MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Flat No.1003, 10th Floor
KailashBuilding, K.G. Marg
New Delhi-110001
PH:30487347, 23327345
PAN: AAAPM5122B
e-mail: bahlrn@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

To the members of Safari Digital Education Initiatives Pvt Ltd

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Safari Digital Education Initiatives Pvt Ltd** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss and the cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 and presentation 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 the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015 as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, 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.

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

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 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 the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2018 and its profit, total comprehensive income, the changes in equity 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 A**", a statement on the matters specified in the paragraph 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 purposes 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, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account;

MADAN & ASSOCIATES NEW DELHI Chartered Accountants

(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; Companies(Indian Accounting Standards) Rules 2015 as amended from time to time.

(e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

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

3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For
Madan & Associates
Chartered Accountants
Firm's registration number: 000185N

M. K. Madan

M. K. Madan
Proprietor
Membership number: 082214

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

Place: New Delhi
Date: 17.5.18

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

(i) In respect of fixed assets:

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

(b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the said programme, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Company does not have any immovable property and therefore requirements of title deeds as per para 3(i)(c) of the order are not applicable.

(ii) In respect of its inventories:

(a) As explained to us, inventories have been physically verified during the year by the Management at close of the year.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iii) The Company hasgranted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').The company has charged interest @ 12% per annum and on the basis of information and explanation given, in our opinion the terms and conditions are not prima facie prejudicial to the interest of the company. However company had granted interest free loan of Rs. 2.18 crores in earlier years stipulation of repayment of which are not laid out.

(iv) In our opinion and according to the information and explanations given to us and certified by the company loans and investments made are in compliance of section 185 and 186 of the Act and in respect of loans & advances of Rs. 6.18 crores made in earlier years, company believes that it is exempt from the provisions of section 186(7) of the Act.

(v) According to the information and explanation given to us, the company has not accepted any deposits during the year.

(vi) Requirements of maintenance of cost records are not applicable to the company.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, including provident Fund, income tax, service tax, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, service tax, cess which have not been deposited as at 31.03.2018 on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not borrowed any loans from a financial institution, banks, Government during the year and hence requirement of para 3(viii) of the order regarding the repayment of loans is not applicable.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, Provisions of section 197 read with Schedule V to the act are not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment / private placement of shares to company under same management.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Madan & Associates**
Chartered Accountants
Firm's registration number: 000185N

M. K. Madan

M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 17.5.18

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Safari Digital Education Initiatives Private Limited**("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based 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 ('ICAI'). 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 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.

Auditors' 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, issued by ICAI and deemed to be prescribed 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 judgment, 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 Company's internal financial controls system over financial reporting.

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Madan & Associates**
Chartered Accountants
Firm's registration number: 000185N

M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 17.05.2018

Safari Digital Education Initiatives Pvt Ltd
CIN: U80904DL2010PTC204512
Balance sheet as at 31 March 2018

(Amount in Rs.)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Assets				
Non-current assets				
Property, plant and equipment	3	22,525,417	5,326,337	5,440,372
Intangible assets				
- Other intangible assets	4	70,701,430	59,300,880	10,489,504
Intangible assets under development	4	14,328,634	1,816,916	11,408,047
Financial assets				
- Investments	5A	485,915,834	485,662,761	485,662,761
- Loans	5C	103,233,494	103,488,212	96,769,696
Other non-current assets	7	2,469,707	6,142,967	9,816,227
Deferred tax assets (net)	8	26,582,482	-	-
Total non-current assets		725,756,999	661,738,073	619,586,607
Current assets				
Inventories	6	6,568,643	4,661,663	197,138
Financial assets				
- Trade receivables	5B	98,185,283	32,800,126	4,241,539
- Loans	5C	22,063,645	22,063,645	21,843,645
- Cash and cash equivalents	5D	2,203,583	2,623,794	163,197
Other current assets	7	21,926,299	11,968,813	9,915,090
Total current assets		150,947,452	74,118,041	36,360,608
Total assets		876,704,451	735,856,114	655,947,215
Equity and liabilities				
Equity				
Equity share capital	9	443,692,680	443,692,680	443,692,680
Other equity	10	(79,250,063)	(66,013,821)	(33,852,494)
Total equity		364,442,617	377,678,859	409,840,186
Non-current liabilities				
Financial liabilities				
- Borrowings	11	441,615,924	320,359,750	232,209,808
Provisions	14	2,951,063	3,021,983	1,136,528
Other non-current liabilities	15	1,496,408	1,848,334	2,200,260
Deferred tax liabilities (net)	8	-	-	-
Total non current liabilities		446,063,395	325,230,067	235,546,596
Current liabilities				
Financial liabilities				
- Trade payables	12	54,672,786	27,072,464	5,595,419
- Other financial liabilities	13	6,486,903	3,574,193	2,753,939
Provisions	14	628,102	2,464	484
Other current liabilities	15	4,410,648	2,298,067	2,210,591
Total current liabilities		66,198,439	32,947,188	10,560,433
Total equity and liabilities		876,704,451	735,856,114	655,947,215
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 Madan & Associates
Chartered Accountants

M K Madan
Proprietor
M. No. 082214
FR NO. 000185N

Place : New Delhi
Date : 17.5.18

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

For and on behalf of the Board of Directors of
Safari Digital Education Initiatives Pvt Ltd

Director
DIN: 01402533

Director
DIN: 02974650

Company Secretary
Mem No: A29705

Chief Financial Officer

Safari Digital Education Initiatives Pvt Ltd
CIN: U80904DL2010PTC204512
Statement of Profit and Loss for the year ended 31 March 2018

(Amount in Rs.)

	Particulars	Notes	Foot Note	For the year ended 31 March 2018	For the year ended 31 March 2017
I	Revenue from Operations	16		127,583,781	59,643,926
II	Other Income	17	17	11,367,900	10,827,349
III	Total Income (I+II)			138,951,681	70,471,275
IV	Expenses				
	Purchase of Stock-in-trade	18		40,319,520	27,393,783
	(Increase)/decrease in inventories of finished goods and work in progress	20		(1,906,977)	(4,464,525)
	Employee benefits expense	22	18	43,165,156	16,714,667
	Finance cost	24	19	41,405,685	31,889,387
	Depreciation and amortisation expense	25		9,817,186	4,316,020
	Selling & Distribution Expenses	26b		19,501,526	3,678,140
	Other expenses	26a	20	27,840,741	23,518,813
	Total expenses			180,142,837	103,046,285
V	Profit/(loss) before exceptional items and tax (I-II)			(41,191,156)	(32,575,010)
VI	Exceptional item			-	-
VII	Profit/(loss) before tax			(41,191,156)	(32,575,010)
VIII	Tax expense:				
	Current tax			-	-
	Income tax adjustment related to earlier years			-	-
	Deferred tax (credit)/ charge			(26,231,430)	(82,642)
	Total tax expenses			(26,231,430)	(82,642)
IX	Profit (Loss) for the period			(14,959,725)	(32,492,368)
X	Other Comprehensive Income				
	- Items that will not be reclassified to profit or loss	27			
	Re-measurement gains/(losses) on defined benefit plans			1,363,309	(267,449)
	Tax impact on re-measurement gain/ (loss) on defined benefit plans			351,052	(82,642)
XI	Total Comprehensive Income for the period (V + VI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)			(13,245,364)	(32,842,459)
XII	Earnings per equity share:	28			
	(1) Basic			(0)	(1)
	(2) Diluted			(0)	(1)
	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 Madan & Associates
Chartered Accountants

M K Madan
Proprietor
M. No. 082214
FR NO. 000185N

For and on behalf of the Board of Directors of
Safari Digital Education Initiatives Pvt Ltd

