

Independent Auditor's Report

To the Members of Blackie & Son (Calcutta) Pvt. Ltd.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Blackie & Son (Calcutta) Pvt. Ltd. ("the Company"), which comprises the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 (Act), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics (CoE) issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

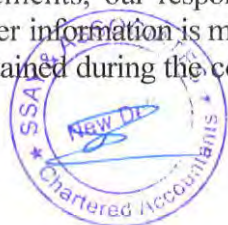
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:-

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact, we have nothing to report in this regard.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 of 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

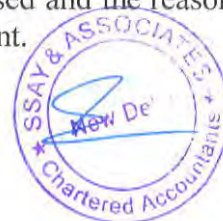
The Board of Directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operative effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

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

As required by Section 143(3) of the Act, based on our audit report 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 relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

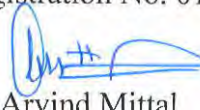


- (e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its standalone financial statements-Refer Note No. 26 to the standalone financial statements.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for SSAY & Associates
Chartered Accountants
Firm Registration No. 012493N



Arvind Mittal
Partner

Membership No. 509357



Dated: 17/05/2019
Place: New Delhi.

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Blackie & Son (Calcutta) Pvt. Ltd. of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Blackie & Son (Calcutta) Pvt. Ltd. (“the Company”) as of March 31, 2019, 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 Board of Directors of the Company 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 (the “Guidance Note”) 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 respective 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 Act.

Auditor’s Responsibility

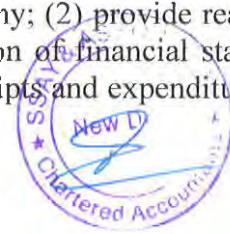
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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.

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, to the best of our information and according to the explanations given to us, 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 March 31, 2019, 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 issued by the ICAI.

for SSAY & Associates
Chartered Accountants
Firm Registration No. 012493N

Arvind Mittal
Partner

Membership No. 509357



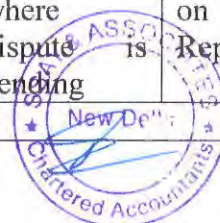
Dated: 17/05/2019
Place: New Delhi.

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Blackie & Son (Calcutta) Pvt. Ltd. of even date)

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
2. The Company did not hold any inventories during the year under review. Thus, paragraphs 2(a) and 2(b) of the Order are not applicable to the Company.
3. According to the information and explanations given to us, the Company has granted unsecured loans to its subsidiaries and associates, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans, in our opinion, prima facie, not prejudicial to the interests of the Company.
 - (b) The schedule of repayment of principal and interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amounts remaining outstanding as at the year end.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted deposits during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Act and does not have any unclaimed deposits as at March 31st, 2019 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.
6. In our opinion and according to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities *except for a few instances of delay in deposits*.
 - (b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues in arrears as at March 31, 2019, for a period of more than six months from the date they become payable.
 - (c) The dues in respect of service tax, value added tax, income tax and excise duty which have not been deposited as at March 31, 2019, on account of dispute are given below:

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Present status as the on the date of this Report
Nil					



8. The Company has neither borrowed any funds from financial institution or bank, nor issued debentures and does not have loans or borrowings from government. Accordingly, no comments are called for on defaults in repayment of such dues.
9. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under review. Therefore, no comments on utilization of those funds by the Company are called for.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.
11. According to the information and explanations given to us, managerial remuneration has been paid or provided by the Company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule-V to the Companies Act, 2013.
12. The Company is not a Nidhi Company, therefore, no comments are called for in respect of compliance with the provisions of Nidhi Rules, 2014.
13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the requisite details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The Company did not make any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, no further comments in this regard are called for.
15. Based upon the audit procedures performed and information and explanations given by the management, we report that that the Company has not undertaken any non-cash transactions with directors or persons connected with him during the year.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for SSAY & Associates
Chartered Accountants
Firm Registration No. 012493N

Arvind Mittal
Partner

Membership No. 509357



Dated: 17/05/2019
Place: New Delhi.

