs and Toys and made some other purchases. Value of transactions for purchase of CDs and toys is Rs. 610,781 , sale of books- Rs. 339,735, other purchases Rs. 2263239 .
(e) Date(s) of approval by the Board, if any: since the transactions were done in ordinary course of business and on arm's length , no approval of board was sought for these transactions
(f) Amount paid as advances, if any: NIL

Royalty Expense

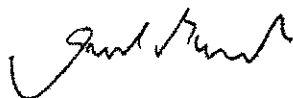
- (a) Name(s) of the related party and nature of relationship- BPI(India)Pvt Ltd, Subsidiary Company
(b) Nature of contracts/arrangements/transactions- Royalty Expense.
(c) Duration of the contracts / arrangements/transactions- 01.04.2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Royalty Expenses Rs 674,571.
(e) Date(s) of approval by the Board, if any: 04.03.2016
(f) Amount paid as advances, if any: NIL

6. Related party Transaction with SC Hotel Tourist Deluxe Pvt Ltd.

- (a) Name(s) of the related party and nature of relationship- SC Hotel Tourist Deluxe Pvt Ltd, Common Directors .
(b) Nature of contracts/arrangements/transactions- Hotel services
(c) Duration of the contracts / arrangements/transactions-N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:S Chand And Company Pvt Ltd will avail Hotel Services from SC hotel Tourist Deluxe Pvt Ltd. Value of transactions for Financial year ending March 31,2016 is Rs 1,271,276.
(e) Date(s) of approval by the Board, if any: Since the transactions were done in ordinary course of business and on arm's length , no approval of board was sought for these transactions
(f) Amount paid as advances, if any: Nil

7. Related party Transaction with S Chand Hotels Pvt Ltd.

- (a) Name(s) of the related party and nature of relationship- S Chand Hotels Pvt. Ltd., Common Directors





- (b) Nature of contracts/arrangements/transactions- Hotel Services
- (c) Duration of the contracts / arrangements/transactions-N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt. Ltd. will avail Hotel Services from S Chand Hotels Pvt. Ltd. Value of transactions for Financial year ending March 31, 2016 is Rs. 849,343.
- (e) Date(s) of approval by the Board, if any: 28.09.2015
- (f) Amount paid as advances, if any: Nil

8. Related party Transaction with Hotel Tourist

- (a) Name(s) of the related party and nature of relationship- Hotel Tourist, Common Directors/Partners
- (b) Nature of contracts/arrangements/transactions- Hotel services
- (c) Duration of the contracts / arrangements/transactions-N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt Ltd availed Hotel Services from Hotel Tourist amounting to Rs 4,409,839 for Financial year ended March 31,2016.
- (e) Date(s) of approval by the Board, if any: Since the transactions were done in ordinary course of business and on arm's length, no approval of board was sought for these transactions
- (f) Amount paid as advances, if any: Nil

9. Related party Transaction with DS Digital Pvt. Ltd.

- (a) Name(s) of the related party and nature of relationship- DS Digital Pvt Ltd., Subsidiary Company
- (b) Nature of contracts/arrangements/transactions-Other Purchase, purchase of fixed asset, lease rent, Interest Income
- (c) Duration of the contracts / arrangements/transactions- N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Private Limited Sold books to DS Digital Pvt Ltd. Value of transaction for Financial year ending March 31, 2016 for Purchase is Rs 92,625, Purchase of Fixed Asset- 22,658,070 Lease Rent is Rs 19,960,479, Interest Income-10,568,918.
- (e) Date(s) of approval by the Board, if any: Since the transactions were done in ordinary course of business and on arm's length, no approval of board was sought for these transactions
- (f) Amount paid as advances, if any: Nil

10. Related party Transaction with New Saraswati House (India)Pvt. Ltd.

Sale of Books

- (a) Name(s) of the related party and nature of relationship-New Saraswati House (India)Pvt.Ltd, Associate Company.
- (b) Nature of contracts/arrangements/transactions- Sale of Books
- (c) Duration of the contracts / arrangements/transactions-3 years w.e.f 01.06.2014
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:S Chand And Company Pvt Ltd had sold books to New Saraswati House (India)Pvt Ltd. The transactions were done in ordinary course of business and on arm's length. Value of transaction for Financial year ending March 31,2016 for sale of books – Rs 317,221
- (e) Date(s) of approval by the Board, if any: 28.07.2014



(f) Amount paid as advances, if any: Nil

Purchase of Books, Investment and Interest Income

a) Name(s) of the related party and nature of relationship-New Saraswati House (India)Pvt.Ltd, Associate Company.

(b) Nature of contracts/arrangements/transactions- Purchase of books, Investment and Interest Income

(c) Duration of the contracts / arrangements/transactions-NA.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt Ltd had purchased books , made investment and owns debentures of New Saraswati House (India)Pvt Ltd. The transactions were done in ordinary course of business and on arm's length. Value of transaction for Financial year ending March 31,2016 for purchase of books is Rs 7167, Interest Income-68,900,004,Investment 809,546,848.

(e) Date(s) of approval by the Board, if any: NA.

(f) Amount paid as advances, if any: Nil

11. Related party Transaction with Safari Digital Education Initiatives Pvt. Ltd.

Other Purchases

(a) Name(s) of the related party and nature of relationship- Safari Digital Education Initiatives Pvt. Ltd, Subsidiary Company.

(b) Nature of contracts/arrangements/transactions: Other Purchases

(c) Duration of the contracts / arrangements/transactions- 3 years w.e.f 04.03.2016

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Development of QR codes by Safari for S Chand .Value of transaction for Financial year ending March 31,2016 for Other purchases is Rs 1,497,174.

(e) Date(s) of approval by the Board, if any: 04.03.2016

(f) Amount paid as advances, if any: Nil

Purchase of Fixed Assets, sale of books, Rentals Paid, Interest Income

(a) Name(s) of the related party and nature of relationship- Safari Digital Education Initiatives Pvt. Ltd, Subsidiary Company.

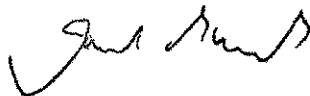
(b) Nature of contracts/arrangements/transactions: Purchase of Fixed Assets, Sale of books, Rentals Paid, Interest Income

(c) Duration of the contracts / arrangements/transactions- Leasing- 2 years 4 Months w.e.f 01.03.2015 for others NA.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand And Company Pvt Ltd sold E books to Safari Digital Education Initiatives Pvt Ltd and will also avail Data Management services from Safari Digital Education Initiatives Pvt Ltd. S Chand had purchased some fixed assets and has taken property on sublicensing. Value of transaction for Financial year ending March 31,2016 for Other purchases is Rs 1,497,174,Purchase of Fixed asset is Rs 276,266 ,sale of books is Rs 425,564, Rentals paid- 10,933,760, Interest income-1,590,905.

(e) Date(s) of approval by the Board, if any: Since the transactions were done in ordinary course of business and on arm's length , no approval of board was sought for these transactions.

(f) Amount paid as advances, if any: Nil



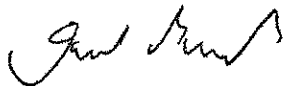
12. Related party Transaction with Arch Papier Mache Pvt. Ltd.

- (a) Name(s) of the related party and nature of relationship- Arch Papier Mache Pvt Ltd.
- (b) Nature of contracts/arrangements/transactions - Lease of property
- (c) Duration of the contracts / arrangements/transactions-9 years w.e.f 01.12.2012
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Arch Papier Mache Pvt Ltd had leased its property to S Chand and Company Pvt Ltd. Value of transaction for Financial year ending March 31,2016 is Rs 20767554
- (e) Date(s) of approval by the Board, if any: NA.
- (f) Amount paid as advances, if any: NIL

13. Related party Transaction with S Chand Properties Pvt Ltd

- (a) Name(s) of the related party and nature of relationship- S Chand Properties Pvt.Ltd, Common Directors
- (b) Nature of contracts/arrangements/transactions: Lease of property
- (c) Duration of the contracts / arrangements/transactions: 9 years w.e.f 01.04.2012
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: S Chand Arch Papier Mache Pvt Ltd had leased its property to S Chand and Company Pvt Ltd. Value of transaction for Financial year ending March 31,2016 is 29,596,136
- (e) Date(s) of approval by the Board, if any: NA.
- (f) Amount paid as advances, if any: 21,116

**For and on behalf of Board of Directors
S CHAND AND COMPANY PVT. LTD.**



Dinesh Kumar Jhunjhuwala
Whole-time Director
DIN: 00282988
B-414 Ground Floor,
New Friends Colony,
New Delhi, 110065

Date : August 23, 2016

Place: New Delhi



Himanshu Gupta
Managing Director
DIN: 00054015
89, Old Ishwar Nagar,
Panchwati, Okhla More,
New Delhi, 110065

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Policy Statement

The Corporate Social Responsibility Policy ("CSR Policy") of S Chand And Company Ltd. ("S Chand") is framed to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community in fulfillment of its role as a Socially Responsible Corporate.

Organization setup

The CSR projects in S Chand are implemented under the guidance of the CSR Committee which presently comprises three directors. The terms of reference of the Committee is given below:

- (i) Formulate and recommend CSR policy to the Board for approval;
- (ii) Recommend for approval of the Board the amount of expenditure to be incurred on the activities in a financial year along with projects to be undertaken earmarking funds for broad area wise projects; and
- (iii) Monitor from time to time the implementation of the CSR projects undertaken by the Company.

The CSR activities of S Chand are as per Schedule VII of the Companies Act, 2013. Two major CSR activities carried out during the year are:

- (a) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects; and
- (b) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

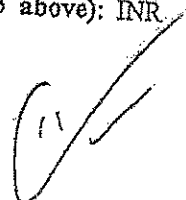
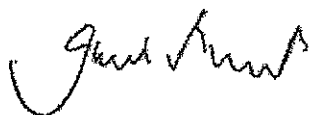
2. The Composition of CSR Committee:

The CSR Committee comprises of the following members:

- i) Mr. Himanshu Gupta, Chairman
- ii) Mr. Dinesh Kumar Jhunjhnuwala, Member
- iii) Mr. Deep Mishra, Member

3. Average net profit of the Company for last three financial years: INR 12,55,33,345

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above): INR 25,10,667



5. Details of CSR spent during the financial year:

- Total amount to be spent for the financial year; INR 25,10,667 through a registered trust or society.
- Amount unspent, if any; INR 3,63,667
- Manner in which the amount spent during the financial year is detailed below.

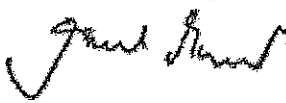
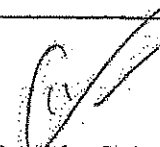
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs.)	Amount spent on the projects or programs (in Rs.) Sub-heads: (1) Direct expenditure on projects or programs- (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Contribution to the corpus of a registered society or trust for promoting education	Promoting Education		25,10,667	21,47,000	21,47,000	Indirect
	Total			25,10,667	21,47,000	21,47,000	

6. Reasons for not spending the 2% average net profit of last three financial years:

During the year under review the Company has reviewed various CSR projects but only few projects complied the criteria under the CSR Policy of the Company. Therefore, due to non-availability of adequate projects, the Company could not spend the recommended amount of CSR.

7. Responsibility statement of the CSR Committee:

The implementation and monitoring of S Chand's CSR Policy is in compliance with CSR objectives and Policy of the Company.

 Dinesh Kumar Jhunjhnuwala Whole-time Director	 Himanshu Gupta Chairman, CSR committee
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S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122 002, Haryana, India
Tel : +91 124 464 4000
Fax : +91 124 464 4050

INDEPENDENT AUDITOR'S REPORT

To the Members of S Chand and Company Private Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of S Chand and Company Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, 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.