Director
DIN: 01402533

Director
DIN: 02971650

Company Secretary
Mem No: A 29105

Chief Financial Officer

Place : New Delhi
Date : 17.5.18

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

Safari Digital Education Initiatives Pvt Ltd
CIN: U80904DL2010PTC204512
Cash flow statement for the year ended 31 March 2018

	31 March 2018 (Amount in Rs.)	31 March 2017 (Amount in Rs.)
Cash flow from operating activities		
Profit before tax	(41,191,156)	(32,575,010)
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	9,817,186	4,316,020
Interest expense	41,405,685	31,889,387
Bad Debts	422,007	-
Foreign Exchange Fluctuations (Net)	41,572	15,030
Balances Written off	97,201	(2,414)
Employee Benefit Expenses	1,372,431	413,683
Fair Value Gain as per financial instruments	(943,384)	(486,450)
Interest income	(6,751,256)	(6,667,639)
Operating profit before working capital changes	**4,270,286**	(3,097,393)
Movements in working capital :		
(Decrease)/increase in trade payables	27,600,322	21,477,045
Increase in provisions	554,718	1,887,435
(Decrease)/increase in other current liabilities	4,673,366	555,804
Decrease/(increase) in trade receivables	(65,945,937)	(28,571,202)
(Increase)/decrease in inventories	(1,906,980)	(4,464,526)
(Increase)/ in other financial assets	254,717	(6,938,516)
(Increase)/ in other non financial assets	(5,340,841)	2,105,986
Cash generated from operating activities	(35,840,349)	(17,045,366)
Direct taxes paid (net of refunds)	-	-
Net cash flow from operating activities (A)	(35,840,349)	(17,045,366)
Cash flows from investing activities		
Purchase of fixed assets, including capital work in progress and capital advances	(50,928,534)	(43,422,230)
Interest Received	6,751,256	6,667,639
Purchase of non current investments	(253,073)	-
Net cash used in investing activities (B)	**(44,430,351)**	**(36,754,591)**
Cash flows from financing activities		
Repayment of long-term borrowings	121,256,174	88,149,942
Interest paid	(41,405,685)	(31,889,387)
Net cash (used in)/flow from financing activities (C)	**79,850,489**	**56,260,555**
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(420,211)	2,460,597
Cash and cash equivalents at the beginning of the year	2,623,794	163,197
Cash and cash equivalents at the end of the year	**2,203,583**	**2,623,794**
Components of cash and cash equivalents		
Cash on hand	51,603	35,141
Balances with banks		
- on current account	2,151,980	2,588,653
Total cash and cash equivalents (note 16)	**2,203,583**	**2,623,794**

Summary of significant accounting policies 2.1

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

For Madan & Associates
Chartered Accountants

M K Madan
Proprietor
M. No. 082214
FR NO. 000185N

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

Place : New Delhi
Date : 17.5.2018

For and on behalf of the Board of Directors of
Safari Digital Education Initiatives Pvt Ltd

Director
DIN: 01402533

Director
DIN:

Company Secretary
Mem No: A 29705

Chief financial officer

Safari Digital Education Initiatives Pvt Ltd
CIN: U80904DL2010PTC204512
Statement of changes in equity for the year ended 31 March 2018

A. Equity share capital.

Equity shares	No. of shares	Amount in Rs.
Issued, subscribed and fully paid up (Share of Rs. 100 each)		
At 1 April 2016	44,369,268	443,692,680
Increase/(decrease) during the year	-	-
At 31 March 2017	44,369,268	443,692,680
Increase/(decrease) during the year	-	-
At 31 March 2018	44,369,268	443,692,680

B. Other equity

Particulars	Reserve & Surplus		Total
	ESOPs reserve	Retained earnings	
Balance as at 1st April 2016	454,685	(34,307,179)	(33,852,494)
Changes in accounting policy / prior period errors	-	-	-
Restated balance at the beginning of the reporting period	454,685	(34,307,179)	(33,852,494)
Profit for the year	-	(32,492,368)	(32,492,368)
Other comprehensive income for the year	-	(350,091)	(350,091)
Total Comprehensive Income for the year	-	(32,842,459)	(32,842,459)
Changes during the year	681,132	-	681,132
Balance as at 31st March, 2017	1,135,817	(67,149,638)	(66,013,821)
Changes in accounting policy / prior period errors	-	-	-
Restated balance at the beginning of the reporting period	1,135,817	(67,149,638)	(66,013,821)
Profit for the year	-	(14,959,725)	(14,959,725)
Other comprehensive income for the year	-	1,714,361	1,714,361
Total Comprehensive Income for the year	-	(13,245,364)	(13,245,364)
Changes during the year	9,122	-	9,122
Balance as at 31st March, 2018	1,144,939	(80,395,002)	(79,250,063)

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

1. Company Information

Safari Digital Education Initiatives Private Limited (the company) is a private limited company incorporated under the provisions of companies Act 1956. The company is subsidiary of S Chand And Company Limited.

The company is primarily engaged in providing digital education.

2. Significant Accounting Policies

2.1.1 Statement of Compliance

The accounts have been prepared in accordance with IND AS and Disclosures thereon comply with requirements of IND AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

Upto financial year ended on 31st March 2017, the company has prepared the accounts according to the Previous GAAP. The financial statements for the year ended 31st March, 2018 are the first to have been prepared in accordance with IND AS. Opening balance sheet as on 1st April 2016 and 31st March 2017 has been presented as comparative. The transition was carried out retrospectively as on the transition date which is 1st April 2016, and for any variation in the amounts represented in the comparative balance sheet as on 31st march, 2017, reconciliation is given as part of notes.

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule – III to the Companies Act, 2013. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of business and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

2.1.2 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

a. Certain financial assets and financial liabilities measured at fair values (as required by the relevant Ind AS)

b. Defined benefit and other long term employee benefits and

c. Share based payment transactions

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

2.1.3 Use of significant accounting estimates, judgement and assumptions

In the application of the Company's accounting policies, which are described below, the directors of the company is required to make judgements estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a. The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period.

b. In case of Property, plant and equipment, the charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

c. Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which this entity operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

d. Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

e. Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

f. The cost of the defined benefit gratuity plan / other long term benefits and the present value of the gratuity obligation / other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.1.4 First time adoption of IND AS

a) Being first time adoption of IND AS, the company has availed the following exemptions as granted under Appendix C & D of IND AS 101:-

i. Carrying values for all of its Property, Plant and Equipment and Intangible assets as at the date of transition to IND AS, measured as per previous GAAP have been treated as their deemed costs as at the date of transition.

ii. Cumulative translation differences on foreign operations: Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 April 2016.

iii. Impairment of financial assets: The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

iv. Carrying value for all of its investment in subsidiaries, Joint Ventures and Associates as at the date of transition to IND AS, measured as per previous GAAP are treated as their deemed costs as at the date of transition.

b) Retrospective impacts of transition from previous GAAP to IND AS on assets and liabilities have been adjusted against "Other Equity" on 1st April 2016.

2.2 Property, Plants and Equipments

These tangible assets are held for use in supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any which is akin to recognition criteria under erstwhile GAAP.

a) For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b) Subsequent to transition date, property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site

MADAN & ASSOCIATES NEW DELHI Chartered Accountants

restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met.

c) When a major inspection/repair occurs, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection/repair is derecognized.

d) Depreciation on property, plant and equipment

   i. Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on WDV over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013.

   ii. In the case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.

   iii. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

e) Components relevant to fixed assets, where significant, are separately depreciated on WDV basis in terms of their rate specified in the schedule II of the companies act, 2013.

f) During sales of fixed assets any profit earned / loss sustained towards excess / shortfall of sale value vis-avis carrying cost of assets is accounted for in statement of profit & loss.