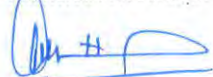
Particulars	Notes	(Amount in ₹)	
		As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3A	-	29,809
Intangible assets	3B	-	-
Financial assets			
- Investments	4A	553,00,023	553,00,023
- Loans	4C	20,00,000	20,00,000
Other non-current assets	5	-	-
Deferred tax assets (net)	6	1,58,960	2,03,064
Total non-current assets		574,58,983	575,32,896
Current assets			
Inventories	5A	-	-
Financial assets			
- Investments	4A	1,55,697	1,95,432
- Trade receivables	4B	31,00,129	16,83,411
- Loans	4C	91,99,561	85,55,278
- Cash and cash equivalents	4D	4,85,664	10,07,951
Other current assets	5	7,66,900	14,79,619
Total current assets		137,07,951	129,21,691
Total assets		711,66,934	704,54,587
Equity and liabilities			
Equity			
Equity share capital	7	1,49,000	1,49,000
Other equity			
- Retained earnings	8	246,57,591	236,16,815
- Other reserves	8	457,02,000	457,02,000
Total equity		705,08,591	694,67,815
Non-current liabilities			
Provisions	10	-	-
Other non-current liabilities	11	-	-
Total non current liabilities		-	-
Current liabilities			
Financial liabilities			
- Trade payables	9	3,19,231	2,12,270
Provisions	10	1,69,440	7,74,502
Other current liabilities	11	1,69,672	-
Total current liabilities		6,58,343	9,86,772
Total equity and liabilities		711,66,934	704,54,587
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 SSAY & Associates

ICAI Firm registration number : 012493N

Chartered Accountants

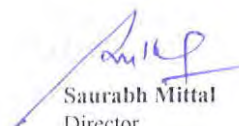


per Arvind Mittal
Partner

Membership No.: 509357



For and on behalf of the Board of Directors of
Blackie & Son (Calcutta) Pvt. Ltd.


Saurabh Mittal
Director

DIN: 01402533


Ankita Gupta
Director

DIN: 00054090

Place : New Delhi

Date : 17/05/2019

Blackie & Son (Calcutta) Pvt. Ltd.

CIN: U74899DL1979PTC014517

Statement of Profit and Loss for the period ended 31 March 2019

(Amount in ₹)

Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
I Revenue from Operations	12	13,88,939	18,70,457
II Other Income	13	7,73,227	9,45,034
III Total Income (I+II)		<u>21,62,166</u>	<u>28,15,491</u>
IV Expenses			
Employee benefits expense	14	-	-
Finance cost	15	301	4,860
Depreciation and amortisation expense	16	-	79,056
Other expenses	17	3,69,861	2,43,008
Total expenses		<u>3,70,162</u>	<u>3,26,924</u>
V Profit before exceptional items and tax (I-II)		17,92,004	24,88,567
VI Exceptional item		-	-
VII Profit before tax		<u>17,92,004</u>	<u>24,88,567</u>
VIII Tax expense:			
Current tax		4,51,852	7,19,371
Income tax adjustment related to earlier years		2,55,272	11,731
Deferred tax (credit)/ charge		44,104	86,245
Total tax expenses		<u>7,51,228</u>	<u>8,17,347</u>
IX Profit for the period		10,40,776	16,71,220
X Other Comprehensive Income			
- Items that will not be reclassified to profit or loss			
Re-measurement (gains)/losses on defined benefit plans		-	-
Tax impact on re-measurement (gain)/ loss on defined benefit plans		-	-
XI Total Comprehensive Income for the period (V + VI)		<u>10,40,776</u>	<u>16,71,220</u>
(Comprising Profit and Other Comprehensive Income for the period)			
XII Earnings per equity share:	18		
(1) Basic		6,985.07	11,216.24
(2) Diluted		6,985.07	11,216.24
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 SSAY & Associates

ICAI Firm registration number : 012493N

Chartered Accountants



per Arvind Mittal

Partner

Membership No.: 509357

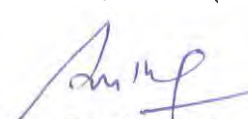


Place : New Delhi

Date : 17th May 2019

For and on behalf of the Board of Directors of

Blackie & Son (Calcutta) Pvt. Ltd.



Saurabh Mittal

Director

DIN: 01402533



Ankita Gupta

Director

DIN: 00054090

Blackie & Son (Calcutta) Pvt. Ltd.