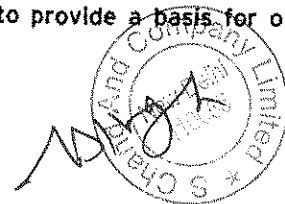
Management's Responsibility for the Financial Statements

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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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. 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 standalone financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



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Chartered Accountants

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 2016, 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 standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statement. Refer note 33 to the standalone financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



per Yogesh Midha
Partner

Membership Number: 094941
Place of Signature: Gurgaon
Date: 23/8/2016



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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/fixed assets of the Company and accordingly the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. Discrepancies noted on physical verification of inventories were not material and have been properly dealt with in the books of accounts.
- (iii) (a) The Company has granted loan to one company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loan are not prejudicial to the Company's interest.
 - (b) In respect of loan granted to company covered in the register maintained under section 189 of the Companies Act, 2013, repayment of the principal amount is as stipulated and receipt of interest has been regular.
 - (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are outstanding for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, sales-tax, service tax, value added tax, custom duty cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating duty of excise and cess are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, provident fund, employees' state insurance, wealth tax, sales-tax, service tax, value added tax, custom duty, cess and other undisputed statutory dues were outstanding, at the period end, for a period of more than six months from the date



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they became payable. The provisions relating to duty of excise and cess are not applicable to the Company.

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

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

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

(ix) In our opinion and according to information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised any money by way of initial public offer or further public offer or debt instruments.



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- (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 provisions of section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 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. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) Based on our 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, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares during the year. Based on our 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 the amounts raised, have been used for the purposes for which the funds were raised.
- (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.: 094941



Place: Gurgaon
Date: 23/8/2016

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF S CHAND AND COMPANY PRIVATE LIMITED

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

To the Members of S Chand and Company Private Limited

We have audited the internal financial controls over financial reporting of S Chand and Company Private Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.



S.R. BATLIBOI & ASSOCIATES LLP

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Meaning of Internal Financial Controls over Financial Reporting

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

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 2016, 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.

Explanatory paragraph

We also have audited, 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, the standalone financial statements of S Chand and Company Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, and the related 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, and our report dated 23/8/16 expressed an unqualified opinion.

For S. R. Batliboi & Associates LLP

ICAI Firm Registration Number: 101049W/E300004

Chartered Accountants



per Yogesh Midha

Partner

Membership Number: 094941

Place of Signature: Gurgaon

Date: 23/8/2016



S Chand and Company Private Limited
CIN:U22219DL1970PTC005400
Balance Sheet as at 31 March 2016

	Notes	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Equity and Liabilities			
Shareholders' funds			
Share capital			
Reserves and surplus	3	2,016,520	2,173,230
	4	4,837,956,520	2,978,751,702
		4,839,973,040	2,980,924,932
Non-current liabilities			
Long-term borrowings			
Trade payables	5	308,362,933	658,751,575
Total outstanding dues of micro enterprises and small enterprises	6		
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,556,628	196,664
Long-term provisions	7	7,681,097	8,866,982
		318,600,658	667,815,221
Current liabilities			
Short-term borrowings	8		
Trade payables	9	496,817,235	352,780,858
Total outstanding dues of micro enterprises and small enterprises		1,184,986	
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,072,187,831	1,104,748,186
Other current liabilities	10	76,909,334	212,473,035
Short-term provisions	7	49,188,723	3,301
		1,696,288,109	1,670,005,380
TOTAL		6,854,861,807	5,318,745,533
Assets			
Non-current assets			
Fixed assets			
Tangible assets			
Intangible assets	11a	140,318,074	190,189,375
Capital work-in-progress	11b	115,938,960	77,367,103
Non-current investments		103,851	20,429
Deferred tax assets (net)	12	3,530,406,824	2,717,328,323
Loans and advances	13	10,890,321	3,365,883
Other non-current assets	14	79,012,749	62,940,232
	15	9,366,498	14,412,065
		3,886,037,277	3,065,623,410
Current assets			
Current investments	12	162,309,593	42,352,137
Inventories	16	596,249,716	485,138,430
Trade receivables	17	1,913,809,036	1,482,580,701
Cash and bank balances	18	99,529,311	57,216,758
Loans and advances	14	195,353,834	183,586,897
Other current assets	15	1,573,040	2,247,200
		2,968,824,530	2,253,122,123
TOTAL		6,854,861,807	5,318,745,533

Summary of significant accounting policies

2.1

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

As per our report of even date

For S.R. Batliboi & Associates LLP

ICAI Firm Registration Number: 101049W/00000

Chartered Accountants

per Yogesh Midha
Partner



Membership No. 94941

Place: Gurgaon

Date: 23/8/2016

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

Director

Director

Chief Financial Officer

Company Secretary


S Chand and Company Private Limited
 CIN:U22219DL1970PTC005400
 Statement of profit and loss for the year ended 31 March 2016

	Notes	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Income			
Revenue from operations (net)	19	2,795,564,657	2,348,348,882
Other income	20	117,430,877	84,589,186
Total revenue (I)		2,912,995,534	2,432,938,068
Expenses			
Cost of published goods/materials consumed	21	1,162,229,783	827,351,554
Publication expenses	22	326,752,056	458,543,992
Purchases of traded goods		252,282,344	153,416,350
(Increase) in inventories of finished goods	23	(143,953,634)	(10,006,180)
Selling and distribution Expenses	24	199,253,821	160,333,740
Employee benefits expense	25	373,174,910	302,841,721
Depreciation and amortization expense	26	74,026,094	80,445,935
Finance costs	27	139,275,611	156,619,697
Other expenses	28	273,352,631	184,111,687
Total expense (II)		2,656,393,616	2,313,658,496
Profit before tax (I - II)		256,601,918	119,279,572
Tax expenses			
Current tax		101,470,213	42,336,873
Deferred tax (credit)		(7,524,438)	(3,293,400)
Total tax expenses		93,945,775	39,043,473
Profit for the year		162,656,143	80,236,099
Earnings per equity share [nominal value of share Rs.10 (31 March 2015: Rs.10)]			
(a) Basic	29	6.05	3.19
(b) Diluted		6.05	3.19
Computed on the basis of profit for the year			
Summary of significant accounting policies	2.1		

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

As per our report of even date

For S.R. Batliboi & Associates LLP
 ICAI Firm Registration Number: I01049W/E00004
 Membership No. 94941


 per Yogesh Mishra
 Partner

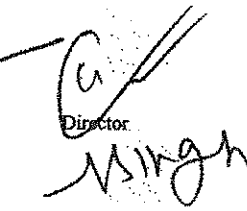


Membership No. 94941
 Place: Gurgaon
 Date: 23/8/2016

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


 Director


 Chief Financial Officer


 Company Secretary

S Chand and Company Private Limited
 CIN:U22219DL1970FTC005400
 Cash flow statement for the year ended 31 March 2016

	Note	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
A. Cash flow from operating activities			
Profit before tax			
Adjustment to reconcile profit before tax to net cash flows		256,601,918	119,279,572
Depreciation and amortization expenses			
Profit on sale of fixed assets (net)		74,026,094	80,445,935
Interest income		(2,171,362)	(2,123,630)
Dividend income on current investments		(89,774,760)	(73,903,635)
Net gain on sale of current investments		(25,597)	(74,057)
Provision for doubtful receivables		(16,422,842)	-
Bad debt written-off		15,454,694	7,181,005
Advances written off		-	1,106,205
Employee stock option expense		95,368	-
Interest paid on borrowings		5,122,242	-
Amortization of ancillary borrowing cost		131,665,926	150,804,699
Operating profit before working capital changes		5,882,139	4,983,839
Movement in working capital:		380,453,820	287,699,933
(Increase)/decrease in inventories			
(Increase) in trade receivable		(111,111,286)	16,326,956
(Increase) in loans and advances		(446,683,029)	(120,519,181)
(Increase) in other assets		(21,887,881)	(58,389,197)
Increase/(decrease) in provisions		4,269,680	(3,370,800)
Increase/(decrease) in trade payable		(1,185,885)	3,752,441
Increase in current liabilities		(29,015,403)	210,274,243
Cash generated from operations		(3,303,504)	10,701,295
Direct taxes paid (net of refunds)		(228,463,490)	346,475,690
Net cash used in operating activities (A)		(52,284,793)	(57,328,460)
		(280,748,283)	289,147,230
B. Cash flows from investing activities			
Purchase of fixed assets including capital advance, capita creditor and capital work in progress		(89,418,709)	(104,322,357)
Purchase of non-current investments		(813,078,501)	(831,535,048)
Purchase of current investments		(1,059,957,437)	(41,068,960)
Proceed from sale of current investments		956,422,842	-
Proceed from sale of fixed assets		22,733,058	16,005,951
Proceed from bank deposits (having original maturity of more than 3 months)		(225,446)	13,787
Dividend received		25,597	74,057
Interest received		89,616,642	73,397,365
Net cash (used in) investing activities (B)		(893,881,974)	(887,435,205)
C. Cash flows from financing activities			
Proceed from issuance of equity shares including securities premium		1,691,269,723	-
Interest paid on borrowings		(132,393,308)	(151,186,643)
Amortization of ancillary borrowing cost		(5,882,139)	(4,983,839)
Repayment of borrowing		(552,293,483)	(75,289,745)
Proceed from borrowings		214,408,405	830,279,000
Net cash from (used in) financing activities (C)		1,215,109,198	618,818,773
Net increase in cash and cash equivalents (A+B+C)		40,478,941	20,530,798
Cash and cash equivalents at the beginning of the year		53,280,108	32,749,310
Cash and cash equivalents at the end of the year		93,759,049	53,280,108
Components of cash and cash equivalents			
Cash in hand			
With Banks - On current accounts		9,641,843	21,252,076
Deposits with original maturity of less than 3 months		82,222,882	30,629,866
Total cash and cash equivalents (note 18)		1,894,325	1,398,166
		93,759,049	53,280,108

Summary of significant accounting policies

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

2.1

As per our report of even date

For S.R. Batliboi & Associates LLP
 ICAI Firm Registration Number: 101049W/E00004
 Chartered Accountants

per Yogesh Midha
 Partner
 Membership No. 94941



Place: Gurgaon
 Date: 23/03/2016

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

Director

Director

Chief Financial Officer

Company Secretary

S Chand and Company Private Limited
CIN: U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016
(Amount in Indian Rupees, unless stated otherwise)

1. Corporate information

S Chand and Company Private Limited (the company) is a private company incorporated under the provisions of the Companies Act, 1956. The Company's operations comprises of publishing of educational books with products ranging from School Books, Higher Academic Books, Competition & Reference Books, Technical & professional books and Children Books.

2. Basis of preparation

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

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

2.1 Summary of significant accounting policies

(a) Use of estimates

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

(b) Tangible fixed assets

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

Subsequent expenditure related to an item of fixed asset 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 existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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



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S Chand and Company Private Limited

CIN: U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

(Amount in Indian Rupees, unless stated otherwise)

(c) Intangible assets

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

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

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.

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

Research and development costs

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

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

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



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S Chand and Company Private Limited
 CIN: U22219DL1970PTC005400
 Notes to financial statements for the year ended 31 March 2016
 (Amount in Indian Rupees, unless stated otherwise)

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

	Useful lives
Goodwill	10 years
Copy-right	6 to 10 years
Computer software	5 to 10 years
In-house content	10 seasons

(d) Depreciation on tangible fixed assets

Depreciation is provided using the written down value method as per the useful life of the assets estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Fixed assets	Useful lives as per schedule II	Useful lives estimated by the management
Plant and equipment	15 years	15-25 years
Office equipment	5 years	5 years
Furniture & fixture	10 years	10 years
Vehicle	8 years	10 years
Others-Computer	3 years	6 years

Leasehold improvement is amortized over economic useful life or unexpired period of lease whichever is less.