2.3 Intangible Assets

a) For transition to Ind AS, the company has elected to continue with the carrying value of all of its intangible assets recognised as of April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b) Subsequent to transition date, Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment loss, if any. Such cost includes purchase price, borrowing costs, Salary of employees and administrative expenses related to these employees working on the development of content/ selling expenses till commercial launching of the project, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

c) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

NEW DELHI

d) 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 recognised in the Statement of Profit and Loss when the asset is derecognised.

e) Intangible assets are amortised on a straight line basis over their estimated useful live. 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 amortisation period is changed accordingly.

f) In case the assets are internally generated then at capitalized development cost subject to satisfaction of criteria of recognition (identify, control and future economic benefit) laid down from clause 11 to 17 of IND AS 38.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss. Research costs are recognized as expense in the period in which it is incurred.

2.4 Impairment of Non-Financial Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.5 Financial instruments

I) Financial assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:-

- Financial Assets at fair value
- Financial assets at amortized cost

MADAN & ASSOCIATES NEW DELHI Chartered Accountants

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss, or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost.

• **Business Model Test**: The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.

• **Cash flow characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:-

• **Business Model Test**: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

• **Cash flow characteristics Test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Impairment of financial assets:-

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

• 12 months expected credit losses, or
• Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II) Financial Liabilities

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

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

2.6 Revenue Recognition

Sales have been recognized with the transfer of significant risk and rewards of ownership of the goods, with the company losing effective control or the right to managerial involvement thereon and the revenue (representing future economic benefit associated with the transaction) including cost incurred or to be incurred in respect of the transaction are measurable reliably and the recovery of the consideration is probable.

Revenue from services are recognized in proportion to the stage of completion of transaction at the end of reporting period, and cost incurred in the transaction including same to complete the transaction and revenue (representing economic benefit associated with the transaction) can be measured reliably.

In respect of intangible assets, revenue is recognised on the basis of provision of services. Revenue in respect of insurance / other claims etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

Sales are measured at the fair value of consideration received or receivable. Sales recognized are net of Goods and Services Tax, Sales tax, service tax, VAT intermediary sales, rebates and discount.

Interest Income from a financial asset is recognised using effective interest method.

Other incomes have been recognized on accrual basis in financial statements except for cash flow information.

2.7 Employee Benefits

Liabilities in respect of employee benefits to employees are provided for as follows:

a) **Short-term employee benefits**

All employee benefits falling due wholly within twelve months after the end of the reporting period are classified as short term employee benefits and they are recognised as an expense at the undiscounted amount in the statement of profit and loss in the period in which the employee renders the related service.

b) **Post-employment benefits**

i) Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognised in the statement of profit and loss in the period in which the employee renders the related services.

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

ii) Defined benefit plan

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services

Actuarial gain / loss and other components of re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

iii)Other long-term benefits

The Company has other long-term benefits in the form of leave benefits. The present value of the other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations. Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit and loss as income or expense. Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

Actuarial gain / loss and other components of re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

2.8 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax
Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset are recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realised. The carrying

MADAN & ASSOCIATES
Accountants
NEW DELHI

amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.9 Foreign Currency Translation

i) Function currency
The company's financial statements are presented in INR, which is also the company's functional currency.

ii) Initial Recognition
Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.

iii) Subsequent Recognition
Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.

Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iv) Impact of exchange fluctuation is separately disclosed in notes to accounts.

2.10 Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.11 Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

2.12 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.13 Inventories

Items of inventories are measured at lower of cost or net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition. Cost for the purpose of valuation of Inventory is determined in accordance with the method prescribed by the IND AS-2 on 'Valuation of Inventories'.

2.14 Provisions and Contingencies

Provisions: Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are discounted to its present value as appropriate.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

Contingent Assets are neither recognised nor disclosed.

2.15 Share Based Payment

An employee of the Company receive remuneration in the form of equity settled instruments given by the ultimate holding company (S Chand & Company Limited), for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

All the share based payment transactions as entered by the company are of the nature of Equity settled share based payment transactions which means there are

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

no terms of arrangement which provide either the company or the counter party with the choice of settling the transaction in cash rather than by issuing the Equity Instruments

The services received under a share based payment transaction are recognized as and when the services are received

Aggregate of quantum of option granted under the scheme in monetary term (net of consideration of issue to be paid in cash) in terms of fair value, being the liability on account of employees stock option scheme is netted off against corresponding debit on account of deferred employee compensation under ESOP so as to appear as ESOP Outstanding under the head of Other Equity

Employee stock compensation

In 2012, the ultimate holding company instituted the ESOP Scheme 2012 (the "ESOP 2012"). Under the ESOP plan, the committee may grant awards of equity based stock options being Growth options to the employees of ultimate holding company and its subsidiaries. As per the Indian Accounting Standard (Ind AS) 102 "Share based payments", the Company receiving the services shall measure the services received as an equity settled transaction and required to record compensation cost and disclose information relating to the shares granted to the employees of the Company, under the above Plan. Since, the plan is assessed, managed and administered by the ultimate holding company, the Company has taken stock option cost pertains to options granted to the employee of the Company as calculated by the ultimate holding Company under Ind AS 102.

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

3. Property, plant and equipment

(Amount In Rs.)

Particulars	Furniture & Fixtures	Office Equipment	Computers & Pheripherals	Total
Gross block				
As at 1 April 2016	4,277,494	639,150	953,165	5,869,809
Additions	-	232,358	1,309,050	1,541,408
Disposals	-	-	-	-
As at 31 March 2017	4,277,494	871,508	2,262,215	7,411,217
Additions	2,491,616	15,486,730	1,361,163	19,339,509
Disposals	-	-	-	-
As at 31 March 2018	6,769,110	16,358,238	3,623,378	26,750,726
Accumulated depreciation				
As at 1 April 2016	252,870	85,080	91,486	429,437
Charge for the year	659,113	231,394	764,936	1,655,443
Deductions	-	-	-	-
As at 31 March 2017	911,983	316,474	856,422	2,084,880
Charge for the year	199,612	1,080,188	860,629	2,140,430
Deductions				
As at 31 March 2018	1,111,595	1,396,662	1,717,052	4,225,309
Net block				
As at 1 April 2016	4,024,624	554,070	861,679	5,440,372
As at 31 March 2017	3,365,511	555,034	1,405,793	5,326,337
As at 31 March 2018	5,657,515	14,961,576	1,906,326	22,525,417

4. Intangible assets

(Amount in Rs.)

Particulars	Intangible Assets	Intangible Assets-Software	Intangible assets under development	Total
Gross block				
As at 1 April 2016	10,396,191	97,600	11,408,047	21,901,838
Purchases/internal development	51,170,633	301,320	40,280,806	91,752,759
Disposals/Capitalisation	-	-	(49,871,937)	(49,871,937)
Ind AS adjustments	-	-	-	-
As at 31 March 2017	61,566,824	398,920	1,816,916	63,782,660
Purchases/internal development	19,077,307		25,891,599	44,968,906
Disposals/Capitalisation			(13,379,881)	(13,379,881)
As at 31 March 2018	80,644,131	398,920	14,328,634	95,371,685
Accumulated depreciation				
As at 1 April 2016	2,848	1,439	-	4,287
Amortization for the year	2,568,166	92,411	-	2,660,577
Deductions	-	-	-	-
Ind AS adjustments			-	-
As at 31 March 2017	2,571,014	93,850	-	2,664,864
Amortization for the year	7,550,572	126,184		7,676,756
Deductions				
As at 31 March 2018	10,121,586	220,034	-	10,341,621
Net block				
As at 1 April 2016	10,393,343	96,161	11,408,047	21,897,551
As at 31 March 2017	58,995,810	305,070	1,816,916	61,117,796
As at 31 March 2018	70,522,545	178,886	14,328,634	85,030,064

Note 1 : Includes Rs 1,27,89,887/- (PY : 2,09,68,234/-) towards capitalization of Salary and reimbursements made to employees during the Period and Rs.27,83,586/- (PY : 1,48,43,157/-) which pertains to administrative expenses. Amortisation is done on the basis of estimated use of 10 years except in case of Fortunapix/video license which is done on 5 years as per agreement.