CIN: U74899DL1979PTC014517

Cash flow statement for the period ended 31 March 2019

	(Amount in ₹)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flow from operating activities		
Profit before tax	17,92,004	24,88,567
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation expenses	-	79,056
(Profit)/loss on sale of fixed assets (net)	29,810	-
Interest income	(7,71,427)	(8,94,754)
Fair value (gains)/loss on financial instruments	39,735	-
Dividend income	(1,800)	(1,800)
Operating profit before working capital changes	10,88,322	16,71,069
Movements in working capital :		
Decrease in trade payables	1,06,961	(1,23,325)
Decrease in provisions	-	-
(Decrease) / increase in other current liabilities	1,69,672	-
Decrease in trade receivables	(14,16,718)	147,99,334
Decrease in inventories	-	-
Increase in other assets	-	-
(Increase) / decrease in loans and advances	(6,44,283)	(73,55,278)
Cash generated from operating activities	(6,96,046)	89,91,800
Direct taxes paid (net of refunds)	(5,99,468)	(6,30,853)
Net cash flow from operating activities (A)	(12,95,514)	83,60,947
Cash flows from investing activities		
Investment in Subsidiary	-	(102,00,023)
Dividends received	1,800	1,800
Interest received	7,71,427	8,94,754
Net cash flow from investing activities (B)	7,73,227	(93,03,469)
Cash flows from financing activities		
Repayment of long-term borrowings	-	-
Repayment of short term borrowing	-	-
Interest paid	-	-
Net cash used in in financing activities (C)	-	-
Net increase in cash and cash equivalents (A + B + C)	(5,22,287)	(9,42,520)
Cash and cash equivalents at the beginning of the period/year	10,07,951	19,50,471
Cash and cash equivalents at the end of the period/year	4,85,664	10,07,951
Components of cash and cash equivalents		
Cash on hand	13	63
Balances with banks		
- on current account	4,85,651	10,07,888
Total cash and cash equivalents (note 15)	4,85,664	10,07,951

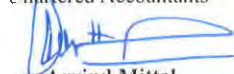
Summary of significant accounting policies (refer note 2.1)

As per our report of even date

For SSAY & Associates

ICAI Firm registration number : 012493N

Chartered Accountants



per Arvind Mittal

Partner

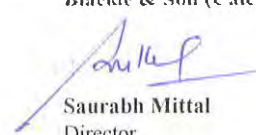
Membership No.: 509357

Place : New Delhi

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For and on behalf of the Board of Directors of
Blackie & Son (Calcutta) Pvt. Ltd.


Saurabh Mittal

Director

DIN: 01402533


Ankita Gupta

Director

DIN: 00054090

Blackie & Son (Calcutta) Pvt. Ltd.

CIN: U74899DL1979PTC014517

Statement of changes in equity for the year ended 31 March 2019

A. Equity share capital:

Particulars	No. of shares	Amount in ₹
Issued, subscribed and fully paid up (share of ₹ 1000 each)		
At 1 April 2017	149	1,49,000
Issued during the year	-	-
At 31 March 2018	149	1,49,000
Issued during the year	-	-
At 31 March 2019	149	1,49,000

B. Other equity

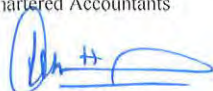
Particulars	Reserve & Surplus			Total
	Retained earnings	General reserve	Security Premium	
As at 1st April 2017	219,45,595	216,00,000	241,02,000	676,47,595
Profit for the year	16,71,220	-	-	16,71,220
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the year	16,71,220	-	-	16,71,220
As at 31st March 2018	236,16,815	216,00,000	241,02,000	693,18,815
Profit for the year	10,40,776	-	-	10,40,776
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the year	10,40,776	-	-	10,40,776
As at 31st March 2019	246,57,591	216,00,000	241,02,000	703,59,591

Summary of significant accounting policies (refer note 2.1)

For SSAY & Associates

ICAI Firm registration number : 012493N

Chartered Accountants



per Arvind Mittal

Partner

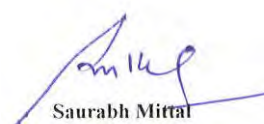
Membership No.: 509357

Place : New Delhi

Date : 17/05/2019



For and on behalf of the Board of Directors of
Blackie & Son (Calcutta) Pvt. Ltd.