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

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

(e) 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.

Where the Company is lessor

Leases in which Company does not transfer substantially all the risk and benefit of ownership of the assets are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognized on a straight line basis over the lease term. Costs, including depreciation are recognized as expenses. Initial direct costs such as legal cost such as legal costs, brokerage costs, etc are recognized immediately in the statement of profit and loss.



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(f) Borrowing costs

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

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

(g) Impairment of tangible and intangible assets

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

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

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

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

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



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S Chand and Company Private Limited

CIN: U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

(Amount in Indian Rupees, unless stated otherwise)

(h) 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.

(i) Inventories

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

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First out (FIFO) basis.

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

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

(j) Revenue recognition

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation. Sales are net of turnover discounts and sales returns.



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S Chand and Company Private Limited

CIN: U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

(Amount in Indian Rupees, unless stated otherwise)

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. 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.

(k) 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.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

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.



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(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

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year 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.

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

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



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S Chand and Company Private Limited

CIN: U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

(Amount in Indian Rupees, unless stated otherwise)

(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.

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

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

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.

(o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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.

(p) Employee stock compensation cost

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



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S Chand and Company Private Limited

CIN: U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

(Amount in Indian Rupees, unless stated otherwise)

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

(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.

(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 equivalent

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 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Authorised shares*		
2,210,000 (31 March 2015: 2,210,000) equity shares of Rs. 10 each	22,100,000	22,100,000
Issued share capital*		
201,652 (31 March 2015: 322,253) equity shares of Rs. 10 each	2,016,520	3,222,530
Subscribed and paid up share capital*		
201,652 (31 March 2015: 172,353) equity shares of Rs. 10 each	2,016,520	1,723,530
Shares forfeiture account**		
Nil (31 March 2015: 149,900) equity shares of Rs. 10 each (Rs. 3 paid up)		449,700
	<u>2,016,520</u>	<u>2,173,230</u>

** Cancelled as per resolution passed at Board Meeting dated 22 September 2015 and paid up amount has been transferred to capital reserve (refer note 4)

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

	31 March 2016		31 March 2015	
	No. of shares	(Amount in Rs.)	No. of shares	(Amount in Rs.)
At the beginning of the year	172,353	1,723,530	172,353	1,723,530
Issued during the year	29,299	292,990	-	-
Outstanding at the end of the year	<u>201,652</u>	<u>2,016,520</u>	<u>172,353</u>	<u>1,723,530</u>

(b) Terms / rights attached to equity shares:

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% equity shares in the Company:

	31 March 2016		31 March 2015	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 (31 March 2015: Rs.10) each fully paid-up*				
Mrs Nirmala Gupta	12,866	6.38%	12,866	7.46%
Mrs Savita Gupta	16,867	8.36%	16,867	9.79%
Mr Dinesh Kumar Jhunjhunwala	23,465	11.64%	23,465	13.61%
Mr Himanshu Gupta	36,674	18.19%	36,674	21.28%
Mrs Neerja Jhunjhunwala	24,007	11.91%	24,007	13.93%
Everstone Capital Partners II LLC	65,064	32.27%	54,723	31.75%
International Finance Corporation	18,958	9.40%	-	-

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.

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 42.

*Subsequent to the year ended 31 March 2016, the Company had split the equity share of face value of Rs. 10 each to face value of Re. 5 each and further issued bonus shares to the shareholders in the ratio of 1:73 as per the resolution passed at extra ordinary general meeting (EOGM) dated 20 April 2016.



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4 Reserves and surplus

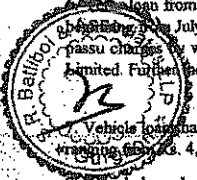
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Capital reserve		
Balance as per last financial statements	63,300	63,300
Add: On cancellation of forfeited shares (refer note 3)	449,700	-
Closing balance	(A) 513,000	63,300
Securities premium account		
Balance as per last financial statements	1,947,953,470	1,947,953,470
Add: premium on issue of equity shares	1,699,634,990	-
Less: utilize during the year	(8,658,257)	-
Closing balance	(B) 3,638,930,203	1,947,953,470
General reserve		
Balance as per last financial statements	603,017,675	603,017,675
Add: amount transferred from surplus balance in the statement of profit and loss	-	-
Closing balance	(C) 603,017,675	603,017,675
Employee Stock Options Outstanding		
Gross employee stock compensation for options granted	13,442,820	-
Less: deferred employee stock compensation	(8,320,578)	-
Closing balance	(D) 5,122,242	-
Surplus in the statement of profit and loss		
Balance as per last financial statements	427,717,257	349,434,994
Profit for the year	162,656,143	80,236,099
Less: Depreciation (net of tax) due to transitional provision of schedule II	-	(1,953,836)
Closing balance	(E) 590,373,400	427,717,257
Total reserves and surplus	(A+B+C+D+E) 4,837,956,520	2,978,751,762

5 Long term borrowings

	Non-current portion		Current maturities	
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Secured				
Term loans				
From financial institutions (refer note 1, 2, 3, 4 and 5 below)	297,128,964	603,676,595	20,597,942	114,107,223
From banks (refer note 6 below)	-	41,666,667	-	33,333,333
Vehicle loans				
From banks (refer note 7 below)	11,233,969	13,212,146	4,199,995	8,268,815
From others (Against hypothecation of vehicles)	-	196,167	-	621,380
	308,362,933	658,751,575	24,797,937	156,330,751
The above amount includes:				
Amount disclosed under the head "other current liabilities" (note 10)			(24,797,937)	(156,330,751)
	308,362,933	658,751,575	-	-
Net amount	308,362,933	658,751,575	-	-

Note:-

- Term loan from L&T Finance Limited taken during financial year 2012-13, carries interest @14%. The loan is repayable in 36 equal monthly installments of Rs. 512,664 each beginning from May 2012. The loan is secured by hypothecation of machine being purchased. Further the loan has been guaranteed by joint & several personal guarantee of Directors of the Company & demand promissory note issued in favor of lender.
- Term loan from Siemens Financial Limited taken during the financial year 2013-14, carries interest @13.75%. The loan is repayable in 36 equal monthly installments beginning from June 2013 onwards. The installment amount ranges from Rs. 182,542 to of Rs. 323,535. The loan is secured by hypothecation of machine being purchased. Further the loan has been guaranteed by joint & several personal guarantee of Directors of the Company & demand promissory note issued in favor of lender.
- Term loan from Siemens Financial Limited taken during the financial 2014-15, carries interest @13.50% to 13.75%. The loan is repayable in 36 equal monthly installments beginning from August 2014 onwards. The installment amount ranges from Rs. 336,09 to of Rs. 542,279. The loan is secured by hypothecation of assets being purchased. Further the loan has been guaranteed by joint & several personal guarantee of Directors of the Company & demand promissory note issued in favor of lender.
- Term loan from Siemens Financial Limited taken during the current financial year and carries interest @13.50%. The loan is repayable in 36 equal monthly installments of Rs. 75,879 beginning from April 2015. The loan is secured by hypothecation of assets being purchased.
- Term loan from Indo Star Capital Finance has been taken during the 2014-15 financial year, carries interest @13.00% to 12.85%. The loan is repayable in 18 quarterly installments beginning from December 2014 onwards. Till September 2015, installment amount ranging from Rs 14,000,000 to Rs 48,461,532 per quarter. On December 2015, Company had made early repayment of loan facility amounting to Rs 35 crore, consequent to that repayment schedule has been revised. The remaining loan amount is repayable in 7 quarterly installment beginning from September 2017 onwards. The installment amount is ranging from Rs 3,230,773 to Rs 48,461,539 per quarter. The loan is secured by (i) First and exclusive charge on 35 % equity and other convertible instrument of New Saraswati House (India) Private Limited by way of pledge (ii) First and exclusive charge on 98% equity of Vikas Publishing House Private Limited by way of pledge (iii) Second charge on the entire fixed assets of the Company (iv) Second charge on all current assets of the Company. Further the loan facility has been secured demand promissory note issued in favor of lender.
- Term loan from Ratnakar Bank has been taken during the financial year 2014-15, carries interest @12.50%. The loan is repayable in 12 equal quarterly installments of Rs 8,333,333 beginning from July 2014 onwards. The loan is secured by (i) First pari passu charges by way hypothecation of the entire current assets of the Company, both present and future (ii) First pari passu charges by way hypothecation of the entire movable fixed assets of the Company except which exclusively charge to other lenders (iii) Pledge of 35% equity of D S Digital Private Limited. Further the loan has been guaranteed by joint & several personal guarantee of Directors of the Company. The entire loan has been repaid during the current financial year.
- Vehicle loans have been taken from HDFC Bank, ICICI Bank and Vijaya Bank and carry interest @ 10.00% to 12.00%. The loan is repayable in 36 to 60 equal monthly installments ranging from Rs. 4,348 to Rs. 163,202. The loan is secured by hypothecation of respective vehicles.
- Vehicle loans have been taken from TATA Capital Limited and Volkswagen Finance Private Limited and carry interest @ 10.82% to 12.20%. The loan is repayable in 36 to 60 equal monthly installments ranging from Rs. 13,299 to Rs. 45,730. The loan is secured by hypothecation of respective vehicles. The entire loan facility has been repaid during the year.



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6 Other long term liabilities

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Trade payables		
-total outstanding dues of micro enterprises and small enterprises (refer note 31 for details of dues to micro and small enterprises)		
-total outstanding dues of creditors other than micro enterprises and small enterprises	2,556,628	196,664
Total	2,556,628	196,664

7 Provisions

	Long-term		Short-term	
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Provision for employee benefits				
Provision for gratuity (refer note 30)	7,681,097	8,866,982		
Other provisions				
Provisions for income tax (net of advance tax)			49,188,723	3,301
Total	7,681,097	8,866,982	49,188,723	3,301

8 Short-term borrowings

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Secured		
Loans repayable on demand		
From banks:		
Working capital demand loan (refer note 1, 2 and 3 below)	220,000,000	
Cash credit (refer note 4, 5 and 6 below)	276,817,235	277,780,858
Short term loan (refer note 7 below)		75,000,000
Total	496,817,235	352,780,858

Note :-

- Working capital demand loan from HDFC Bank Limited (under Multiple Banking Arrangement with IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Directors of the Company & Corporate Guarantee of Nirja Publishers & Printers Private Limited. This loan carries interest rate ranging from 11.50% to 12.00% p.a.
- Working capital demand loan from Kotak Mahindra Bank taken during the current financial year. The facility is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Directors of the Company. This loan carries interest rate ranging from 10.25% to 10.75% p.a.
- Working capital demand loan from Standard Chartered Bank taken during the current financial year. The facility is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Directors of the Company. This loan carries interest rate ranging from 10.25% to 10.50% p.a.
- Cash credit from IndusInd Bank Limited is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Directors of the Company. It carries interest rate ranging from 12.35% to 12.75% p.a.
- Cash credit from Kotak Mahindra Bank taken during the current financial year. The facility is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Directors of the Company. This loan carries interest rate ranging from 11.22% to 11.30% p.a.
- Cash credit from Standard Chartered Bank taken during the current financial year. The facility is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Directors of the Company. This loan carries interest rate 10.72% p.a.
- Short term loan from Yes Bank Limited is secured by way of exclusive charge on immovable property of M/s Hotel Tourist and second sub-servient charge charges on all the current assets and movable fixed assets of the Company and personal guarantee of Directors of the Company. The loan carries interest rate ranging from 12.25% to 12.50% p.a.