Note 2: Details of Intangible assets under development & Intangibles:

Intangible assets under development:

Particulars	Opening Balance	Additions	Capitalisation	Closing Balance
Curriculum Content	-	22,663,871	12,789,882	9,873,989
Content development	1,182,916	49,000	590,000	641,916
Assessment Test Generator Mylestone	634,000	637,240	-	1,271,240
My study Gear App Development	-	2,541,488	-	2,541,488
Total	1,816,916	25,891,599	13,379,882	14,328,633

Intangibles:

Particulars	Opening Balance	Additions	Deletions	Closing Balance
My Study Gear App Development	15,273,291	-		15,273,291 *
Content-DR1	626,094	-	-	626,094 *
Content- QR Code	780,585	-	-	780,585 *
Mylestone	43,626,854	12,789,882	-	56,416,736
Content Licences	-	5,697,426	-	5,697,426
Content Test Generator	-	590,000		590,000
Total	60,306,824	19,077,308	-	79,384,132

* No income is generated in respect of intangibles of Rs. 1,66,79,970/ during the year on account of delay in completion of development. Management is of the view that these intangibles do have economic values and will generate income on completion from the next academic session (2018-19). Considering the same no impairment is recognised.

Note 3 :Amortisatioin includes impairment Rs. NIL (P.Y. 11,33,655/-)

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

5. Financial Assets

5A. Investments

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Investments at Transaction cost/amortised cost			
i. Investments in equity shares (Unquoted)			
Investments in subsidiary			
S Chand Edutech Pvt. Ltd. (21,270 (PY 15740) Equity Shares of Rs. 10/- each)	210,473	157,400	157,400
D S Digital Pvt. Ltd. (1,70,37,165 (PY 1,70,17,165) Equity Shares of Rs. 10/- each)	136,085,974	135,885,974	135,885,974
Investment in associates			
Edutor Technologies (I) Pvt Ltd (20,25,766 Equity Shares of Rs. 2/- each)	235,827,993	235,827,993	235,827,993
Investment in others			
Gyankosh Solutions Pvt Ltd (100 Equity Shares of Rs. 10/- each at a premium of Rs. 65.50 per share, as per Share Purchase Agreement)	7,550	7,550	7,550
Testbook Edu Solutions Pvt Ltd (100 Equity Shares of Rs. 10/- each at a premium of Rs. 8234/- per share, as per Share Purchase Agreement)	826,551	826,551	826,551
	372,958,541	372,705,468	372,705,468
Investments in preference shares			
Investments in subsidiary			
D S Digital Pvt. Ltd. (61,70,400 Preference Shares of Rs. 10/- each)	61,704,000	61,704,000	61,704,000
Investment in others at Costs			
Gyankosh Solutions Pvt Ltd (3,19,900 Compulsory Convertible Cumulative Prefrence Shares of Rs. 10/- each at a premium of Rs. 65.50 per share, as per Share Purchase Agreement)	24,152,450	24,152,450	24,152,450
Testbook Edu Solutions Pvt Ltd (2,690 Compulsory Convertible Cumulative Prefrence Shares of Rs. 500/- each at a premium of Rs. 7744/- per share, as per Share Purchase Agreement)	22,234,209	22,234,209	22,234,209
Next Door Learning Solutions Pvt Ltd (353 Compulsory Convertible Cumulative Prefrence Shares of Rs. 10/- each at a premium of Rs. 13776.50 per share, as per Share Purchase Agreement)	4,866,635	4,866,635	4,866,635
	112,957,294	112,957,294	112,957,294
Net investments	485,915,834	485,662,761	485,662,761
Current	-	-	-
Non-Current	485,915,834	485,662,761	485,662,761

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

5B. Trade receivables

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade receivables			
Unsecured, considered good*	98,185,283	32,800,126	4,241,539
	98,185,283	32,800,126	4,241,539
Less: Allowance for expected credit loss			
Unsecured, considered good		-	-
	-	-	-
Net Trade receivables			
Unsecured, considered good	98,185,283	32,800,126	4,241,539
	98,185,283	32,800,126	4,241,539
Current	98,185,283	32,800,126	4,241,539
Non-Current	-	-	-

* In absence of the confirmation considered good by the management.
* Includes Rs.25,89,008/- (PY 5,25,000/-) due from the concern in the same group.

5C. Loans

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security deposits - Non Current	4,262,641	3,805,799	3,397,905
Security deposits - Current	220,000	220,000	-
Loan to JSR Marketing Pvt Ltd *	35,540,179	31,732,303	28,332,413
Loan to Related Parties			
S.Chand Edutech Pvt.Ltd.	21,843,645	21,843,645	21,843,645
D S Digital Pvt. Ltd.	63,430,674	67,950,110	65,039,378
Total Loans and Advances	125,297,139	125,551,857	118,613,341
Current	22,063,645	22,063,645	21,843,645
Non-Current	103,233,494	103,488,212	96,769,696

* Represents interest free loan outstanding from earlier years and will be realized in the next financial year 2018-19.

5D. Cash and cash equivalents

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balances with banks			
- In current accounts	2,151,980	2,588,653	4,797
Cash in hand	51,603	35,141	158,400
Total Cash and cash equivalents	2,203,583	2,623,794	163,197
Current	2,203,583	2,623,794	163,197
Non-Current	-	-	-

6. Inventories

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Finished Goods			
Traded Goods*	6,568,640	4,661,663	197,138
	6,568,640	4,661,663	197,138
Less : Provision for slow & non moving goods	-	-	-
Total Inventories	6,568,640	4,661,663	197,138

* As certified by the management.

Sheeba Sharma

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

7. Other Assets

7A. Prepaid expenses

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Prepaid expenses (Non current)	2,469,707	3,028,790	3,587,873
Prepaid expenses (Current)	766,052	679,598	951,462
Interest expenses (Non current)	-	3,114,177	6,228,354
Interest expenses (Current)	3,114,177	3,114,177	3,114,177
Total Prepaid expenses	6,349,936	9,936,742	13,881,866

7B. Other assets

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances to Suppliers	216,008	1,512,579	164,986
Advances to Employees #	5,155,819	95,694	-
Balance with Govt Authorities	12,674,242	6,566,765	5,684,465
Total Other assets	18,046,069	8,175,038	5,849,450
Current	21,926,299	11,968,813	9,915,090
Non-Current	2,469,707	6,142,967	9,816,227

Includes Rs. 34.7 lacs interest free loan given to employee, stipulations for recovery pending to be finalised.

8. Deferred taxes

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Items leading to creation of deferred tax assets			
Impact on account of brought forward losses & depreciation of income tax	30,821,233	-	-
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements			
Provision for doubtful debt & advances	-		-
Others	930,583	-	-
Impact of Ind AS adjustments		-	-
Total deferred tax assets	31,751,816	-	-
Items leading to creation of deferred tax liabilities			
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	(5,169,334)	-	-
Impact of Ind AS adjustments	-	-	-
Total deferred tax liabilities	(5,169,334)	-	-
Net deferred tax assets/(liabilities)	26,582,482	-	-

In View of Pending Merger of Mylestone Project with S Chand & Company Ltd (Holding Company) and virtual probability of earning temporaray taxable difference in future, deferred tax asset has been created.