Saurabh Mittal

Director

DIN: 01402533



Ankita Gupta

Director

DIN: 00054090

3A. Property, plant and equipment

Particulars	(Amount in ₹)	
	Computers	Total
Cost*		
At 1st April 2017	29,809	29,809
Additions	-	-
Disposals	-	-
As at 31 March 2018	29,809	29,809
Additions	-	-
Disposals	(29,809)	(29,809)
As at 31 March 2019	-	-
Accumulated depreciation		
As at 1 April 2017	-	-
Charge for the year	-	-
Disposals	-	-
As at 31 March 2018	-	-
Charge for the year	-	-
Disposals	-	-
As at 31 March 2019	-	-
Net block		
As at 1 April 2017	29,809	29,809
As at 31 March 2018	29,809	29,809
As at 31 March 2019	-	-

3B. Intangible assets

Particulars	(Amount in ₹)	
	License Fee	Total
Cost*		
As at 1 April 2017	4,74,171	4,74,171
Additions	-	-
Disposals	-	-
As at 31 March 2018	4,74,171	4,74,171
Additions	-	-
Disposals	-	-
As at 31 March 2019	4,74,171	4,74,171
Accumulated depreciation		
As at 1 April 2017	3,95,115	3,95,115
Charge for the year	79,056	79,056
Disposals	-	-
As at 31 March 2018	4,74,171	4,74,171
Charge for the year	-	-
Disposals	-	-
As at 31 March 2019	4,74,171	4,74,171
Net block		
As at 1 April 2017	79,056	79,056
As at 31 March 2018	-	-
As at 31 March 2019	-	-



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4. Financial Assets

4A. Investments

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
a. Investments at deemed cost		
i. Investments in equity shares of subsidiary company (Unquoted)		
6,88,357 (Previous year 6,88,357) shares of ₹ 10 each fully paid up in M/s BPI India Private Limited	553,00,023	553,00,023
b. Investments at Fair value through profit and loss		
i. Investments in equity shares (Quoted)		
125 (Previous year 125) shares of ₹ 10 each fully paid up in M/s Reliance Power Limited	1,417	4,512
400 (Previous year 400) shares of ₹ 10 each fully paid up in M/s EIH Associated Hotel Limited	1,54,280	1,90,920
10,000 (Previous year 10,000) shares of ₹ 10 each fully paid up in M/s Bharat Glass Tubes Limited	-	-
Net investments	554,55,720	554,95,455
Current	1,55,697	1,95,432
Non-Current	553,00,023	553,00,023

4B. Trade receivables

Particulars	As at	
	31 March 2019	31 March 2018
Trade receivables		
Unsecured, considered good	31,00,129	16,83,411
Doubtful	-	-
	31,00,129	16,83,411
Other receivables		
Unsecured, considered good	-	-
	-	-
Net Trade receivables	31,00,129	16,83,411
Current	31,00,129	16,83,411
Non-Current	-	-

4C. Loans

Particulars	As at	
	31 March 2019	31 March 2018
Loans and advances to related parties		
Unsecured, considered good	79,99,561	73,05,278
Advances recoverable in cash or kind (refer note (a) below)		
Unsecured, considered good	12,00,000	12,50,000
Other loans		
Unsecured, considered good	20,00,000	20,00,000
Total Loans and Advances	111,99,561	105,55,278
Current	91,99,561	85,55,278
Non-Current	20,00,000	20,00,000

4D. Cash and cash equivalents

Particulars	As at	
	31 March 2019	31 March 2018
Balances with banks		
- In current accounts	4,85,651	10,07,888
Cash in hand	13	63
Total Cash and cash equivalents	4,85,664	10,07,951
Current	4,85,664	10,07,951
Non-Current	-	-



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5. Other Assets

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Income Tax Refund	7,66,900	14,79,619
Accrued income	-	-
Total Other assets	7,66,900	14,79,619
Current	7,66,900	14,79,619
Non-Current	-	-

5A. Inventories

Particulars	As at	As at
	31 March 2019	31 March 2018
Finished goods-traded goods (at lower of cost and net realisable value)	-	-
Total Other assets	-	-

6. Deferred taxes

Particulars	As at	As at
	31 March 2019	31 March 2018
Items leading to creation of deferred tax assets		
Impact of expenditure charged to the statement of profit and loss account in the current year but allowed for tax purposes on payment basis in subsequent years	-	-
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	1,58,960	1,77,314
Others	-	25,750
Total deferred tax assets	1,58,960	2,03,064
Items leading to creation of deferred tax liabilities		
Others	-	-
Total deferred tax liabilities	-	-
Net deferred tax assets/(liabilities)	1,58,960	2,03,064