9 Trade payables

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Trade payables		
-total outstanding dues of micro enterprises and small enterprises (refer note 31 for details of dues to micro and small enterprises)	1,184,986	
-total outstanding dues of creditors other than micro enterprises and small enterprises	382,948,171	479,807,098
-total outstanding dues to related entities	689,239,660	624,941,088
Total	1,073,372,817	1,104,748,186

10 Other current liabilities

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Current maturities of long term borrowings (note 5)	24,797,937	156,330,751
Interest accrued but not due on borrowings	264,028	435,325
Interest accrued and due		564,384
Interest on outstanding dues of micro enterprises and small enterprises	8,298	
Security deposits/earnest money received	620,000	620,000
Advance from customers	5,416,012	12,028,156
Statutory dues payable	45,803,059	42,469,245
Book overdraft		25,174
Total	76,909,334	212,473,035



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11 Fixed assets

(*) Tangible assets Description	(Amount in Rs)						Total
	Plant & equipment	Office equipments	Furniture & Fixtures	Vehicles	Leasehold Improvement	Computers	
Gross Block at 1 April 2014	135,077,744	26,891,133	41,229,659	98,738,845	3,076,341	99,964,916	404,978,638
Additions	13,239,144	9,070,578	9,530,411	21,240,326	5,562,450	25,762,488	84,405,397
Disposals	(67,553,087)	-	-	(6,754,031)	-	(29,750)	(74,336,868)
As at 31 March 2015	80,763,801	35,961,711	50,760,070	113,225,140	8,638,791	125,697,654	415,047,167
Additions	1,537,586	6,313,297	3,491,955	4,830,977	3,058,456	7,107,095	25,339,366
Disposals	(23,510,701)	(62,225)	(3,206)	(17,205,110)	-	(222,475)	(41,003,717)
As at 31 March 2016	58,790,686	42,212,783	54,248,819	100,851,007	11,697,247	132,582,274	400,382,816
Depreciation at 1 April 2014	87,272,358	11,663,475	24,422,212	44,961,172	1,185,911	48,332,625	214,837,753
Charge for the year	6,100,963	9,500,688	5,517,282	16,249,992	1,173,051	29,978,773	68,520,749
Disposals	(55,113,745)	-	-	(3,314,724)	-	(26,077)	(60,454,546)
Other adjustment*	-	1,795,162	-	-	-	158,674	1,953,836
As at 31 March 2015	38,259,576	22,959,325	29,939,494	55,896,440	2,358,962	75,443,995	224,857,792
Charge for the year	4,355,985	7,492,394	6,336,023	14,789,029	1,531,253	21,144,286	55,648,970
Disposals	(8,628,994)	(49,681)	(2,430)	(11,584,806)	-	(176,109)	(20,442,020)
Other adjustment*	-	-	-	-	-	-	-
As at 31 March 2016	33,986,567	30,401,038	36,273,087	59,100,663	3,890,215	96,411,172	260,064,742
Net Block							
As at 31 March 2015	42,504,225	13,002,386	20,820,576	57,328,700	6,279,829	50,253,659	190,189,375
As at 31 March 2016	24,804,119	13,810,745	17,975,732	41,750,344	7,807,032	36,170,102	140,318,074

Plant and equipments includes plant given on operating lease

	31 March 2016	31 March 2015
Gross block	21,556,745	21,556,745
Depreciation charge for the year	1,730,541	1,857,555
Accumulated depreciation	7,857,083	6,126,542
Net book value	13,699,662	15,430,203

Computer includes computers given on operating lease:

	31 March 2016	31 March 2015
Gross block	77,315,103	79,367,930
Depreciation charge for the year	15,534,506	25,840,576
Accumulated depreciation	53,886,742	38,352,236
Net book value	23,428,361	41,015,694

* Includes amount of Rs. nil (31 March 2015 - Rs. 1,953,836) which represents the net of tax amount which has been adjusted with Reserves in terms of transition provision of Schedule II of the Companies Act, 2013.



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11 Fixed assets

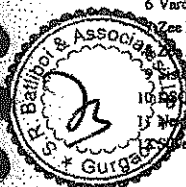
(b) Intangible assets

Particulars	(Amount in Rs.)				Total
	Goodwill	Computer software	Copy-right	Content development	
As at 1 April 2014	74,894,724	6,167,501	-	-	81,062,225
Purchase	-	45,091,357	922,000	-	46,013,357
As at 31 March 2015	74,894,724	51,258,858	922,000	-	127,075,582
Purchase	-	6,809,075	20,784,927	29,354,979	56,948,981
As at 31 March 2016	74,894,724	58,067,933	21,706,927	29,354,979	184,024,563
As at 1 April 2014	36,083,944	1,699,349	-	-	37,783,293
Amortization for the year	7,469,472	4,433,818	1,896	-	11,925,186
As at 31 March 2015	43,573,416	6,133,167	1,896	-	49,708,479
Amortization for the year	7,490,592	6,985,367	965,667	2,935,498	18,377,124
As at 31 March 2015	51,064,008	13,118,534	967,563	2,935,498	68,085,603
As at 31 March 2015	31,321,308	45,125,691	920,104	-	77,367,103
As at 31 March 2016	23,830,716	44,949,399	20,739,364	26,419,481	115,938,960



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12 Investment	31 March 2016 (No. of shares/unit)	31 March 2015 (No. of shares/unit)	Quoted /Unquoted	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
A. Non-current investments					
Trade investments (valued at cost unless stated otherwise)					
a. Investments in subsidiaries					
(i) 100% equity shares of M/s Blackie & Son (Calcutta) Private Limited of Rs. 1,000 each fully paid up	149	149	Unquoted	60,792,890	60,792,890
(ii) 100% equity shares of M/s Nirja Publishers & Printers Private Limited of Rs. 10 each fully paid up	12,000	12,000	Unquoted	15,600,000	15,600,000
(iii) 100% equity shares of M/s Safari Digital Education Initiaves Private Limited of Rs. 10 each fully paid up	26,584,168	26,584,168	Unquoted	265,841,680	265,841,680
(iv) 100% equity shares of Eurasia Publishing House Private Limited of Rs. 1,000 each fully paid up	106	106	Unquoted	116,051,874	116,051,874
(v) 98% equity shares of Vikas Publishing House Private Limited of Rs. 100 each fully paid up (refer note 44)	39,339	39,239	Unquoted	1,502,685,231	1,405,704,835
(vi) 100% equity shares of Rajendra Ravindra Printers Private Limited of Rs. 1,000 each fully paid up**	-	706	Unquoted	-	96,980,396
(vii) 76.09% Equity Shares of New Saraswati House (India) Private Limited of Rs. 10 each fully paid up*	15,600	5,600	Unquoted	900,782,848	93,844,122
(viii) 50.93% Equity Shares of DS Digital Private Limited of Rs. 10 each fully paid up Total 'a'	17,686,750 44,338,112	17,686,750 44,328,718	Unquoted	142,506,526 3,064,261,049	142,506,526 2,197,322,323
*35% of equity shares is pledge in favor of Indo Star Capital Finance (refer note 5)					
**merged with Vikas Publishing House Private Limited w.e.f. appointed date 01 April 2014					
Non-trade investments (valued at cost unless stated otherwise)					
b. Investments in preference shares					
(i) Essar Gujrat Limited (shares of Rs. 37.14 each) (At cost less provision for other than temporary diminution of Rs 59,425)	1,600	1,600	Unquoted	-	-
(ii) Zee Entertainment Enterprises Limited 6% preference shares (bonus)	4,200	4,200	Unquoted	-	-
(i) Samrivity Labs Private Limited (0.001% compulsorily convertible cumulative preference shares of Rs 10 each)	4,164	-	Unquoted	6,138,441	-
Total 'b'	9,964	5,800		6,138,441	-
c. Investments in debentures					
(i) 12% Secured redeemable non-convertible debentures of Rs. 60 each fully paid-up in MGF	100	100	Unquoted	6,000	6,000
(ii) 13.25% optionally convertible redeemable debentures of Rs 100,000 each fully paid up in New Saraswati House (India) Private Limited	5,200	5,200	Unquoted	520,000,000	520,000,000
Total 'c'	5,300	5,300		520,006,000	520,006,000
d. Investments in equity instrument					
(i) Samrivity Labs Private Limited (equity share)	1	-	Unquoted	1,334	-
Total 'd'	1	-		1,334	-
Total non-current investments (a+b+c+d)	44,353,377	44,339,818		3,530,406,824	2,717,328,323
Aggregate amount of quoted investments	-	-		-	-
Aggregate amount of unquoted investments	-	-		3,530,406,824	2,717,328,323
Aggregate provision for diminution in value of investments	-	-		59,425	59,425
B. Current investment					
Current investments (valued at lower of cost and fair value, unless stated otherwise)					
a. Investments in equity instruments					
(i) Quoted investment					
1 Freshtop Fruits Limited (equity shares of Rs.10 each)	1,000	1,000	Quoted	16,800	16,800
2 Kiplly Industries Limited (equity shares of Rs.10 each)	100	100	Quoted	-	-
3 Mahaan Foods Limited (equity shares of Rs.10 each)	42,564	42,564	Quoted	393,717	393,717
4 ORG Informatics Limited (equity shares of Rs.10 each)	100	100	Quoted	-	-
5 Pentamedia Graphics Limited (equity shares of Rs.1 each)	10,457	10,457	Quoted	5,438	5,438
6 Vardhman Concrete Limited (equity shares of Rs.10 each)	2,000	2,000	Quoted	25,000	25,000
Zee Entertainment Limited (equity shares of Rs.10 each)	100	100	Quoted	20,990	20,990
Zee Entertainment Limited (bonus shares)	100	100	Quoted	-	-
8 Shyam Teleservices Limited (equity shares of Rs.10 each)	15,880	15,880	Quoted	-	-
9 Software Limited (equity shares of Rs.10 each)	2,000	2,000	Quoted	-	-
10 Mogen Animation Media Limited (equity shares of Rs.10 each)	40	40	Quoted	-	-
11 Verline Tech EQ (equity shares of Rs.10 each)	100	100	Quoted	-	-
	74,441	74,441		461,945	461,945
(ii) Unquoted Investment					
1 Bharat Glass Tubes Limited (equity shares of Rs. 100 each)	1,000	1,000	Unquoted	-	-
Investment in unquoted share	1,000	1,000		-	-
Total 'a'	75,441	75,441		461,945	461,945



S Chand and Company Private Limited

CIN: U22219DL1970FTC005400

Notes to financial statements for the year ended 31 March 2016

12. Investment

	31 March 2016 (No. of shares/unit)	31 March 2015 (No. of shares/unit)	Quoted /Unquoted	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
b. Investments in mutual funds (Unquoted)					
(i) Principal Monthly Income Plan - Dividend Reinvestment Monthly	74,841	74,841	Quoted	847,648	836,902
(ii) IDFC Monthly Income Plan - Fund of Fund - Dividend	-	5,061	Quoted	-	53,290
(iii) HDFC LIQUID FUND Direct Plan Growth option	321,715	-	Quoted	120,000,000	-
Total 'b'	396,556	79,902		120,847,648	890,192
c. Investments in preference shares					
(i) Cityxys Technologies Limited (redeemable preference shares of Rs. 10 each fully paid up) (refer note 45)	512,500	512,500	Unquoted	41,000,000	41,000,000
Total current investments (a+b+c)	512,500	512,500		41,000,000	41,000,000
	984,497	667,843		162,309,593	42,352,137
Aggregate book value of quoted investments				121,309,593	1,352,137
Aggregate market value of quoted investments				121,761,673	1,360,072
Aggregate amount of unquoted investments				41,000,000	41,000,000



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13 Deferred tax assets (net)

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss account in the current year but allowed for tax purposes on payment basis in subsequent years	5,293,530	3,068,862
Provision for doubtful debts	8,288,971	5,373,774
Gross deferred tax assets	13,582,501	8,442,636
Deferred tax liability		
Fixed assets: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	2,692,180	5,076,753
Gross deferred tax liability	2,692,180	5,076,753
Net deferred tax assets	10,890,321	3,365,883