Sheela

Sharma

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

9. Share Capital

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised			
4,50,00,000 (31 March 2017: 4,50,00,000) equity shares of Rs 10/- each	450,000,000	450,000,000	450,000,000
Issued, subscribed and fully paid up			
4,43,69,268 (31 March 2017: 4,43,69,268) equity shares of Rs 10/- each	443,692,680	443,692,680	443,692,680
	443,692,680	443,692,680	443,692,680

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

Equity shares	Numbers	Amount In Rs.
Issued, subscribed and fully paid up		
As at 1 April 2016	44,369,268	443,692,680
Increase/(Decrease) during the year	-	-
As at 31 March 2017	44,369,268	443,692,680
Increase/(Decrease) during the year	-	-
As at 31 March 2018	44,369,268	443,692,680

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. No dividend has been proposed by the Board of Directors during the year ended 31 March 2018 (31 March 2017: nil). In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company and their subsidiaries

	31 March 2018 (Rs.)	31 March 2017 (Rs.)	1 April 2016 (Rs.)
S Chand and Company Limited, holding company	265,841,680	265,841,680	265,841,680
Nirja Publishers & Printers Pvt ltd	177,850,000	177,850,000	177,850,000
Vikas Publishing House Pvt Ltd	1,000	1,000	1,000

d. Details of shareholders holding more than 5% equity shares in the Company:	No. of shares held	% of holding
S Chand and Company Limited, holding company		
As at 1 April 2016	26,584,168	59.92%
As at 31 March 2017	26,584,168	59.92%
As at 31 March 2018	26,584,168	59 92%
Nirja Publishers and Printers Pvt Ltd		
As at 1 April 2016	17,785,000	40.08%
As at 31 March 2017	17,785,000	40.08%
As at 31 March 2018	17,785,000	40.08%

10. Other Equity

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Retained earning			
Balance as the Beginning of reporting period	(67,149,638)	(34,307,179)	(34,307,179)
Add: Surplus during the year	(13,245,364)	(32,842,459)	-
Add: Other Comprehensive income			
Balance as the end of reporting period	(80,395,002)	(67,149,638)	(34,307,179)
ESOPs reserve			
Balance as the Beginning of reporting period	1,135,817	454,685	-
Increase/(Decrease) during the year	9,122	681,132	454,685
Balance as the end of reporting period ©	1,144,939	1,135,817	454,685
Total (A+B+C+D)	(79,250,063)	(66,013,821)	(33,852,494)

Employee stock compensation

In 2012, the ultimate holding company instituted the ESOP Scheme 2012 (the "ESOP 2012") Under the ESOP plan, the committee may grant awards of equity based stock options being Growth options to the employees of ultimate holding company and its subsidiaries. As per the Indian Accounting Standard (Ind AS) 102 "Share based payments", the Company receiving the services shall measure the services received as an equity settled transaction and required to record compensation cost and disclose information relating to the shares granted to the employees of the Company, under the above Plan. Since, the plan is assessed, managed and administered by the ultimate holding company, the Company has taken stock option cost pertains to options granted to the employee of the Company as calculated by the ultimate holding Company under Ind AS 102.

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

11. Non-current borrowings

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Loan from related party			
-Nirja Publishers & Printers Pvt.Ltd. (Note 1)	260,096,454	235,202,214	212,667,863
-S Chand and Company Ltd. (Note 2)	84,556,582	19,310,822	17,431,814
-Eurasia Publishing House Pvt Ltd (Note 3)	94,315,940	63,483,368	-
Security Deposit Received-Premises (from S Chand and Company Ltd -Holding Company)	2,646,948	2,363,346	2,110,131
Total Non-current borrowings	441,615,924	320,359,750	232,209,808
Secured	-	-	-
Unsecured	441,615,924	320,359,750	-

1 Optionally Convertible Loan amount Rs. 20,12,00,000/- (PY - Rs 20,12,00,000/-) & Interest amount Rs. 5,88,96,454/- (PY - Rs.3,40,02,214/-)
2 Optionally Convertible Loan amount Rs. 8,34,40,000/- (PY- Rs.1,60,00,000/-) & Interest amount is Rs. 11,16,582/- (PY - 33,10,822/-)
3 Optionally Convertible Loan amount Rs. 8,25,60,000/- (PY- 6,00,00,000/-) & Interest amount is Rs.1,17,55,940/- (PY - 34,83,368/-)

Sheetal Sharma

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

12. Trade payables

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-Current			
Trade payables other than micro enterprises and small enterprises	-	-	-
Current			
Trade payables of micro enterprises and small enterprises	-	-	-
Trade payables of related entities	46,664,995	25,556,638	1,692,587
Trade payables other than micro enterprises and small enterprises	8,007,791	1,515,826	3,902,832
Total Trade payables	54,672,786	27,072,464	5,595,419
Current	54,672,786	27,072,464	5,595,419
Non-Current	-	-	-

Sheetal Sharma

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

13. Other financial liabilities

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Expenses Payable	6,486,903	3,574,193	2,264,064
Book Overdraft	-	-	489,875
Total other financial liabilities	6,486,903	3,574,193	2,753,939
Current	6,486,903	3,574,193	2,753,939
Non current	-	-	-

14. Provisions

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for gratuity	1,367,429	1,496,566	615,149
Provision for Leave Encashment	1,839,717	1,527,881	521,863
Provision for Bonus	372,019		
Total Provisions	3,579,165	3,024,447	1,137,012
Current	628,102	2,464	484
Non current	2,951,063	3,021,983	1,136,528

15. Other liabilities

(Amount in Rs.)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutory dues	3,387,679	1,261,086	1,735,915
Deferred Lease Income	1,848,334	2,200,260	2,552,186
Advance from customers	671,043	685,055	122,750
Total Other liabilities	5,907,056	4,146,401	4,410,851
Current	4,410,648	2,298,067	2,210,591
Non current	1,496,408	1,848,334	2,200,260

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

16. Revenue From Operations

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products		
- E- Book Sale *	4,347,407	4,854,281
- Curriculum Books Sales	86,337,088	32,106,408
	90,684,495	36,960,689
Sale of services		
- Income From Rent	10,680,000	9,600,000
- Income from Maintenance	643,478	584,975
- Digital Data Management Services	12,000,000	12,000,000
- Training Income	4,853,293	498,262
- Student Skill Assessment	3,095,215	-
- License Fee	5,627,300	-
Total revenue from operations	127,583,781	59,643,926

* As certified by Management

17. Other Incomes

Interest Income	6,751,256	6,667,639
Notional Interest Income on financial assets	4,264,718	3,807,784
Notaional Lease Income on financial liabilities	351,926	351,926
Total other income	11,367,900	10,827,349

MADAN & ASSOCIATES Chartered Accountants NEW DELHI

18. Purchase of Stock-in-trade

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Books Purchase	35,757,342	23,536,425
E Books Purchase	3,362,734	3,857,358
Test Papers & Skill Assessment Reports	1,199,444	-
	40,319,520	27,393,783

20. (Increase)/Decrease in Inventories

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventories at the end of the year		
Trade Items	6,568,640	4,661,663
	6,568,640	4,661,663
Inventories at the beginning of the year		
Trade Items	4,661,663	197,138
	4,661,663	197,138
(Increase)/decrease in inventories	(1,906,977)	(4,464,525)

Sheeba Sharma

Safari Digital Education Initiatives Pvt Ltd
CIN: U80904DL2010PTC204512
Notes to financial statements for the year ended 31 March 2018

22. Employee Benefits Expenses

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, Wages and Bonus	41,541,002	15,053,241
Gratuity	1,234,172	613,968
Leave Encashment	389,982	1,047,458
Total employee benefits expenses	43,165,156	16,714,667

24. Finance Cost

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest Expense	41,082,076	31,627,439
Notional Interest Expenses	283,602	253,215
Bank Charges	40,007	8,733
Total finance cost	41,405,685	31,889,387

25. Depreciation and Amortisation Expneses

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant & euipement	2,140,430	1,655,443
Amortisation of intangible assets	7,676,756	2,660,577
Total depreciation and amortisation expneses	9,817,186	4,316,020

Sheetal Sharma

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

26 (a). Other Expenses

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Repairs & Maintenance- Others	1,441,160	1,558,441
Legal & Professional Fees	1,654,068	484,400
Payment to Auditors	250,000	150,000
Fee & Filing charges	9,006	78,176
Internet & Telephone Exps	615,849	493,253
Printing & Stationery	35,543	139,516
Office Expenses	349,899	153,160
Books & Subscriptions	143,422	34,373
Power & Electricity	507,619	322,922
Consultancy Charges	70,000	257,167
Exchange Fluctuation Difference	41,572	15,030
Rent (Refer Note 26 (a).1)	17,636,368	15,745,758
Rate & Taxes	49,000	140,513
Balances Written Back	97,201	(2,414)
Bad Debts	422,007	-
Courier Charges	337,165	165,271
Insurance Expenses	297,864	59,087
Diwali Expenses	209,737	50,900
Notional Expenses on financial assets	3,673,260	3,673,260
Total other expenses	27,840,741	23,518,813

26 (a). 1 Excludes Rs. 10,50,670/- capitalized during the year.