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7. Share Capital

	As at 31 March 2019	As at 31 March 2018
Authorised		
500 (31 March 2018: 500) equity shares of ₹ 1000/- each (31 March 2018: equity shares of ₹ 1000 each)	5,00,000	5,00,000
Issued, subscribed and fully paid equity capital		
149 (31 March 2018: 149) equity shares of ₹ 1000/- each (31 March 2018: equity shares of ₹ 1000 each)	1,49,000	1,49,000
	1,49,000	1,49,000

7A. Issued, subscribed and fully paid equity capital

Particulars	No. of shares	Amount in ₹
At 1 April 2017	149	1,49,000
Issued during the year	-	-
At 31 March 2018	149	1,49,000
Issued during the year	-	-
At 31 March 2019	149	1,49,000

7B. Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 1,000 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2019, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (PY Rs. 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.

7C. Equity shares held by Holding Company

Out of equity shares issued by the Company, shares held by its Holding Company as below

Particulars	As at 31 March 2019	As at 31 March 2018
S Chand And Company Limited, the Holding Company	1,49,000	1,49,000
149 (31 March 2019: 149) equity shares of ₹ 1000 each fully paid up (1 share held in the name of Mr. Wamanbhai Gupta as nominee of or beneficial interest of S Chand And Company Limited)		

7B. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	No. of shares	% of Holding
S Chand And Company Limited, the Holding Company		
As at 1 April 2017	149	100%
As at 31 March 2018	149	100%
As at 31 March 2019	149	100%

8. Other equity

Particulars	As at 31 March 2019	As at 31 March 2018
Securities Premium Account		
Balance at the beginning of the year	241,02,000	241,02,000
Increase/(decrease) during the year	-	-
Balance at the end of the year	241,02,000	241,02,000
General Reserve		
Balance at the beginning of the year	216,00,000	216,00,000
Increase/(decrease) during the year	-	-
Balance at the end of the year	216,00,000	216,00,000
Retained earnings		
Balance at the beginning of the year	236,16,815	219,45,595
Profit/(loss) for the year	19,40,776	16,71,220
Balance at the end of the year	246,57,591	236,16,815

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9. Trade payables

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Current		
Trade payables of micro enterprises and small enterprises	-	-
Trade payables of related entities	-	-
Trade payables other than micro enterprises and small enterprises	3,19,231	2,12,270
Total Trade payables	<u>3,19,231</u>	<u>2,12,270</u>
Current	3,19,231	2,12,270
Non current	-	-

10. Provisions

Particulars	As at	
	31 March 2019	31 March 2018
Provision for gratuity	-	-
Provision for income tax (net of advance tax)	1,69,440	7,74,502
Total Provisions	<u>1,69,440</u>	<u>7,74,502</u>
Current	1,69,440	7,74,502
Non current	-	-

11. Other liabilities

Particulars	As at	
	31 March 2019	31 March 2018
Statutory dues	1,69,672	-
Total Other liabilities	<u>1,69,672</u>	<u>-</u>
Current	1,69,672	-
Non current	-	-

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12. Revenue From Operations

Particulars	(Amount in ₹)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of services		
Royalty Income	13,88,939	18,70,457
Total revenue from operations	13,88,939	18,70,457

13. Other Incomes

13.1 Finance Income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Interest income	
- on others	7,71,427	8,94,754
Total finance income	7,71,427	8,94,754

13.2 Other Income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Dividend Income on non-current investment	1,800
Fair value gains on financial instruments	-	48,480
Total other income	1,800	50,280

14. Employee Benefits Expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Salaries, wages and bonus	-
Total employee benefits expenses	-	-

15. Finance Cost

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Bank charges	301
Total finance cost	301	4,860

16. Depreciation and Amortization Expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Depreciation of property, plant & equipment	-
Total depreciation and amortization expenses	-	79,056

17. Other Expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Legal and professional fee	1,58,666
Payment to auditor (refer details below)	1,41,600	94,400
Fair value loss on financial instruments	39,735	-
Loss on sale of fixed assets (net)	29,810	-
Miscellaneous expenses	50	90
Total other expenses	3,69,861	2,43,008

Payment to auditor

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	As auditor	
Audit fee	1,41,600	94,400
Out of pocket expenses	-	-
	1,41,600	94,400



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18. 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 2019	For the year ended 31 March 2018
Profit attributable to equity holders of the company	10,40,776	16,71,220
Weighted average number of equity shares used for computing Earning per Share (Basic &	149	149
Basic EPS	6,985.07	11,216.24
Diluted DPS	6,985.07	11,216.24

19. Significant accounting estimates and assumptions

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Taxes

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and reassert management's best estimate about future developments.