14 Loans and advances

	Non-current		Current	
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Capital advances				
Unsecured, considered good	9,313,107	3,266,167	-	-
	9,313,107	3,266,167	-	-
Security deposit				
Unsecured, considered good	33,963,973	24,107,705	2,952,130	2,960,940
	33,963,973	24,107,705	2,952,130	2,960,940
Loans and advances to related parties (refer note 41)				
Unsecured, considered good	-	-	159,160,866	161,287,812
	-	-	159,160,866	161,287,812
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	20,530,875	6,207,451
Other loans and advances				
Unsecured, considered good				
Advance income tax (net of provision for taxation of Rs 587,169,790 (31 March 2015: Rs.587,169,790))	35,566,360	35,566,360	-	-
Prepaid expenses	169,309	-	9,937,775	10,769,587
Balances with statutory/ government authorities	-	-	2,772,188	2,361,107
	35,735,669	35,566,360	33,240,838	19,338,145
Total	79,012,749	62,940,232	195,353,834	183,586,897

15 Other assets

	Non-current		Current	
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 18)	4,526,716	6,134,881	-	-
Unamortized expenditure				
Ancillary cost of arranging the borrowings	3,146,080	6,741,600	1,573,040	2,247,200
	7,672,796	12,876,481	1,573,040	2,247,200
Others				
Interest accrued on fixed deposits	1,693,702	1,535,584	-	-
	1,693,702	1,535,584	-	-
Total	9,366,498	14,412,065	1,573,040	2,247,200

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

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Raw materials (refer note 21)	2,162,150	35,004,498
Finished goods		
Finished goods (refer note 23)	575,691,590	432,683,725
Traded goods (refer note 23)	18,395,976	17,450,207
Total	596,249,716	485,138,430



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S Chand and Company Private Limited

CIN:U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

17 Trade receivables

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	208,577,256	151,010,890
Doubtful	23,951,027	15,526,648
	232,528,283	166,537,538
Less: provision for doubtful receivables	(23,951,027)	(15,526,648)
	208,577,256	151,010,890
Other receivables		
Unsecured, considered good	1,705,231,780	1,331,569,811
	1,705,231,780	1,331,569,811
Total	1,913,809,036	1,482,580,701

Trade receivable includes

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Due from BPI (India) Private Limited in which the Company's director is a director	15,986,365	16,316,267
Due from Vikas Publishing House Private Limited in which the Company's director is a director	-	4,404,400
Due from DS Digital Private Limited in which the Company's director is a director	76,253,312	44,710,644
Due from New Saraswati House (India) Private Limited in which the Company's director is a director	5,693,109	5,375,888

18 Cash and bank balances

	Non-Current		Current	
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Cash and cash equivalents				
Balances with banks:				
-On current accounts	-	-	82,222,882	30,629,866
-Deposits with original maturity of less than three months	-	-	1,894,325	1,398,166
Cash on hand	-	-	9,641,843	21,252,076
Total	-	-	93,759,050	53,280,108
Other bank balances				
Deposits with remaining maturity for more than 12 months	4,421,716	6,029,881	-	-
Deposits with remaining maturity for more than 3 months but less than 12 months	-	-	5,770,261	3,936,650
-Margin money deposit - sales tax	105,000	105,000	-	-
	4,526,716	6,134,881	5,770,261	3,936,650
Amount disclosed under non-current assets (refer note 15)	(4,526,716)	(6,134,881)	-	-
	-	-	5,770,261	3,936,650
Total	-	-	99,529,311	57,216,758



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S Chand and Company Private Limited

CIN: U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

19 Revenue from operations (net)	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Sale of products		
Finished goods (published title)	2,510,471,670	2,157,223,152
Traded goods (title not published)	266,312,657	153,428,888
	<u>2,776,784,327</u>	<u>2,310,652,040</u>
Less: turnover discount	(34,430,283)	(20,529,623)
	<u>2,742,354,044</u>	<u>2,290,122,417</u>
Sale of services		
Other operating revenue		
Sale of paper	28,888,509	29,091,156
Lease income	21,760,479	22,160,479
Scrap sale	2,296,475	1,393,800
Training income	265,150	5,581,030
Revenue from operations (net)	<u>2,795,564,657</u>	<u>2,348,348,882</u>
Details of products sold		
Finished goods sold		
Sale - Books (export)	31,909,702	43,091,782
Sale - Books	2,478,561,968	2,114,131,370
	<u>2,510,471,670</u>	<u>2,157,223,152</u>
Traded goods sold		
Sale - Books	266,312,657	153,416,350
CD & Tab sales	-	12,538
	<u>266,312,657</u>	<u>153,428,888</u>
20 Other income		
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Interest income on		
-from bank deposits ,	7,308,908	1,061,217
-from others	82,465,852	72,842,419
Insurance claim received	-	1,050,602
Dividend income on current investments	25,597	74,057
Net gain on sale of current investments	16,422,842	-
Profit on sale of fixed asset (net)	2,171,362	2,123,630
Duty drawback	1,154,809	1,719,790
Miscellaneous incomes	5,231,674	3,544,412
Exchange differences (net)	2,649,833	2,173,059
Total	<u>117,430,877</u>	<u>84,589,186</u>
21 Cost of published goods/materials consumed		
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Inventory at the beginning of the year	35,004,498	61,337,634
Add : Purchases of published goods	1,116,426,317	440,172,264
Add : Purchases of CD and tablets	12,961,118	2,257,684
Add : Purchases of raw material and printing charges	-	358,588,470
	<u>1,164,391,933</u>	<u>862,356,052</u>
Less: inventory at the end of the year	2,162,150	35,004,498
Cost of raw material consumed	<u>1,162,229,783</u>	<u>827,351,554</u>
Cost of published goods/materials consumed	<u>1,162,229,783</u>	<u>827,351,554</u>
Details of published goods/raw material purchased		
Paper & glue	-	358,588,470
Books	1,116,426,317	440,172,264
CD & Tablet	12,961,118	2,257,684
	<u>1,129,387,435</u>	<u>801,018,418</u>



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S Chand and Company Private Limited

CIN:U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

22 Publication expenses		
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Royalty	290,038,179	258,403,525
Printing, binding and folding charges	-	170,955,071
Processing charges	2,886,659	2,938,076
Block and composing	463,268	3,689,568
Other publication expenses	33,363,950	22,557,752
	<u>326,752,056</u>	<u>458,543,992</u>
23 (Increase)/decrease in inventories of finished goods		
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Inventories at the end of the year		
Finished goods	594,087,566	450,133,932
	<u>594,087,566</u>	<u>450,133,932</u>
Inventories at the beginning of the year		
Finished goods	450,133,932	440,127,752
	<u>450,133,932</u>	<u>440,127,752</u>
(Increase) in inventories	(143,953,634)	(10,006,180)
Details of inventory:		
Finished goods		
Books	575,691,590	432,683,725
Traded goods		
Books	18,395,976	17,450,207
	<u>594,087,566</u>	<u>450,133,932</u>
Raw material		
Paper	-	33,126,669
Others	2,162,150	1,877,830
	<u>2,162,150</u>	<u>35,004,499</u>
24 Selling and distribution expenses		
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Advertisement, publicity and exhibition	42,782,353	41,689,029
Freight & cartage outward	58,111,058	41,059,385
Packing & dispatch expenses	7,141,786	8,389,438
Vehicle running & maintenance	16,778,388	17,101,317
Travelling & conveyance	43,306,534	33,894,235
Leases rent-vehicles	2,053,772	2,647,625
Rebate & discount	29,079,930	15,552,711
	<u>199,253,821</u>	<u>160,333,740</u>
25 Employee benefits expense		
	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Salaries, wages and bonus	316,020,322	250,808,737
Contribution to provident and other funds	23,504,352	20,100,388
Gratuity expense (refer note 30)	4,413,771	8,945,648
Employee stock option expense (refer note 42)	5,122,242	-
Staff welfare expenses	24,114,223	22,986,948
	<u>373,174,910</u>	<u>302,841,721</u>



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S Chand and Company Private Limited

CIN:U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

26 Depreciation and amortization expense

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Depreciation of tangible assets	55,648,970	68,520,749
Amortization of intangible assets	18,377,124	11,925,186
	<u>74,026,094</u>	<u>80,445,935</u>

27 Finance costs

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Interest expense		
- On term loan	80,535,965	96,272,492
- On others	51,129,961	54,532,207
Bank charges	1,727,546	831,159
Amortization of ancillary borrowing cost	5,882,139	4,983,239
	<u>139,275,611</u>	<u>156,619,097</u>

28 Other expenses

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Rent	90,074,223	63,851,210
Repairs and maintenance		
- Plant and machinery	90,480	940,009
- Building	299,603	1,234,353
- Others	15,450,182	10,481,233
Insurance	3,187,478	4,501,849
Rates and taxes	412,411	589,214
Communication cost	13,931,773	11,551,153
Printing and stationery	1,772,030	2,891,210
Legal and professional fee (includes prior period Rs 2,608,122, 31 March 2015: nil)	59,060,347	30,930,788
Donations	93,400	388,896
Payment to auditor (refer details below)	3,112,500	2,200,000
Water and electricity charges	12,172,496	8,546,624
Bad debt written off	7,030,314	5,383,786
Less: Bad debts written off against opening provision	<u>7,030,314</u>	<u>4,277,581</u>
Provision for doubtful receivables	15,454,694	7,181,005
Advances written off	95,368	-
Recruitment expenses	1,047,615	2,241,391
Outsourced employee cost	32,235,579	10,734,374
Office expenses	5,418,434	11,306,289
Security charges	9,077,048	9,081,112
Corporate social responsibility expenses (refer note 35)	2,147,000	700,000
Miscellaneous expenses	8,219,970	3,654,772
	<u>273,352,631</u>	<u>184,111,687</u>
Payment to auditor		
As auditor:		
Audit fee	3,112,500	2,200,000
	<u>3,112,500</u>	<u>2,200,000</u>



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S Chand and Company Private Limited

CIN:U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

29 Earnings per share (EPS)

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

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Total operations for the year		
Profit after tax	162,656,143	80,236,099
Less: Dividends and dividend tax on other than equity shares		
Net profit for calculation of Basic EPS	162,656,143	80,236,099
Net profit as above	162,656,143	80,236,099
Add : Dividends & dividend tax on other than equity shares		
Net profit for calculation of Diluted EPS	162,656,143	80,236,099
Weighted average number of equity shares in calculating Basic EPS	26,904,987	25,163,538
Effect of dilution:		
Stock option granted under ESOP	364	-
Weighted average number of equity shares in calculating Diluted EPS	26,905,351	25,163,538
Earnings per equity share (EPS)		
(a) Basic	6.05	3.19
(b) Diluted	6.05	3.19

*Subsequent to the year ended 31 March 2016, the Company had split the equity share of face value of Rs. 10 each to face value of Re. 5 each and further issued bonus shares to the shareholders in the ratio of 1:73 as per the resolution passed at extra ordinary general meeting (EOGM) dated 20 April 2016. Consequent to that earning per share of current financial year and previous financial year has been restated.