26 (b) Selling & Distribution Expenses

Advertisement Expenses	1,423,859	399,421
Sales Promotion	4,398,622	808,534
Travelling & Boarding & Conveyance Expenses	13,679,045	2,470,185
Total Selling & Distribution Expenses	19,501,526	3,678,140

Payment to auditor

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
As auditor		
Audit fee	200,000	150,000
Tax Advisory Services	50,000	-
Out of pocket expenses	-	-
	250,000	150,000

27. Components of Other Comprehensive Income (OCI)

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

During the year ended 31st March 2018

Particulars	Retained earnings	Total
Re-measurment gains/(losses) on defined benefit plans	1,363,309	1,363,309
Tax impact on re-measurement gains/(losses) on defined benefit plans	351,052	351,052
	1,714,361	1,714,361

During the year ended 31st March 2017

Particulars	Retained earnings	Total
Re-measurment gains/(losses) on defined benefit plans	(267,449)	(267,449)
Tax impact on re-measurement gains/(losses) on defined benefit plans	(82,642)	(82,642)
	(350,091)	(350,091)

Sharma

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

28. Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all dilutive potential equity shares into equity shares.

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit attributable to equity holders of the company	(14,959,725)	(32,492,368)
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	44,369,268	44,369,268
Basic EPS	(0.34)	(0.73)
Diluted DPS	(0.34)	(0.73)
Face Value Per Share	10	10

Sharma

Sheetal

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

Safari Digital Education Initiatives Pvt Ltd
CIN: U80904DL2010PTC204512
Notes to financial statements for the year ended 31 March 2018

29. Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

Holding Company	S. Chand and Company Limited
Subsidiary Company	S.Chand Edutech Pvt. Ltd. DS Digital Private Ltd
Associate Companies / Firms	Edutor Technologies (I) Pvt. Ltd.
Companies under same Management	Nirja Publishers & Printers Pvt. Ltd. New Saraswati House (India) Pvt. Ltd. Vikas Publishing House Pvt. Ltd. Eurasia Publishing House Pvt. Ltd. BPI India Pvt. Ltd.
Key management personnel	Mr. Saurabh Mittal, Director Mr. Samir Khurana, Director Mr. Ratna Nair Mehta, Director Ms.Sheeba Dhamija, Company Secretary

Related party transactions

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

(Amount in Rupees)

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
(A) Transactions												
Sale of Digital Books												
Edutor Technologies India Pvt Ltd					180,041	303,223					180,041	303,223
QR Code Development Services/Content Licence Fee												
S Chand and Company Limited	5,627,300										5,627,300	-
Data Management Services												
Vikas Publishing House Private Limited									6,000,000	6,000,000	6,000,000	6,000,000
New Saraswati House (India) Private Limited									6,000,000	6,000,000	6,000,000	6,000,000
Premises Rent Received												
S. Chand and Company Limited	10,680,000	9,600,000									10,680,000	9,600,000
Puchase of E Books & Printed Books												
S Chand & Company Limited	2,290,826	2,380,172									2,290,826	2,380,172
Vikas Publishing House Private Limited									28,546,901	21,944,007	28,546,901	21,944,007
New Sarawati House India Private Limited									145,711	88,543	145,711	88,543
BPI India Private Limited									145,417	108,084	145,417	108,084
App Development Support Service Received												
S Chand Edutech Private Limited			-	1,298,697							-	1,298,697
Interest Income on Loans and Advances Given												
DS Digital Private Limited			6,432,000	6,432,000							6,432,000	6,432,000
Interest Expense on Loan and Advances Received												
S Chand and Company Limited	3,538,430	2,087,788									3,538,430	2,087,788
Nirja Publishers & Printers Private Limited									28,224,264	25,508,168	18,224,264	25,508,168
Eurasia Publishing House Private limited									9,191,746	3,870,411	9,191,746	3,870,411
Maintenance Income and Reimbursement for Electricity												
S Chand and Company Limited	1,362,472	1,317,148									1,362,472	1,317,148
Reimbursement of Travel, Filing Fee &Subscriptions												
S Chand and Company Limited	130,960	107,557									130,960	107,557
Edutor Technologies India Pvt Ltd					-	-					-	-
Salary, Perks and Allowances												
Sheeba Dhamija							1,065,479	875,325			1,065,479	875,325
Investments made during the Period												
Edutor Technologies India Pvt Ltd					-	-					-	-
Loans and Advances Given during the Period												
DS Digital Private Ltd			-	7,661,932							-	7,661,932
S Chand Edutech Private Limited			-	1,363,633							-	1,363,633
Loans and Advances Received												
S Chand and Company Limited	83,440,000	-									83,440,000	-
Nirja Publishers & Printers Private Limited									22,560,000	60,000,000	22,560,000	60,000,000
Eurasia Publishing House Private limited											-	-
Repayment received against Loan and Advances Given												
DS Digital Private Ltd			-	10,100,000							-	10,100,000
Security Deposits Received during the Period												
S Chand and Company Limited	-	-									-	-
(B) Outstanding balances at the year end												
Security Deposit Received												
S Chand and Company Limited	4,800,000	4,800,000									4,800,000	4,800,000
Loans and Advances as at 31st Mar 2018												
DS Digital Private Limited			63,430,674	67,950,110							63,430,674	67,950,110
S Chand Edutech Private Limited			21,843,645	21,843,645							21,843,645	21,843,645
Trade Receivables as at 31st Mar 2018												
Edutor Technologies India Pvt Ltd					1,180,132	580,011					1,180,132	580,011
New Saraswati House (India) Private Limited									1,408,876	436,457	1,408,876	436,457
S Chand and Company Limited	-										-	-
Vikas Publishing House Private Limited									-	525,000	-	525,000
Trade Payables as at 31st Mar 2018												
Vikas Publishing House Private Limited									40,244,425	21,163,820	40,244,425	21,163,820
S Chand and Company Limited	6,985,949	4,284,734									6,985,949	4,284,734
BPI India Private Limited									42,784	108,084	42,784	108,084
Investments made as at 31st Mar 2018												
DS Digital Private Limited			197,789,974	197,589,974							197,789,974	197,589,974
S Chand Edutech Private Limited			210,473	157,400							210,473	157,400
Edutor Technologies India Pvt Ltd					235,827,993	235,827,993					235,827,993	235,827,993
Long Term Borrowings as at 31st Mar 2018												
S Chand and Company Limited	84,556,582	19,310,822									84,556,582	19,310,822
Nirja Publishers & Printers Private Limited									260,096,454	235,202,214	260,096,454	235,202,214
Eurasia Publishing House Private Limited									94,315,940	63,483,368	94,315,940	63,483,368

Note: Amount written off/ written back in respect of debts due from / or to related parties is Nil (PY Nil) and entire amount is receivable and no portion of the outstanding amount is doubtful

MADAN & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Samir K

Sheeba

Sharma

Defined benefit plans:

A. Gratuity

The company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employement, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death.

The Company has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method.