20. Related Party Disclosures

A. Names of related parties and related party relationship

Related parties where control exists

Holding Company : S Chand and Company Limited

Related parties with whom transactions have taken place during the period/year

Fellow subsidiaries : BPI (India) Pvt. Ltd.
 : D S Digital Pvt. Ltd.
 Key Management Personnel : Mrs. Neerja Jhunjhunwala, Director
 : Mrs. Ankita Gupta, Director
 : Mr. Saurabh Mittal, Director

B. Related Party transactions

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

i. Transaction with the related parties

Nature of Transactions	Period/ Year ended	Holding Company	Fellow subsidiaries	Key Management Personnel	Total
Loans given D S Digital Pvt. Ltd.	31 March 2019	-	-	-	-
	31 March 2018	-	1,65,00,000	-	1,65,00,000
Loans repayment received D S Digital Pvt. Ltd.	31 March 2019	-	-	-	-
	31 March 2018	-	1,00,00,000	-	1,00,00,000
Interest income from loan given D S Digital Pvt. Ltd.	31 March 2019	-	7,71,427	-	7,71,427
	31 March 2018	-	8,94,754	-	8,94,754
Royalty S Chand and Company Limited	31 March 2019	13,88,939	-	-	13,88,939
	31 March 2018	18,70,457	-	-	18,70,457
Investment In Subsidiary BPI (India) Pvt. Ltd.	31 March 2019	-	-	-	-
	31 March 2018	-	1,02,00,023	-	1,02,00,023



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ii. **Outstanding Balance at the year end**

Nature of Transactions	Period/year ended	Holding Company	Fellow Subsidiaries	Key Management Personnel	Total
Loans and Advances					
D S Digital Pvt. Ltd.	31 March 2019	-	79,99,561	-	79,99,561
	31 March 2018	-	73,05,278	-	73,05,278
Trade Receivable					
S Chand and Company Limited	31 March 2019	31,00,129	-	-	31,00,129
	31 March 2018	16,83,411	-	-	16,83,411
Vikas Publishing House Pvt. Ltd.	31 March 2019	-	-	-	-
	31 March 2018	-	-	-	-
Investment In Subsidiary					
BPI (India) Pvt. Ltd.	31 March 2019	-	5,53,00,023	-	5,53,00,023
	31 March 2018	-	5,53,00,023	-	5,53,00,023

21. **Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006**

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

22. **Segment reporting**

The Company has only one reportable business segment, which is right of use given to Holding Company (S Chand and Company Limited) w.r.t. publication rights and operates in a single business segment based on the nature of the services, the risk and returns, the organization structure and the internal financial reporting systems. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.



23. Fair Values

The fair values of financial instruments by categories is as under:

Particulars	31 March 2019			31 March 2018		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Assets						
Non Current Financial assets						
- Investment	-	553,00,023	-	-	553,00,023	-
Current Financial assets						
- Investment	-	1,55,697	-	-	1,95,432	-
- Trade receivables	31,00,129	-	-	16,83,411	-	-
- Loans	91,99,561	-	-	85,55,278	-	-
- Cash and cash equivalents	4,85,664	-	-	10,07,951	-	-
Current Financial liabilities						
- Trade payables	3,16,231	-	-	2,12,270	-	-

The fair values of current financial assets like trade receivables, loans and cash & cash equivalents and current financial liabilities like trade payables are considered to be same as their carrying values due to their short term nature.

The carrying amounts of other current items carried at amortized cost are reasonable approximation of their fair values.