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10. Gratuity benefits plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @ 15 days of last drawn basic salary for each completed year of service or part thereof in excess of six months. The scheme is funded with Kotak Life Insurance and LIC.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Statement of profit and loss		
Net employee benefit expense recognized in employee cost		
Current service cost	4,716,795	3,640,767
Interest cost on benefit obligation	2,929,721	2,907,435
Expected return on plan assets	(2,668,921)	(2,544,904)
Acquisition/business combination/divestiture	991,419	(188,083)
Net actuarial (gain) / loss recognized in the year	(1,555,243)	5,130,433
Net benefit expense	4,413,771	8,945,648
Actual return on plan assets		
Expected return on plan assets	2,668,921	2,544,904
Actuarial gain/(loss) on plan assets	(1,845,624)	3,275,435
Actual return on plan assets	823,297	5,820,339
Balance sheet		
Benefit liability		
Present value of defined benefit obligation	36,751,947	41,623,341
Fair value of plan assets	29,070,850	32,756,359
Plan (liability)	(7,681,097)	(8,866,982)
Changes in the present value of the defined benefit obligation (DBO)		
Opening defined benefit obligation	41,623,341	36,347,756
Interest cost	2,929,721	2,907,435
Current service cost	4,716,795	3,640,767
Benefits paid	(10,108,461)	(9,490,402)
Acquisition/business combination/divestiture	991,419	(188,083)
Actuarial (gains) / losses on obligation	(3,400,868)	8,405,868
Closing defined benefit obligation	36,751,947	41,623,341
Changes in fair value of plan assets		
Opening fair value of plan assets	32,756,359	31,233,215
Expected return	2,668,921	2,544,904
Contributions by employer	5,383,886	5,193,207
Benefit paid	(9,892,692)	(9,490,402)
Actuarial gain/(loss)	(1,845,624)	3,275,435
Closing fair value of plan assets	29,070,850	32,756,359

The Company expects to contribute Rs. 2,273,900 to gratuity in the next year (31 March 2015: Rs 3,000,000)

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

Kotak Life Insurance and LIC

31 March 2016	31 March 2015
100%	100%

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

Discount rate
Rate of Return on Plan Assets
Salary Escalation
Employee turnover

31 March 2016	31 March 2015
8.05%	7.80%
8.75%	8.75%
6.00%	6.00%
Service upto 5 years: 5%	Service upto 5 years: 5%
Service above 5 year: 1%	Service above 5 year: 1%

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 overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amounts for the current and previous four periods are as follows:

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)	31 March 2014 (Amount in Rs.)	31 March 2013 (Amount in Rs.)	31 March 2012 (Amount in Rs.)
Defined benefit obligation	36,751,947	41,623,341	36,380,597	32,052,760	27,799,955
Plan assets	29,070,850	32,756,359	31,266,056	28,375,118	25,260,464
(Surplus)/ Deficit	7,681,097	8,866,982	5,114,541	3,677,642	2,539,491
Experience Adjustments on Plan Assets	(1,845,624)	3,275,435	(402,237)	(88,664)	(1,269,006)
Experience Adjustments on Plan Liability	(2,376,221)	3,173,625	1,908,157	3,305,914	247,868



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

Particulars	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	1,184,986	-
Interest due on above	8,298	-
	<u>1,193,284</u>	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	8,298	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

32 Capital and other commitments

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Capital commitments (net of advances)	16,697,310	368,417

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

33 Contingent liabilities

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Corporate guarantee (refer note 'a' below)	1,051,182,615	916,625,201
Stamp duty (refer note 'b' below)	95,013,220	-
Income Tax demand (refer note 'c' below)	568,483	568,483

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

b) During the year, the Company received notice under Indian Stamp Act, 1899 for non-payment of stamp duty on transfer of property on amalgamation and demerger held in the financial year 2011-12. The district registrar contended that order of Hon'ble High Court for amalgamation and demerger does not grants exemption in respect of payment of stamp duty. As per the legal opinion obtained, management is of the view that no liability would accrue on the Company on account of such case. Accordingly, no provision has been made in the books of account for the same.

c) In respect of Assessment Year 2006-2007, demand was raised due to disallowance of certain expenses under section 14A of the Income Tax Act and also certain penalty proceedings on the above issue. The matter is pending with the Assessing officer. The amount involved is Rs. 568,483 (31 March 2015: Rs. 568,483).

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.

34 Leases

Operating lease: company as lessee

a. The Company has taken premises for office use under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to Rs. 90,074,223 (31 March 2015: Rs. 63,851,210). These lease have average life of between one to nine years. There are no restrictions imposed by the lease agreements. There are no sub leases.

b. The Company has taken vehicle for office use under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to Rs. 2,053,772 (31 March 2015: Rs. 2,647,625). There are no restrictions imposed by the lease agreements. There are no sub leases.

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

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Minimum lease payment		
Within one year	13,303,964	13,303,964
After one year but not more than five years	53,215,857	53,215,857
More than five years	29,933,919	43,237,884
	<u>96,453,740</u>	<u>109,757,705</u>

Operating lease: Company as lessor

The Company has given plant and equipment, and Computer under cancellable operating lease agreements. The total lease rentals recognized as an income during the year under the above lease agreements (excluding interest) aggregates to Rs. 21,760,479 (31 March 2015: Rs. 22,160,479).

35 Corporate Social Responsibility (CSR)

During the year, CSR committee has been formed by the Company to monitor CSR related activities. The Company has contributed Rs 2,147,000 out of the total contributable amount of Rs 2,510,667 (31 March 2015: Rs 2,584,381) as of 31 March 2016 in accordance with section 135 read with schedule VII to the Companies Act, 2013 through Shyam Lal Charitable Trust.

Management has not spent the remaining amount of Rs. 363,667 as CSR committee is yet to identify the activity. Unspent amount has not been provided in books.



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6 Unhedged foreign currency exposure

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

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

Particulars	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Trade receivable	USD 381,000 @ Rs.66.33 per USD (Rs.38,339,428)	USD 733,795 @ Rs.62.99 per USD (Rs.45,928,826)
Cash on hand	USD 1.133 @ Rs.66.33 per USD (Rs.75,152)	
Cash on hand	EURO 300 @ Rs.75.12 per USD (Rs.22,536)	

7 Value of imports calculated on CIF basis

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Components and spare parts		
Capital goods	1,455,379	5,538,637
Total	1,455,379	5,538,637

8 Expenditure in foreign currency (accrual basis)

	31 March 2015 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Exhibition expenses	651,590	2,725,483
Travelling and conveyance	2,678,860	5,909,921
Legal and professional fee	-	401,613
Total	3,330,450	9,037,017

9 Imported and indigenous raw materials consumed

	31 March 2016		31 March 2015	
	Percentage (%)	(Amount in Rs.)	Percentage (%)	(Amount in Rs.)
Raw materials				
Imported	0%	-	0%	-
Indigenously obtained	0%	-	100%	827,351,554
	0%	-	100%	827,351,554

40 Earnings in foreign currency (accrual basis)

	31 March 2016 (Amount in Rs.)	31 March 2015 (Amount in Rs.)
Sale of products	31,909,702	43,091,782
	31,909,702	43,091,782

41 Related party disclosure

Related parties and their relationship

Related parties where control exists:

Subsidiary Companies	:	Nirja Publishers & Printers Private Limited
	:	Safari Digital Education Initiatives Private Limited
	:	Eurasia Publishing House Private Limited
	:	Blackie & Son (Calcutta) Private Limited
	:	BPI (India) Private Limited
	:	Arch Papier Mache Private Limited
	:	Vikas Publishing House Private Limited*
	:	Rajendra Ravindra Printers Private Limited*
	:	DS Digital Private Limited (w.e.f 7 July 2014)
	:	New Saraswati (India) Private Limited (w.e.f 17 May 2014)
	:	S Chand Edutech Private Limited

Related parties under AS 18 with whom transactions have taken place during the year:

Enterprises over which Key Management Personnel or their relatives exercise significant influence	:	Hotel Tourist (Partnership firm)
	:	Raasha Entertainment & Leisure LLP
	:	S Chand Hotels Private Limited
	:	SC Hotel Tourist Deluxe Private Limited
	:	Shaara Hospitality Private Limited
	:	S Chand Properties Private Limited
	:	Shyam Lal Charitable Trust
	:	Shyam Lal Nursing Home & Medical Research Centre Private Limited
	:	RKG Hospitality Private Limited
	:	Smurivity Labs Private Limited (w.e.f. 05 August 2015)

Joint Ventures

DS Digital Private Limited (till 7 July 2014)

Associate

Edutor Technologies India Private Limited (w.e.f. 06 September 2014)

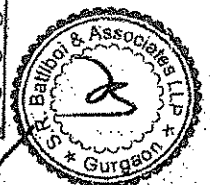
Key Management Personnel & their relatives

- Mrs. Nirmala Gupta	:	Chair Person and Managing Director
- Mrs. Savita Gupta	:	Whole-time Director and Vice Chair Person
- Mr. Himanshu Gupta	:	Joint Managing Director
- Mrs. Ankita Gupta	:	Whole-time Director
- Mr. Dinesh Kumar Jhunjhuwala	:	Vice Chair Person and Director Finance
- Mrs. Neeraj Jhunjhuwala	:	Whole time Director
- Mr. Gaurav Jhunjhuwala	:	Whole time Director
- Mr. Saurabh Mittal	:	Chief Financial Officer
- Mr. Jagdeep Singh	:	Company Secretary (w.e.f. 30 December 2015)
Relatives of KMP	:	Ravindra Kumar Gupta



* Rajendra Ravindra Printers Private Limited has been merged with Vikas Publishing House Private Limited w.e.f. appointed date 1 April 2014.

Nature of Transactions	Subsidiaries	Enterprises over which Key Management Personnel or their relatives exercise significant influence	Joint venture of Reporting Enterprises	Associates	Key Managerial Personnel & their relatives	(Amount in Rs.)
						Total
Purchase of Books, CDs and Toys						
Nirja Publisher & Printers Private Limited	468,220,877	-	-	-	-	468,220,877
Blackie & Son (Calcutta) Private Limited	(424,983,785)	-	-	-	-	(424,983,785)
Vikas Publishing House Private Limited	(36,977,966)	-	-	-	-	(36,977,966)
Eurasia Publishing House Private Limited	890,382,620	-	-	-	-	890,382,620
BPI (India) Private Limited	(4,032,563)	-	-	-	-	(4,032,563)
New Saraswati House Private Limited	(118,082,449)	-	-	-	-	(118,082,449)
BPI (India) Private Limited	610,781	-	-	-	-	610,781
New Saraswati House Private Limited	(799,555)	-	-	-	-	(799,555)
New Saraswati House Private Limited	7,167	-	-	-	-	7,167
Printing/ binding charges paid						
Nirja Publisher & Printers Private Limited	(32,250)	-	-	-	-	(32,250)
Rajendra Ravindra Printers Private Limited	(23,496,908)	-	-	-	-	(23,496,908)
Vikas Publishing House Private Limited	(150,705,458)	-	-	-	-	(150,705,458)
Royalty expense						
Eurasia Publishing House Private Limited	19,691,245	-	-	-	-	19,691,245
Blackie & Son (Calcutta) Private Limited	4,835,634	-	-	-	-	4,835,634
BPI (India) Private Limited	674,571	-	-	-	-	674,571
Purchase- (Other) from						
SC Hotel Tourist Deluxe Private Limited	-	1,271,276	-	-	-	1,271,276
S Chand Hotels Private Limited	-	(646,376)	-	-	-	(646,376)
Hotel Tourist	-	849,343	-	-	-	849,343
Hotel Tourist	-	(410,880)	-	-	-	(410,880)
Vikas Publishing House Private Limited	4,782,387	4,409,839	-	-	-	4,409,839
BPI (India) Private Limited	2,263,239	(7,370,979)	-	-	-	(7,370,979)
DS Digital Private Limited	92,625	-	-	-	-	92,625
Safari Digital Education Initiatives Private Limited	1,497,174	-	-	-	-	1,497,174
Safari Digital Education Initiatives Private Limited	(5,618,000)	-	-	-	-	(5,618,000)
Purchase of fixed asset						
DS Digital Private Limited	22,658,070	-	(56,700)	-	-	22,658,070
Safari Digital Education Initiatives Private Limited	276,266	-	-	-	-	276,266
Sales of books, fixed assets and paper						
Nirja Publisher & Printers Private Limited	(476,744)	-	-	-	-	(476,744)
BPI (India) Private Limited	339,735	-	-	-	-	339,735
New Saraswati House Private Limited	(106,250)	-	-	-	-	(106,250)
DS Digital Private Limited	317,321	-	-	-	-	317,321
Safari Digital Education Initiatives Private Limited	(7,585,774)	-	-	-	-	(7,585,774)
Safari Digital Education Initiatives Private Limited	425,564	-	(7,448)	-	-	425,564
Rajendra Ravindra Printers Private Limited	(428,523)	-	-	-	-	(428,523)
Vikas Publishing House Private Limited (paper)	(14,511,963)	-	-	-	-	(14,511,963)
Vikas Publishing House Private Limited (fixed assets)	30,314,334	-	-	-	-	30,314,334
Vikas Publishing House Private Limited (fixed assets)	15,588,123	-	-	-	-	15,588,123
Vikas Publishing House Private Limited (fixed assets)	(32,657,240)	-	-	-	-	(32,657,240)
Other expenses paid (reimbursement)						
Blackie & Son (Calcutta) Private Limited	(383,080)	-	-	-	-	(383,080)
Vikas Publishing House Private Limited	2,235,475	-	-	-	-	2,235,475
Safari Digital Education Initiatives Private Limited	(1,681,650)	-	-	-	-	(1,681,650)
Arch Paper Mache Private Limited	297,308	-	-	-	-	297,308
DS Digital Private Limited	(127,386)	-	-	-	-	(127,386)
Arch Paper Mache Private Limited	(176,014)	-	-	-	-	(176,014)
DS Digital Private Limited	1,781,161	-	-	-	-	1,781,161
Shyam Lal Charitable Trust	(14,491,936)	6,835	(5,287,962)	-	-	(19,779,899)
S Chand Properties Private Limited	-	(53,908)	-	-	-	(53,908)
Shaara Hospitality Private Limited	-	15,545	-	-	-	15,545
S Chand Hotels Private Limited	-	(851,337)	-	-	-	(851,337)
S Chand Hotels Private Limited	-	(10,430)	-	-	-	(10,430)
Raasha Entertainment & Leisure LLP	-	614	-	-	-	614
New Saraswati House Private Limited	-	(9,175)	-	-	-	(9,175)
New Saraswati House Private Limited	2,214,737	(163,217)	-	-	-	(163,217)
New Saraswati House Private Limited	(2,268,172)	-	-	-	-	(2,268,172)