The following table sets out for the status of gratuity plan:

	Particulars	2017-18	2016-17
I	**Change in present value of defined benefit obligation during the year**		
	Defined Benefit Obligation as of Prior Year	1,496,566	615,149
	Service Cost : -		
	Current service cost	1,123,472	564,449
	Interest Cost	110,700	49,519
	Benefit payments directly by employer		
	Actuarial (Gain) / Loss - Demographic	(1,234,703)	
	Actuarial (Gain) / Loss - Financial	(5,193)	196,194
	Actuarial (Gain) / Loss - Experience	(123,413)	71,254
	Defined Benefit Obligation at the end of Current Year	**1,367,429**	**1,496,565**
II	**Change in fair value of plan assets during the year**		
	There is no plan assets		
III	**Net asset/ (liability) recognised in the balance sheet**		
	Net defined benefit liability (asset) at prior year end	1,496,566	615,149
	Defined benefit cost included in P&L	1,234,172	613,968
	Total remeasurements included in OCI	(1,363,309)	267,449
	Direct benefit payments by Employer		
	Net defined benefit liability (asset) - end of period	**1,367,429**	**1,496,566**
IV	**Expense recognised in the statement of profit or loss during the year**		
	Service cost	1,123,472	564,449
	Net interest cost	110,700	49,519
	Total expense recognised in the employee benefit expense	**1,234,172**	**613,968**
V	Recognised in other comprehensive income for the year		
	Actuarial (Gain) / Loss due to Demographic Assumption changes in DBO	(1,234,703)	
	Actuarial (Gain) / Loss due to Financial Assumption changes in DBO	(5,193)	196,194
	Actuarial (Gain) / Loss due to Experience on DBO	(123,413)	71,254
	Cumulative OCI - (Income)/Loss, End of Period	(1,363,309)	267,448

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

VI	**Maturity profile of defined benefit obligation**		
	Year 1	2,710	1,229
	Year 2	121,899	1,433
	Year 3	133,679	1,680
	Year 4	162,215	1,981
	Year 5	189,046	2,348
	Year 6 to 10	775,077	20,990
VII	**Quantitative senstivity analysis for significant assumptions is as below**		
	a) Impact of change in discount rate		
	Present Value of obligation at the end of the period		
	Discount rate - 100 basis points	1,477,548	1,863,923
	Discount rate + 100 basis points	1,269,797	1,206,448
	Impact of change		
	Discount rate - 100 basis points	(110,119)	(367,358)
	Discount rate + 100 basis points	97,632	290,117
	b) Impact of change in salary		
	Present Value of obligation at the end of the period		
	Rate - 100 basis points	1,271,078	1,210,191
	Rate + 100 basis points	1,473,793	1,850,546
	Impact of change		
	Discount rate - 100 basis points	96,351	286,374
	Discount rate + 100 basis points	(106,364)	(353,981)
VIII	**Actuarial assumptions**		
	Discount Rate	7.45%	7.40%
	Future salary increase	10.00%	10.00%
	Retirement Age (years)	58 Years	58 Years
	Mortality rates inclusive of provision for disability	IALM (2006-08)	IALM (2006-08)
	Withdrawl rate	15.00%	Nil

The actuarial valuation of the present valuation of defined benefit obligation were carried out as at March 31, 2018. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

As per para 83 of Ind AS 19, the rate used to discount post-employment benefit obligations (both funded and unfunded) shall be determined by reference to market yields at the end of the reporting period on government bonds.

Sharma

Sheela

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

B. Leave Encashment

In respect of leave encashment benefit, accrual is made on the basis of a year-end actuarial valuation in pursuance of the Company's leave rules.

The Company has provided for leave benefits based on the actuarial valuation done as per Project Unit Credit Method.

The following table sets out for the status of leave encashment plan:

	Particulars	2017-18	2016-17
I	**Change in present value of defined benefit obligation during the year**		
	Defined Benefit Obligation as of Prior Year	1,527,881	521,863
	Service Cost : -		
	Current service cost	986,103	404,554
	Interest Cost	113,018	40,342
	Benefit payments directly by employer	(78,146)	(41,440)
	Actuarial (Gain) / Loss - Demographic	(811,528)	
	Actuarial (Gain) / Loss - Financial	(5,548)	202,339
	Actuarial (Gain) / Loss - Experience	107,938	400,223
	Defined Benefit Obligation at the end of Current Year	**1,839,718**	**1,527,881**
II	**Change in fair value of plan assets during the year**		-
	There is no plan assets		
III	**Net asset/ (liability) recognised in the balance sheet**		
	Net defined benefit liability (asset) at prior year end	1,527,881	521,863
	Defined benefit cost included in P&L	389,982	1,047,458
	Total remeasurements included in OCI		-
	Direct benefit payments by Employer	(78,146)	(41,440)
	Net defined benefit liability (asset) - end of period	**1,839,717**	**1,527,881**
IV	**Expense recognised in the statement of profit or loss during the year**		
	Service cost	986,103	404,554
	Net interest cost	113,018	40,342
	Immediate recognition of loss	(709,138)	602,562
	Total expense recognised in the employee benefit expense	**389,983**	**1,047,458**
V	**Recognised in other comprehensive income for the year**		
	Cumulative OCI - (Income)/Loss, Beginning of Period	-	-
	Total remeasurements included in OCI	-	-
	Cumulative OCI - (Income)/Loss, End of Period	-	-
VI	**Maturity profile of defined benefit obligation**		
	Year 1	253,373	1,235
	Year 2	236,674	1,438
	Year 3	221,071	1,684
	Year 4	206,487	1,982
	Year 5	192,852	2,347
	Year 6 to 10	792,273	22,293

NEW DELHI

VII	**Quantitative senstivity analysis for significant assumptions is as below**		
	a) Impact of change in discount rate		
	Present Value of obligation at the end of the period		
	Discount rate - 100 basis points	1,735,154	1,907,587
	Discount rate + 100 basis points	1,957,124	1,228,805
	Impact of change		
	Discount rate - 100 basis points	104,564	(379,706)
	Discount rate + 100 basis points	(117,406)	299,076
	b) Impact of change in salary		
	Present Value of obligation at the end of the period		
	Rate - 100 basis points	1,736,528	1,232,662
	Rate + 100 basis points	1,953,129	1,893,746
	Impact of change		
	Discount rate - 100 basis points	103,190	295,219
	Discount rate + 100 basis points	(113,411)	(365,865)
VIII	**Actuarial assumptions**		
	Discount Rate	7.45%	7.40%
	Future salary increase	10.00%	10.00%
	Retirement Age (years)	58 Years	58 Years
	Mortality rates inclusive of provision for disability	IALM (2006-08)	IALM (2006-08)
	Withdrawl rate	15.00%	Nil

MADAN & ASSOCIATES
NEW DELHI

31 Disclosures as required by Indian Accounting Standard (Ind As) 101 'First Time Adoption Of Indian Accounting Standards':

(a) Reconciliation of Equity as at April 1, 2016

Particulars	Notes	IGAAP (Amount in Rs.) A	Ind AS Adj (Amount in Rs.) B	Ind AS (Amount in Rs.) C = A+B
Assets				
Non-current assets				
Property, plant and equipment	3	5,440,372	-	5,440,372
Intangible assets				
- Other intangible assets	4	10,489,504	-	10,489,504
Intangible assets under development	4	11,408,047	-	11,408,047
Financial assets				
- Investments	5A	485,662,761	-	485,662,761
- Loans	5C	134,557,623	(15,944,282)	118,613,341
Other non-current assets	7	-	9,816,227	9,816,227
Deferred tax assets (net)	8	-		-
Total non-current assets		**647,558,308**	**(6,128,055)**	**641,430,252**
Current assets				
Inventories	6	197,138	-	197,138
Financial assets				
- Trade receivables	5B	4,241,539	-	4,241,539
- Cash and cash equivalents	5D	163,197	-	163,197
Other current assets	7	6,241,914	3,673,175	9,915,090
Total current assets		**10,843,788**	**3,673,175**	**14,516,963**
Total assets		**658,402,095**	**(2,454,880)**	**655,947,215**
Equity and liabilities				
Equity				
Equity share capital	9	443,692,680	-	443,692,680
Other equity	10	(31,535,297)	(2,317,197)	(33,852,494)
Total equity		**412,157,383**	**(2,317,197)**	**409,840,186**
Non-current liabilities				
Financial liabilities				
- Borrowings	11	234,899,677	(2,689,869)	232,209,808
Provisions	14	1,136,528	-	1,136,528
Other non-current liabilities	15	-	2,200,260	2,200,260
Total non current liabilities		236,036,205	(489,609)	235,546,596