The Company classifies all its financial assets and financial liabilities to be measured at amortized cost except investments which is classified as fair value through profit & loss (FVTPL). Hence the company has not classified its financial instruments into three levels of fair value measurement hierarchy in accordance with the relevant accounting standards

24. Amalgamation Scheme Information

The Holding Company, S Chand and Company Limited had filed Draft Composite Scheme of Arrangement on January 9, 2018, amongst Blackie & Sons (Calcutta) Private Limited, Nirja Publishers and Printers Private Limited, DS Digital Private Limited Safari Digital Education Initiatives Private Limited and S Chand and Company Limited (Company) and their respective shareholders and creditors (Composite Scheme) with BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) and Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular). The S Chand and Company Limited shall file the Scheme with National Company Law Tribunal (NCLT), post approval from BSE and NSE.

25. Standards issued but yet effective (effective from 01.04.2019.)

Ind AS 116 Leases was notified in October 2018 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for leases - leases of low value assets (e.g., personal computers) and short term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e. lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. right of use asset). Lessees will be required to separately recognize the interest expense on the liability and the depreciation expense on the right-of-use asset. Lessees will also be required to re-measure the lease liability upon the occurrence of certain events (eg, a change in the lease term, a change in future lease payments resulting from change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the re-measurement of the lease liability as an adjustment to the right of use asset. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases operating and finance leases. Ind AS 116, which is effective for annual periods beginning on or after 1 April 2019, requires lessees and lessors to make more extensive disclosures than under Ind AS 17."

26. Previous year figures

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

The accompanying notes are an integral part of the financial statements.
As per our report of even date

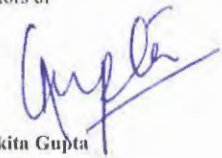
For SSAY & Associates
Chartered Accountants
Firm Registration No. 012493N

per Arvind Mittal
Partner
Membership No.: 509357



For and on behalf of the Board of Directors of
Blackie & Son (Calcutta) Pvt. Ltd.


Saurabh Mittal
Director
DIN: 01402533


Ankita Gupta
Director
DIN: 00054090

Place : New Delhi
Date : 17/05/2019

1. Corporate information

Blackie & Son (Calcutta) Private Limited (the Company) is a Private Company incorporated under the provisions of the Companies Act, 1956. The Company is wholly owned subsidiary of S Chand and Company Limited, which is holding company for all publishing business of S Chand Group.

These are standalone financial statements and, accordingly, these Indian Accounting Standard (Ind AS) financial statements incorporate amounts and disclosures related to the Company only.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2019, the Company prepared its standalone financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounting Standards) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP).

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

The financial statements are presented in INR (Indian Rupees) and all values are rounded to the nearest Rupee, except when otherwise indicated.

2.2 Summary of significant accounting policies

a.) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

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



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The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current.

b.) Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

c.) Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as valuation of unquoted investments and significant liabilities such as contingent consideration, where ever applicable. At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company's management or its experts verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

d.) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

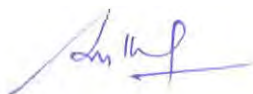
Sale of services

Revenue from the sale of services includes income from royalty, which is recognised on accrual basis in accordance with the terms of agreement entered

Interest income

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

For all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.



Dividend income

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

e.) Income taxes

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

Current income tax

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

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

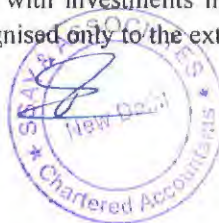
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the



temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

f.) Property, plant and equipment

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

On transition to Ind AS, the Company has elected to continue with the carrying value for all its item of property, plant and equipment as recognised in its Indian GAAP financial as deemed cost at the transition date, viz. 1st April 2016.

Capital work in progress, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in the profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use, is included in the cost of the respective asset if the recognition criteria for a provision are met.



An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognising of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment was being provided on straight line method.

Depreciation on property, plant and equipment, other than leasehold improvements, have been provided on pro-rata basis, on the straight line method, using rates determined based on management's technical assessment of useful economic life of the assets.

Followings are the estimated useful lives of various category of assets used.

Category of assets	Useful life as adopted by management	Useful life as per Schedule II
Vehicle	10 years	8 years
Computer	6 years	3 years

Assets costing ₹ 5,000 or less are depreciated entirely in the year of purchase.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

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

g.) Borrowing costs

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

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

h.) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

i.) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

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

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

j.) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets



Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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



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Equity investments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

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

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's standalone balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.



All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss

Re-classification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k.) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

l.) Contingencies

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

m.) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

n.) Earnings Per Share (EPS)

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

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

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