(Amount in Rs.)

Nature of Transactions	Subsidiaries	Enterprises over which Key Management Personnel or their relatives exercise significant influence	Joint venture of Reporting Enterprises	Associates	Key Managerial Personnel & their relatives	Total
Rentals paid						
Arch Paper Mache Private Limited	20,767,554 (1,944,214)	-	-	-	-	20,767,554 (1,944,214)
Safari Digital Education Initiatives Private Limited	10,933,760 (843,930)	-	-	-	-	10,933,760 (843,930)
S Chand Properties Private Limited	-	28,596,136 (31,106,347)	-	-	-	28,596,136 (31,106,347)
Mrs. Savita Gupta	-	-	-	-	2,188,272 (1,774,417)	2,188,272 (1,774,417)
Mrs. Neerja Jhunjhunwala	-	-	-	-	2,266,426 (2,340,202)	2,266,426 (2,340,202)
Ravindra Kumar Gupta	-	-	-	-	1,178,794 (1,011,240)	1,178,794 (1,011,240)
Corporate social responsibility (CSR)						
Shyam Lal Charitable Trust	-	1,500,000 (700,000)	-	-	-	1,500,000 (700,000)
Lease rent received from						
Nirja Publisher & Printers Private Limited	1,800,000 (1,800,000)	-	-	-	-	1,800,000 (1,800,000)
DS Digital Private Limited	19,960,479 (11,539,325)	-	(8,421,154)	-	-	19,960,479 (19,960,479)
Rajendra Ravindra Printers Private Limited	-	-	-	-	-	-
Interest income						
New Saraswati House Private Limited	68,900,004 (60,405,479)	-	-	-	-	68,900,004 (60,405,479)
Rajendra Ravindra Printers Private Limited	-	-	-	-	-	-
Vikas Publishing House Private Limited	(12,968)	-	-	-	-	(12,968)
Safari Digital Education Initiatives Private Limited	1,406,025 (1,805,753)	-	-	-	-	1,406,025 (1,805,753)
DS Digital Private Limited	1,590,905	-	-	-	-	1,590,905
DS Digital Private Limited	10,568,918 (9,539,203)	-	(1,029,719)	-	-	10,568,918 (10,568,922)
Loans given						
Vikas Publishing House Private Limited	-	-	-	-	-	-
Safari Digital Education Initiatives Private Limited	(135,000,000) 16,000,000	-	-	-	-	(135,000,000) 16,000,000
Remuneration to KMP						
Mrs. Nirmla Gupta	-	-	-	-	1,200,000 (1,200,000)	1,200,000 (1,200,000)
Mr. Gaurav Jhunjhunwala	-	-	-	-	1,200,000 (1,200,000)	1,200,000 (1,200,000)
Mrs. Savita Gupta	-	-	-	-	2,400,000 (2,400,000)	2,400,000 (2,400,000)
Mr. Dinesh Kumar Jhunjhunwala	-	-	-	-	3,600,000 (3,600,000)	3,600,000 (3,600,000)
Mr. Himanshu Gupta	-	-	-	-	3,600,000 (3,600,000)	3,600,000 (3,600,000)
Mrs. Neerja Jhunjhunwala	-	-	-	-	1,200,000 (1,200,000)	1,200,000 (1,200,000)
Mrs. Ankita Gupta	-	-	-	-	1,200,000 (1,200,000)	1,200,000 (1,200,000)
Saurabh Mittal	-	-	-	-	7,950,620 (7,048,000)	7,950,620 (7,048,000)
Jagdeep Singh	-	-	-	-	956,468	956,468
Balances outstanding as at 31 March 2016						
Security deposit receivable						
Arch Paper Mache Private Limited	9,117,108 (911,520)	-	-	-	-	9,117,108 (911,520)
Safari Digital Education Initiatives Private Limited	4,000,000 (1,111,100)	-	-	-	-	4,000,000 (1,111,100)
S Chand Properties Private Limited	-	17,546,828 (15,192,492)	-	-	-	17,546,828 (15,192,492)
Mrs. Savita Gupta	-	-	-	-	390,000 (390,000)	390,000 (390,000)
Mrs. Neerja Jhunjhunwala	-	-	-	-	118,422 (102,978)	118,422 (102,978)
Ravindra Kumar Gupta	-	-	-	-	408,750 (150,000)	408,750 (150,000)
Investments in Joint ventures and subsidiaries during the year						
DS Digital Private Limited	-	-	(46,191,926)	-	-	(46,191,926)
New Saraswati House Private Limited (equity share)	809,546,848 (93,844,122)	-	-	-	-	809,546,848 (93,844,122)
New Saraswati House Private Limited (debt share)	(520,000,000)	-	-	-	-	(520,000,000)
Safari Digital Education Initiatives Private Limited	(212,499,000)	-	-	-	-	(212,499,000)
Smartivity Labs Private Limited (Equity shares)	-	1,334	-	-	-	1,334
Smartivity Labs Private Limited (Preference shares)	-	6,139,775	-	-	-	6,139,775



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(Amount in Rs.)

Nature of Transactions	Subsidiaries	Enterprises over which Key Management Personnel or their relatives exercise significant influence	Joint venture of Reporting Enterprises	Associates	Key Managerial Personnel & their relatives	Total
Loans and advances						
Vikas Publishing House Private Limited	(1,625,178)	-	-	-	-	(1,625,178)
Rajendra Ravindra Printers Private Limited	(15,642,008)	-	-	-	-	(15,642,008)
Safari Digital Education Initiatives Private Limited	18,534,036 (635,537)	-	-	-	-	18,534,036 (635,537)
DS Digital Private Limited	86,860,748 (100,420,830)	-	-	-	-	86,860,748 (100,420,830)
S Chand Edustech Private Limited	7,942,408 (7,942,408)	-	-	-	-	7,942,408 (7,942,408)
SC Hotel Tourist Deluxe Private Limited	-	127,997	-	-	-	127,997
Sbyam Lal Charitable Trust	-	(1,252,152)	-	-	-	(1,252,152)
New Saraswati House (India) Private Limited	7,321,846 (5,286,292)	-	-	-	-	7,321,846 (5,286,292)
New Saraswati House (India) Private Limited	25,837,500 (15,502,500)	-	-	-	-	25,837,500 (15,502,500)
S Chand Properties Private Limited	-	(21,116)	-	-	-	(21,116)
Raasha Entertainment & Leisure LLP	-	224,389 (224,389)	-	-	-	224,389 (224,389)
Shaara Hospitalitys Private Limited	-	13,804 (13,804)	-	-	-	13,804 (13,804)
S Chand Hotels Private Limited	-	(13,776)	-	-	-	(13,776)
BPI (India) Private Limited	11,845,230 (12,254,916)	-	-	-	-	11,845,230 (12,254,916)
Sbyam Lal Nursing Home & Medical Research Centre Private Limited	-	110,768 (110,768)	-	-	-	110,768 (110,768)
RKG Hospitalitys Private Limited	-	342,139 (342,139)	-	-	-	342,139 (342,139)
Balances outstanding as at 31 March 2016						
Trade payables						
Nirja Publisher & Printers Private Limited	247,309,615 (310,803,073)	-	-	-	-	247,309,615 (310,803,073)
Vikas Publishing House Pvt. Ltd.	242,515,530 (68,461,675)	-	-	-	-	242,515,530 (68,461,675)
Eurasia Publishing House Private Limited	170,224,326 (222,481,903)	-	-	-	-	170,224,326 (222,481,903)
Blackie & Son (Calcutta) Private Limited	14,987,100 (21,300,113)	-	-	-	-	14,987,100 (21,300,113)
DS Digital Private Limited	13,990,945	-	-	-	-	13,990,945
Hotel Tourist	-	212,144 (269,145)	-	-	-	212,144 (269,145)
Directors remuneration payable						
Nirmala Gupta	-	-	-	-	100,000 (100,000)	100,000 (100,000)
Gaurav Jhanghura	-	-	-	-	100,000 (100,000)	100,000 (100,000)
Savita Gupta	-	-	-	-	200,000 (200,000)	200,000 (200,000)
Dinesh Kumar Jhanghura	-	-	-	-	300,000 (300,000)	300,000 (300,000)
Himanshu Gupta	-	-	-	-	300,000 (300,000)	300,000 (300,000)
Neeja Jhanghura	-	-	-	-	100,000 (100,000)	100,000 (100,000)
Ankita Gupta	-	-	-	-	100,000 (100,000)	100,000 (100,000)
Saurabh Mittal	-	-	-	-	973,270 (2,316,750)	973,270 (2,316,750)
Jagdeep Singh	-	-	-	-	432,626	432,626
Trade receivable						
Vikas Publishing House Private Limited	(4,404,400)	-	-	-	-	(4,404,400)
BPI (India) Private Limited	15,986,365 (16,316,267)	-	-	-	-	15,986,365 (16,316,267)
New Saraswati House Private Limited	5,693,109 (5,375,888)	-	-	-	-	5,693,109 (5,375,888)
DS Digital Private Limited	76,253,312 (44,710,644)	-	-	-	-	76,253,312 (44,710,644)

(Figures in brackets represents previous year figures.)