Sheetal Sharma

Current liabilities				
Financial liabilities				
- Trade payables	12	5,595,419	-	5,595,419
- Other financial liabilities	13	2,753,939	-	2,753,939
Provisions	14	484	-	484
Other current liabilities	15	1,858,665	351,926	2,210,591
Total current liabilities		**10,208,507**	**351,926**	**10,560,433**
Total equity and liabilities		**658,402,095**	**(2,454,880)**	**655,947,215**
		0	-	0

(b) **Reconciliation of Equity as at March 31, 2017**

Particulars	**Notes**	**IGAAP** (Amount in Rs.) A	**Ind AS Adj** (Amount in Rs.) B	**Ind AS** (Amount in Rs.) C = A+B
<u>**Assets**</u>				
Non-current assets				
Property, plant and equipment	3	5,326,337	-	5,326,337
Intangible assets				
- Other intangible assets	4	59,300,880	-	59,300,880
Intangible assets under development	4	1,816,916	-	1,816,916
Financial assets				
- Investments	5A	485,662,761	-	485,662,761
- Loans	5C	137,468,355	(12,136,498)	125,331,857
Other non-current assets	7	-	6,142,967	6,142,967
Deferred tax assets (net)	8	-	-	-
Total non-current assets		**689,575,250**	**(5,993,532)**	**683,581,718**
Current assets				
Inventories	6	4,661,663	-	4,661,663
Financial assets				
- Trade receivables	5B	32,800,126	-	32,800,126
- Loans	5C	220,000	-	220,000
- Cash and cash equivalents	5D	2,623,794	-	2,623,794
Other current assets	7	8,295,638	3,673,175	11,968,813
Total current assets		**48,601,221**	**3,673,175**	**52,274,396**
Total assets		**738,176,471**	**(2,320,356)**	**735,856,114**
<u>**Equity and liabilities**</u>				
Equity				
Equity share capital	9	443,692,680	-	443,692,680
Other equity	10	(63,929,859)	(2,083,963)	(66,013,821)
Total equity		**379,762,821**	**(2,083,963)**	**377,678,859**

Non-current liabilities				
Financial liabilities				
- Borrowings	11	322,796,404	(2,436,654)	320,359,750
Provisions	14	3,021,983	-	3,021,983
Other non-current liabilities	15	-	1,848,334	1,848,334
Total non current liabilities		**325,818,387**	**(588,320)**	**325,230,067**
Current liabilities				
Financial liabilities				
- Trade payables	12	27,072,464	-	27,072,464
- Other financial liabilities	13	3,574,193	-	3,574,193
Provisions	14	2,464	-	2,464
Other current liabilities	15	1,946,141	351,926	2,298,067
Total current liabilities		**32,595,262**	**351,926**	**32,947,188**
Total equity and liabilities		**738,176,470**	**(2,320,357)**	**735,856,114**

(C') Reconciliation of profit and loss and other comprehensive income for the year ended 31 March 2017

	Particulars	Notes	IGAAP	Ind AS Adj	IND AS
I	Revenue from Operations	16	59,643,926	-	59,643,926
II	Other Income	17	6,667,639	4,159,710	10,827,349
III	**Total Income (I+II)**		**66,311,566**	**4,159,710**	**70,471,275**
IV	**Expenses**				
	Purchase of Stock-in-trade	18	27,393,783	-	27,393,783
	(Increase)/decrease in inventories of finished goods and \	20	(4,464,525)	-	(4,464,525)
	Employee benefits expense	22	16,300,984	413,683	16,714,667
	Finance cost	24	31,636,172	253,215	31,889,387
	Depreciation and amortisation expense	25	4,316,020	-	4,316,020
	Selling & Distribution Expenses	26b	3,678,140	-	3,678,140
	Other expenses	26a	19,845,553	3,673,260	23,518,813
	Total expenses		**98,706,127**	**4,340,158**	**103,046,285**
V	**Profit/(loss) before exceptional items and tax (I-II)**		(32,394,562)	(180,448)	**(32,575,010)**
VI	Exceptional item		-	-	-
VII	**Profit/(loss) before tax**		(32,394,562)	(180,448)	(32,575,010)
VIII	**Tax expense:**				
	Current tax		-	-	-
	Income tax adjustment related to earlier years		-	-	-
	Deferred tax (credit)/ charge		-	(82,642)	(82,642)
	Total tax expenses		-	(82,642)	(82,642)
IX	**Profit (Loss) for the period**		(32,394,562)	(97,807)	(32,492,368)

MADAN & ASSOCIATES NEW DELHI Chartered Accountants

X	**Other Comprehensive Income**				
	- Items that will not be reclassified to profit or loss	27			
	Re-measurement gains/(losses) on defined benefit plans		-	-	-
	Tax impact on re-measurement gain/ (loss) on defined benefit		-	-	-
XI	**Total Comprehensive Income for the period (V + VI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(32,394,562)**	**(97,807)**	**(32,492,368)**

Samir N.

Sheetal

Sharma

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

32 Deferred tax assets (net)

a. Deferred tax is calculated, in full, on all temporary timing differences under the liability method based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. The movement on the deferred tax account is as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
At start of year	-	-	-
Ind-AS transition adjustment	-	-	-
Credit to Statement of Profit and Loss	26,582,482	-	-
At end of year	26,582,482	-	-

Deferred tax assets at the end of the reporting period and deferred tax credit in Statement of Profit and Loss and Other Comprehensive Income

Particulars	As at April 1, 2017	Credit to profit or loss	As at March 31, 2018
Deferred tax asset in relation to:			
Property, plant and equipment	-	(5,169,334)	(5,169,334)
Carried Forward Losses	-	21,864,498	21,864,498
Unabsorbed Decpreciation	-	8,956,736	8,956,736
Disallowance under the Income Tax Act, 1961	-	930,583	930,583
	-	26,582,482	26,582,482

b.

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Income tax recognised in Statement of Profit and Loss		
Deferred tax		
In respect of the current year	(26,582,482)	-
Total income tax expenses recognised in the current year	(26,582,482)	-

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Loss before tax	(29,881,714)	(36,956,960)
Applicable Tax Rate	26.00%	30.90%
Computed Tax Expense	-	-
Tax effect of :		
Expenses not allowed	102,240,317	56,643,638
Tax Impact of expenses not allowed	26,582,482	17,502,884
Tax Expenses recognised in Statement of Profit and Loss	26,582,482	-

Samik

Sheeba Sharma

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI

33 **Standards issued but yet effective**

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 April 2018. The Company will adopt the new standard on the required effective date using the modified retrospective method. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed

For Madan & Associates
Chartered Accountants

M K Madan
Proprietor
M. No. 082214
FR NO. 000185N

Place : New Delhi
Date : 17.5.18

For and on behalf of the Board of Directors of
Safari Digital Education Initiatives Pvt Ltd

Director
DIN: 01402533

Director
DIN: 02971650

Company Secretary
Mem No: A29705

Chief Financial Officer

MADAN & ASSOCIATES
Chartered Accountants
NEW DELHI