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42 Employee stock option plans

The Company provides share-based payment schemes to its employees. During the year ended 31 March 2016, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On 30 June 2012, the board of directors approved the Equity Settled ESOP Scheme 2012 (Scheme 2012) for issue of stock options to the eligible employees. According to the Scheme 2012, two types of options are granted by the Company to the eligible employees viz Growth and Thankyou option and will be entitled to 2,161 and 292 options respectively. The options are subject to satisfaction of the prescribed vesting conditions, viz., continuing employment with the company. However in case of growth options, in addition to this the board may also specify the certain corporate, individual or a combination performance parameters subject to which the option would vest. The other relevant terms of the grant are as below:

Date of grant	Grant I	Grant II	Grant III (a)	Plan I	Grant IV (a)	Grant IV (b)	Grant IV (c)	Grant IV (d)	Exercise on listing but not later than two years from the listing on sale			
									No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)	
Date of Board Approval	9-Jul-12	30-Jun-12	28-Jul-14	30-Sep-14	27-Aug-15	30-Sep-15	30-Sep-15	28-Mar-16	36,870	36,870	45,000	45,000
Date of Shareholder's approval	30-Jun-12	30-Jun-12	28-Jul-14	30-Sep-14	27-Aug-15	27-Aug-15	27-Aug-15	28-Mar-16	55,785	55,785	55,785	55,785
Number of options granted	2194	292	180	75	441	185	248	40				
Method of Settlement (Cash/Equity)	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity				
Vesting Period	Year 1- 10%	100% Immediate vesting	Year 1- 28%	Year 1- 28%	Year 1- 25%	Year 1- 25%	Year 1- 25%	Year 1- 25%				
	Year 2- 15%		Year 2- 32%	Year 2- 32%	Year 2- 35%	Year 2- 35%	Year 2- 35%	Year 2- 35%				
	Year 4-25%		Year 3-40%	Year 3-40%	Year 3-40%	Year 3-40%	Year 3-40%	Year 3-40%				
	Year 5-30%											

Exercise on listing but not later than two years from the listing on sale	31 March 2016			31 March 2015		
	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)
	9,110	9,110	36,870	2,161	9,110	9,110
	9,110	36,870	36,870	-	1,158	-
	-	-	-	681	-	-
	-	-	-	322	9,110	1,083
	-	-	-	-	61*	9,110

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

Outstanding at the beginning of the year	31 March 2016			31 March 2015		
	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)
Granted during the year	1,003	9,110	9,110	290	9,110	9,110
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Outstanding at the end of the year	1,003	9,110	9,110	290	9,110	9,110

*includes 61 options which has vested 100% on account of demise of an employee.

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

Outstanding at the beginning of the year	31 March 2016			31 March 2015		
	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)
Granted during the year	290	9,110	9,110	290	9,110	9,110
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Outstanding at the end of the year	290	9,110	9,110	290	9,110	9,110

The weighted average remaining contractual life for Growth and Thankyou option outstanding as at 31 March 2016 is 3.44 years.

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

Outstanding at the beginning of the year	31 March 2016			31 March 2015		
	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)	No. of options	W.A.E.P. (Rs.)	W.A.E.P. (Rs.)
Granted during the year	235	36,870	36,870	235	36,870	36,870
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Outstanding at the end of the year	235	36,870	36,870	235	36,870	36,870

The weighted average remaining contractual life for option outstanding as at 31 March 2016 is 3.44 years.



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The Company had granted 626 options during the year. The details of activities under Grant IV a are summarized below:

	31 March 2016	31 March 2015
	No. of options W.A.E.P. (Rs.)	No. of options W.A.E.P. (Rs.)
Outstanding at the beginning of the year		
Granted during the year	441	
Forfeited during the year		
Exercised during the year		
Outstanding at the end of the year	441	
Exercisable at the end of the year	36,870	

The weighted average remaining contractual life for option outstanding as at 31 March 2016 is 3.44 years.

The Company had granted 288 options during the year. The details of activities under Grant IVb, IVc and IVd are summarized below:

	31 March 2016	31 March 2015
	No. of options W.A.E.P. (Rs.)	No. of options W.A.E.P. (Rs.)
Outstanding at the beginning of the year		
Granted during the year	473	
Forfeited during the year		
Exercised during the year		
Outstanding at the end of the year	473	
Exercisable at the end of the year	45,000	

The weighted average remaining contractual life for option outstanding as at 31 March 2016 is 3.44 years.

	Grant IVa	Grant IVb	Grant IVc	Grant IVd
	31 March 2016	31 March 2016	31 March 2016	31 March 2016
Dividend yield (%)	0.08%	0.00%	0.00%	0.00%
Expected volatility	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	7.67%	7.71%	7.46%	7.63%
Weighted average share price (Rs.)	55,785	55,785	55,785	55,785
Exercise price (Rs.)	36,870	45,000	45,000	45,000
Expected life of options granted in years	2.43	3.22	3.20	3.15

Each vest has been considered as a separate grant with weights assigned to each vesting as per the vesting schedule. The minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The expected life has been calculated as an average of minimum and maximum life. Since the Company is unlisted, the volatility has been considered to be zero. The Company measures the cost of ESOP using the intrinsic value method. Had the Company used the fair value method to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

	31 March 2016	31 March 2015
Profit after tax as reported	162,656,143	80,236,099
Add: ESOP cost using the intrinsic value method		
Less: ESOP cost using the fair value method	1,794,809	(1,621,461)
Professors profit after tax	160,861,334	81,857,566

Earnings Per Share

Basic		
- As reported	6.05	3.19
- Proforma	5.98	3.25
Diluted		
- As reported	6.05	3.19
- Proforma	5.98	3.25

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S Chand and Company Private Limited

CIN:U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

43 Segment reporting

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

44 During the year, the scheme of amalgamation (the scheme) u/s 391-394 of the Companies Act, 1956 and applicable provisions of Companies Act 2013 (to the extent applicable) between Vikas Publishing House Private Limited (transferee) and Rajendra Ravindra Printer Private Limited (transferor), subsidiaries of the Company, was approved by the Hon'ble Delhi High Court w.e.f. 01 April 2014. The Company pursuant to the amalgamation of the transferor company with the transferee company, received a lumpsum consideration of Rs. 10,000 (rupees ten thousand only) from the transferee company through the issue of 100 equity shares of Rs. 100 each to the Company. Consequent to that effect, investment made by the Company in transferor company has been merged with the investment made in transferee company.

45 The Company had made an investment in 410 optionally convertible redeemable debentures of Rs 100,000 each fully paid in Cityxys Technologies Limited during the financial year 2007-08 as per the debenture subscription agreement dated 14 May 2007. The debentures were converted into 512,500 optionally convertible or redeemable preference shares during the financial year 2008-09 as per the debenture conversion agreement dated 03 March 2009. These preference shares were redeemable or convertible at the option of the shareholder as per the debenture conversion agreement. The preference shares were due for redemption or conversion during the financial year 2011-12 and the Company opted for redemption of preference shares which the Cityxys Technologies Limited failed and defaulted in redeeming the preference shares.

The Company had filed a case against Cityxys Technologies Limited demanding redemption of the preference shares held by the Company during the financial year 2014-15, and the matter is pending before the Arbitral Tribunal for adjudication.

The Company after taking appropriate legal advice is reasonably confident w.r.t. outcome of the matter in Company's favor.

46 Interest held in joint venture

Pursuant to Accounting Standard 27 "Financial Reporting Interest in Joint Venture" the relevant information relating to following Joint Venture is given below;

Name of the Joint Venture Company	Country of incorporation	Proportion of ownership interest	For the period ended on	Description of interest
DS Digital Private Limited	India	27.73%	06 July 2014*	Digital Media

Proportion of Company interest in joint venture company

DS Digital Private Limited

For the period ended

6 July 2014

Current assets	12,615,707
Non-current assets	94,504,942
Current liabilities	(40,692,797)
Non-current liabilities	(20,352,828)
Equity	<u>46,075,023</u>
Revenue	9,551,605
Cost of material consumed	(556,543)
Depreciation of plant and machinery	(3,031,433)
Employee benefit expense	(2,733,221)
Other expense	(8,870,318)
Profit before tax	<u>(5,640,011)</u>
Income-tax expense	-
Profit after tax	<u>(5,640,011)</u>

* The company got converted into subsidiary w.e.f. 07 July 2014



Handwritten signatures and initials.

S Chand and Company Private Limited

CIN:U22219DL1970PTC005400

Notes to financial statements for the year ended 31 March 2016

47. 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 2016 (Amount in Rs.)
Safari Digital Education Initiatives Private Limited	12% p.a.	31 March 2018	Unsecured	17,431,815

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

48. Previous year figures

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E00004
Chartered Accountants


per Yogesh Midha
Partner

Membership No. 94941
Place: Gurgaon
Date: 23/8/2016



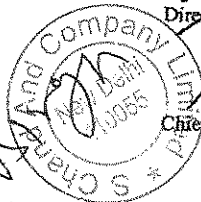
For and on behalf of the Board of Directors of
S Chand and Company Private Limited


Director


Chief Financial Officer


Director


Company Secretary



Our offices

Ahmedabad

2nd Floor, Shivalik Ishaan
Near C.N. Vidhyalaya, Ambawadi
Ahmedabad - 380 015
Tel: + 91 79 6608 3800
Fax: + 91 79 6608 3900

Bengaluru

6th, 12th & 13th Floor
"UB City" Canberra Block
No.24, Vittal Mallya Road
Bengaluru - 560 001
Tel: + 91 80 6727 5000
Fax: + 91 80 2210 6000

1st Floor, Prestige Emerald
No.4, Madras Bank Road
Lavelle Road Junction
Bengaluru - 560 001
Tel: + 91 80 6727 5000
Fax: + 91 80 2222 4112

Chandigarh

1st Floor, SCO: 166-167
Sector 9-C, Madhya Marg
Chandigarh - 160 009
Tel: + 91 172 331 7800
Fax: + 91 172 331 7888

Chennai

6th & 7th Floor, "A" Block
Tidel Park, No.4, Rajiv Gandhi Safai
Taramani, Chennai - 600 113
Tel: + 91 44 6654 8100
Fax: + 91 44 2254 0120

Hyderabad

Oval Office, 18, iLabs Centre
Hitech City, Madhapur
Hyderabad - 500 081
Tel: + 91 40 6736 2000
Fax: + 91 40 6736 2200

Kochi

9th Floor, "ABAD Nucleus"
NH-49, Maradu PO
Kochi - 682 304
Tel: + 91 484 304 4000
Fax: + 91 484 270 5393

Kolkata

22, Camac Street
3rd Floor, Block 'C'
Kolkata - 700 016
Tel: + 91 33 6615 3400
Fax: + 91 33 6615 3750

Mumbai

5th Floor, Block B 2
Nirlon Knowledge Park
Off Western Express Highway
Goregaon (E), Mumbai - 400 063
Tel: + 91 22 6192 0000
Fax: + 91 22 6192 3000

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028
Tel: + 91 22 6192 0000
Fax: + 91 22 6192 1000

NCR

3rd & 6th Floor, Worldmark-1
IGI Airport Hospitality District
Aerocity New Delhi-110 037
Tel: + 91 11 6671 8000
Fax: + 91 11 6671 9999

Golf View Corporate Tower - B
Sector-42, Sector Road
Gurgaon - 122 002, Haryana
Tel: + 91 124 464 4000
Fax: + 91 124 464 4050

1st Floor, Tower A
Building No. 8, DLF Cyber City
Phase II, Sector 25
Gurgaon - 122 002, Haryana
Tel: + 91 124 457 5000
Fax: + 91 124 457 5200

4th & 5th Floor, Plot No. 2B
Tower 2, Sector 126
Noida - 201 304
Gautam Budh Nagar, U.P.
Tel: + 91 120 671 7000
Fax: + 91 120 671 7171

Pune

C-401, 4th Floor
Panchshil Tech Park
Yerwada (Near Don Bosco School)
Pune - 411 006
Tel: + 91 20 6603 6000
Fax: + 91 20 6601 5900